

PLACE: Via WebEx Videoconference

DATE: Monday, August 3, 2020

TIME: 1:30 p.m. - 4:20 p.m.

DOCKET NO.: W-218, Sub 526

BEFORE: Commissioner ToNola D. Brown-Blair, Presiding

Chair Charlotte A. Mitchell

Commissioner Lyons Gray

Commissioner Daniel G. Clodfelter

Commissioner Kimberly W. Duffley

Commissioner Jeffrey A. Hughes

Commissioner Floyd B. McKissick, Jr.

IN THE MATTER OF:

Application by Aqua North Carolina, Inc.,
202 MacKenan Court, Cary, North Carolina 27511,
for Authority to Adjust and Increase Rates
for Water and Sewer Utility Service in
All of Its Service Areas in North Carolina.

VOLUME: 9

A P P E A R A N C E S:

FOR AQUA NORTH CAROLINA, INC.:

Jo Anne Sanford, Esq.

Sanford Law Office, PLLC

Post Office Box 28085

Raleigh, North Carolina 27611-8085

Robert H. Bennink, Jr., Esq.

Bennink Law Office

130 Murphy Drive

Cary, North Carolina 27513

FOR THE USING AND CONSUMING PUBLIC AND ON BEHALF OF THE
STATE AND ITS CITIZENS IN THIS MATTER THAT AFFECTS THE
PUBLIC INTEREST:

Teresa L. Townsend, Esq.

Special Deputy Attorney General

North Carolina Department of Justice

Post Office Box 629

Raleigh, North Carolina 27602

A P P E A R A N C E S Cont'd:

FOR THE USING AND CONSUMING PUBLIC:

Megan Jost, Esq.

William E. Grantmyre, Esq.

William E. H. Creech, Esq.

Public Staff - North Carolina Utilities Commission

4326 Mail Service Center

Raleigh, North Carolina 27699-4300

T A B L E O F C O N T E N T S

E X A M I N A T I O N S

MICHELLE RAYMOND PAGE

Direct Examination By Mr. Grantmyre..... 24

Cross Examination By Ms. Sanford..... 28

Examination By Chair Mitchell..... 30

Examination By Commissioner Hughes..... 31

LORA ALEXANDER PAGE

Direct Examination By Mr. Grantmyre..... 34

Examination By Commissioner Brown-Bland..... 38

Examination By Mr. Grantmyre..... 44

BECKY DANIEL PAGE

Direct Examination By Mr. Grantmyre..... 47

Examination By Commissioner Hughes..... 54

Examination By Ms. Sanford..... 56

EVAN BROWN PAGE

Direct Examination By Mr. Grantmyre..... 58

BRAD PHILLIPS PAGE

Direct Examination By Mr. Grantmyre..... 62

Cross Examination By Ms. Sanford..... 68

PATRICK D' ANDREA PAGE

Direct Examination By Mr. Grantmyre..... 71

Cross Examination By Mr. Bennink..... 77

1	DENNIS KRETZINGER	PAGE
2	Direct Examination By Mr. Grantmyre.....	79
3	DENNIS GERSHOWITZ	PAGE
4	Direct Examination By Mr. Grantmyre.....	83
5	Cross Examination By Mr. Bennink.....	88
6	MICHAEL THOMPSON	PAGE
7	Direct Examination By Mr. Grantmyre.....	89
8	Examination By Chair Mitchell.....	97
9	Examination By Commissioner McKissick.....	99
10	Examination By Commissioner Duffley.....	100
11	Examination By Commissioner McKissick.....	101
12	Examination By Commissioner Brown-Blair.....	102
13	Examination By Mr. Bennink.....	103
14	HUSHER EDMONDS	PAGE
15	Direct Examination By Mr. Grantmyre.....	105
16	CAREY CAMP	PAGE
17	Direct Examination By Mr. Grantmyre.....	108
18	Cross Examination By Mr. Bennink.....	115
19	Examination By Chair Mitchell.....	116
20	Examination By Commissioner Brown-Blair.....	117
21	SHEEBA JUMMA	PAGE
22	Direct Examination By Mr. Grantmyre.....	119
23	Cross Examination By Mr. Bennink.....	121
24	Examination By Commissioner Hughes.....	122

1	OLIVER BACASSE	PAGE
2	Direct Examination By Mr. Grantmyre.....	123
3	Examination By Commissioner Brown-Bl and.....	132
4	Examination By Mr. Grantmyre.....	133
5	Examination By Mr. Bennink.....	135

E X H I B I T S

I D E N T I F I E D / A D M I T T E D

9	Becky Daniel Exhibit 1.....	- /53
10	Camp Exhibit 1.....	115/115

11

12

13

14

15

16

17

18

19

20

21

22

23

24

P R O C E E D I N G S

COMMISSIONER BROWN-BLAND: Good afternoon. Let's come to order and go on the record. I am Commissioner Tola D. Brown-Bland, presiding commissioner for this docket, and with me this afternoon via remote connection are Chair Charlotte A. Mitchell, and Commissioners Lyons Gray, Daniel G. Clodfelter, Kimberly W. Duffley, Jeffrey A. Hughes, and Floyd B. McKissick.

