

**STATE OF NORTH CAROLINA  
UTILITIES COMMISSION  
RALEIGH**

DOCKET NO. W-1259, SUB 5  
DOCKET NO. W-1328, SUB 6

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of  
Application of Meadowlands Development, )  
LLC and Red Bird Utility Operating Company, ) ORDER SCHEDULING HEARINGS,  
LLC, d/b/a Red Bird Water for Transfer of ) ESTABLISHING DISCOVERY  
Public Utility Franchise in Meadowlands ) GUIDELINES, AND REQUIRING  
Subdivision in Davidson County, North ) CUSTOMER NOTICE  
Carolina, and for Approval of Rates )

BY THE COMMISSION: On October 9, 2020, as amended October 21, 2020, Meadowlands Development, LLC (Meadowlands), and Red Bird Utility Operating Company, LLC d/b/a Red Bird Water (Red Bird) filed with the Commission a joint Application for Transfer of Public Utility Franchise and for Approval of Rates (Application) seeking authority to transfer the wastewater utility systems and public utility franchise serving Meadowlands subdivision in Davidson County, North Carolina, from Meadowlands to Red Bird, and approval of rates. Meadowlands currently serves 558 residential flat-rate sewer customers.

Upon acquisition, Red Bird plans to make approximately \$33,000 in capital improvements to the Meadowlands wastewater utility system, including installing remote monitoring at three lift stations, repairing a valve vault, and installing a heating element in a pump control panel. Based on Red Bird's estimated costs for improvements, due diligence costs, and the purchase price of the Meadowlands wastewater utility system, the approximate annual revenue requirement associated with the capital expenditure is \$74,325 or \$11.10 per customer per month for 25 years, subject to true-up.

The present rates for Meadowlands' customers of \$45.31 per customer per month were approved in Docket Nos. W-1259, Sub 4 and M-100, Sub 138, and have been in effect since April 2, 2015.

On January 5, 2021, the Public Staff filed a deficiency letter outlining information that was needed to complete the Application.

On July 12, and August 2, 2021, and December 7, 2022, Red Bird filed additional information to address the issues identified in the Public Staff's January 5, 2021, letter.

On June 15, 2023, Red Bird filed a letter with the Commission indicating that it considered the Application complete.

On July 25, 2023, the Public Staff filed a second deficiency letter outlining additional, updated information that was needed to complete the Application and recommended that the Commission determine that the Application is incomplete. On July 28, 2023, the Commission issued an Order Determining Application Incomplete.

Pursuant to the Commission's order, on August 7, 2023, Red Bird filed additional information to address the issues identified in the Public Staff's July 25, 2023, letter.

On August 14, 2023, the Public Staff filed a third deficiency letter stating that it reviewed the additional information provided by Red Bird on August 7, 2023, and that the Application remains incomplete. The Public Staff's letter outlined the information needed to complete the Application and recommended that the Commission determine that the Application is incomplete.

On August 17, 2023, Red Bird filed additional information to address the issues identified in the Public Staff's August 14, 2023, letter. On August 23, 2023, the Public Staff filed a fourth deficiency letter outlining information still needed to complete the Application and recommended that the Commission determine that the Application is incomplete. On September 13, 2023, the Commission issued a Second Order Determining Application Incomplete.

On December 15, 2023, Red Bird filed additional information to address the deficiencies outlined in the Public Staff's August 23, 2023, letter.

On December 29, 2023, the Public Staff filed a letter with the Commission indicating that this docket now includes all the information required for a complete Application.

On January 2, 2024, the Commission issued an Order Finding Application Complete and Requiring the Public Staff to Provide Specific Application Data. On January 9, 2024, the Public Staff provided information requested in the Commission's January 2, 2024 Order.

Based upon the foregoing, and the recommendation of the Public Staff, the Commission hereby establishes the procedural schedule, including filing requirements of Meadowlands, Red Bird, the Public Staff, and other parties, and requires that Meadowlands provide public notice to all affected customers of the Application, including the applied for rates and the scheduled hearings.

The guidelines regarding discovery in this docket, subject to modification for good cause shown, are as follows:

1. Any deposition which a party desires to take shall be taken before the deadline for filing of the Public Staff and intervenor testimony. Notice of deposition shall be served on all parties at least 7 days prior to the taking of the deposition. Notice of deposition and all other discovery notices, requests and motions shall be served on the

appropriate parties by hand delivery or facsimile, or by electronic delivery if the receiving party has agreed to receipt by electronic delivery.

2. Any motion for subpoena of a witness to appear at the expert witness hearing shall be filed with the Commission before the deadline for the filing of the Public Staff and intervenor testimony, shall be served by hand delivery or facsimile to the person sought to be subpoenaed at or before the time of filing with the Commission, and shall make a reasonable showing that the evidence of such person will be material and relevant to an issue in the proceeding. See N.C. Gen. Stat. § 62-62. Unless an objection is filed, the Chief Clerk shall issue the requested subpoena 24 hours after such motion is filed.

3. Formal discovery requests related to the Application and Meadowlands and Red Bird's prefiled direct testimony shall be served on Meadowlands or Red Bird, or both, not later than 5 calendar days prior to the deadline for filing of the Public Staff and intervenor testimony. The party served shall have up to 3 calendar days to file with the Commission objections to discovery requests on an item-by-item basis, but in no event shall objections be filed later than 10 calendar days prior to the deadline for the filing of the Public Staff and intervenor testimony.

