



**NORTH CAROLINA
PUBLIC STAFF
UTILITIES COMMISSION**

August 3, 2021

VIA ELECTRONIC MAIL

Mr. Daniel C. Higgins, Esq.
Burns, Day & Presnell, P.A.
Post Office Box 10867
Raleigh, North Carolina 27605

Re: Proposed Transfer of Total Environmental Solutions, Inc. to Red Bird Utility Operating Company, LLC, d/b/a Red Bird Water, Docket Nos.: W-1146, Sub 13 and W-1328, Sub 10

Dear Mr. Higgins:

The Public Staff has carefully reviewed your transfer application for the Total Environmental Solutions water and wastewater utility systems.

The Public Staff found the following material deficiencies in the application that must be addressed for the application to be complete. They are as follows:

1. The Application is missing appraisals or similar documentation supporting the purchase price agreed to in the Agreement for Sale of Utility System dated February 4, 2021, and provided in Confidential Attachment F.
2. Exhibit B is not included with Confidential Attachment F, Agreement for Sale of Utility System. The Agreement for Sale of Utility System Purchase needs to include the service area description, description of land and improvements, easements, leases, and personal property and equipment included in the sale.

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August 3, 2021
Page Two

3. The Application, page 7, items 1 and 2 stipulate, respectively, identification of major improvements/additions and major replacements required in the next five years and next ten years. The referenced Attachment H, Engineering Memorandum prepared by McGill Associates, only covers through 5 years, but not 10 years as required. Please provide the improvements, additions and replacements required in the next 10 years.

Please provide and file with the Chief Clerk the required information described above as soon as reasonably possible, so the Public Staff can continue to process your Application.

If you have any questions, please do not hesitate to contact me at (919) 733-0977 or Mike Franklin at (919) 715-2666.

Sincerely,

Electronically submitted
/s/ William E. Grantmyre
Staff Attorney
william.grantmyre@psncuc.nc.gov

cc: Chief Clerk
Mike Franklin
Windley Henry
Tyler Allison