4. Formal discovery requests of the Public Staff or intervenors shall be served not later than 5 calendar days after such testimony is filed. The party served shall have up to 3 business days to file with the Commission objections to the discovery requests on an item-by-item basis, but in no event shall objections be filed later than 9 calendar days after that party's testimony is filed.

5. Formal discovery requests related to prefiled rebuttal testimony shall be served on Meadowlands or Red Bird, or both, not later than 3 business days after such testimony is filed. The party served shall have up to 3 calendar days to file with the Commission objections to the discovery requests on an item-by-item basis, but in no event shall objections be filed later than 3 business days after rebuttal testimony was filed. Discovery related to rebuttal testimony shall be limited to new material introduced in such rebuttal testimony and will be carefully scrutinized upon objection that such discovery should have been sought during the initial period of discovery.

6. Discovery requests need not be filed with the Commission when served; however, any party filing objections shall attach a copy of the relevant discovery request to the objections. Each discovery request, or part thereof, to which no objection is filed shall be answered by the time objections are due, subject to other agreement of the affected parties or other order of the Commission. Upon the filing of objections, the party seeking discovery shall have 2 calendar days to file a motion to compel with the Commission, and the party objecting to discovery shall have 1 calendar day thereafter to file a response. All objections, motions to compel, and responses shall be served on the other affected party at or before the time of filing with the Commission.

7. A party shall not be granted an extension of time to pursue discovery because of that party's late intervention or other delay in initiating discovery.

The Commission recognizes that in the past most discovery has been conducted in an informal manner without the need for Commission involvement or enforcement, and that such has been generally successful. The above guidelines are without prejudice to the parties conducting informal discovery or exchanging information by agreement at any time with the understanding that such will not be enforceable by the Commission if outside the guidelines.

IT IS, THEREFORE, ORDERED as follows:

1. That a hearing for the purpose of receiving public witness testimony on the Application shall be, and is hereby, scheduled to begin at 7:00 p.m. on Monday, February 26, 2024, in the Davidson County Courthouse, 110 West Center Street, Courtroom 6, Lexington, North Carolina 27292; *That the Commission may cancel the public witness hearing if no significant protests are received on or before Friday, February 16, 2024;*

2. That the public witness hearing will be conducted solely for the purpose of receiving the testimony of customers in accordance with Commission Rule R1-21(g). The Commission reserves the right to limit testimony at the public witness hearing pursuant to Commission Rule R1-21(g)(5);

3. That a hearing for the purpose of receiving expert witness testimony on the Application is scheduled to begin at 2:00 p.m. on Monday, April 8, 2024, and continuing as necessary until conclusion. The hearing will be held in Commission Hearing Room 2115, Dobbs Building, 430 North Salisbury Street, Raleigh, North Carolina 27603;

4. That the parties shall comply with the discovery guidelines established herein and shall work in a cooperative manner as to discovery;

5. That petitions to intervene in this proceeding shall be filed pursuant to Commission Rules R1-5 and R1-19 not later than Monday, March 11, 2024;

6. That Meadowlands and Red Bird's prefiled direct testimony and exhibits shall be filed on or before Thursday, February 8, 2024;

7. That the Public Staff and other intervenors prefiled direct testimony and exhibits of shall be filed on or before Wednesday, February 28, 2024;

8. That Meadowlands and Red Bird's prefiled rebuttal testimony and exhibits, if any, shall be filed on or before Tuesday, March 19, 2024;

9. That an officer or representative from both Meadowlands and Red Bird are required to appear before the Commission at the time and place of the expert witness hearings to testify concerning any of the information contained in the Application;

10. That any parties filing supporting exhibits in PDF format shall provide the Commission Staff electronic versions of the exhibits filed in native Excel format via email at NCUCexhibits@ncuc.net, including all of the supporting tabs and formulas, within three days of the filing of such exhibits (or within three days of the issuance of this order if already filed with the Commission); and that any parties filing exhibits and workpapers that include tables of numbers and calculations shall provide the Public Staff and any other party upon request an electronic version of all such exhibits and workpapers, with formulas intact;

11. That Meadowlands and Red Bird shall consult with all other parties and file, no later than Monday, April 1, 2024, a list of witnesses to be called at the expert witness hearing, the order of witnesses, and each party's estimated time for cross-examination. If the parties cannot agree, the remaining parties shall, no later than noon on Friday, April 5, 2024, make a filing indicating their points of disagreement with Meadowlands and Red Bird's filing; and

12. That Meadowlands and Red Bird shall consult with the Public Staff to develop a Notice to Customers to be delivered to all affected customers and shall file the proposed Notice to Customers for approval by the Commission no later than 4 business days after the date of this Order.

ISSUED BY ORDER OF THE COMMISSION.

This the 22nd day of January, 2024.

NORTH CAROLINA UTILITIES COMMISSION

A handwritten signature in black ink, appearing to read "Tamika D. Conyers". The signature is written in a cursive, flowing style.

Tamika D. Conyers, Deputy Clerk