I now call for hearing Docket Number W-218, Sub 526, In the Matter of Application by Aqua North Carolina, Inc., 202 MacKenan Court, Cary, North Carolina 27511, for Authority to Increase Rates for Water and Sewer Utility Service in All of Its Service Areas in North Carolina.

On December 31, 2019, Aqua North Carolina, Inc., hereafter sometimes referred to as Aqua, Company, or Applicant, filed an application with the Commission seeking authority to increase its rates for water and sewer utility service in all of its North Carolina service areas.

On February 14, 2020, the Commission issued an order establishing a general rate case,

1 scheduling hearings, and requiring customer notice.
2 The order scheduled six public hearings throughout
3 the Company's service territory for the sole
4 purpose of hearing from customers regarding the
5 Company's application and quality of service. The
6 order scheduled a hearing in Raleigh to begin on
7 June 23, 2020, at 9:30 a.m. to receive testimony
8 from the parties' expert witnesses.

9 On March 31, 2020, the Commission issued
10 an order postponing the public hearings in response
11 to the issuance of the Governor's Executive Order
12 Number 116, which declared a state of emergency in
13 North Carolina to coordinate responsive and
14 protective actions to prevent the spread of the
15 coronavirus, and which restricted public gatherings
16 in an effort to contain the spread of the virus.

17 The hearing for receipt of expert
18 witness testimony began on June 23, 2020, in
19 Raleigh as scheduled, but in order to comply best
20 with the State's protections against the spread of
21 the virus, the hearing was recessed prior to the
22 receipt of evidence until July 6, 2020. Notice was
23 given at that time that the hearing would resume by
24 virtual means using the WebEx electronic format.

1 On June 29, 2020, the Commission issued
2 an order rescheduling the public hearing portion of
3 the proceedings and requiring customer notice. The
4 public hearing was scheduled to be held today,
5 August 3rd, 2020, in two sessions; this afternoon
6 from 1:30 to 4:30 and this evening from 6:30 to
7 10:30. Subject to the presiding Commissioner's
8 discretion, each session will end at the conclusion
9 of the last witness' testimony or at or about the
10 designated time for conclusion, whichever is
11 earlier.

12 In addition to the Company, the formal
13 legal parties participating in these proceedings
14 are the Public Staff, whose intervention and
15 participation on behalf of the using and consuming
16 public is recognized pursuant to North Carolina
17 General Statute 62-15(d) and Commission Rule
18 R01-19(e), and the North Carolina Attorney
19 General's Office whose petition to intervene was
20 filed and recognized pursuant to North Carolina
21 General Statute 62-20.

22 At the request of the Company and the
23 Public Staff, the expert witness portion of the
24 hearing resumed on July 8, 2020, by WebEx, rather

1 than on July 6, 2020. Evidence introduced by the
2 Company, the Public Staff, and the Attorney
3 General's Office was admitted and received into
4 evidence during the course of the hearing.

5 Now, for the benefit of the public and
6 those customers wishing to testify before the
7 Commission, I will provide a brief summary of the
8 Company's application for an increase in rates.

9 In its application as filed, the Company
10 requested an 11.2 percent increase over the total
11 revenue generated by the current rates with
12 exception of approved tariff revisions to both
13 purchased water and sewer systems. The application
14 stated that the requested increase is necessary
15 primarily due to increased capital investment and
16 operating costs required to comply with service and
17 regulatory obligations, increased operating
18 expenses to maintain or upgrade the existing level
19 of service, and changes in consumption which
20 occurred during the test year and continued through
21 the application filing.

22 Also in its application, Aqua sought,
23 among other things, approval of a consumption
24 adjustment mechanism and proposed a conservation

1 rate pilot program for residential customers in
2 four systems in its Aqua water rate division as
3 well as its Fairways water rate division.

4 Aqua requested to reset to zero its
5 Commission-approved water and sewer improvement
6 charges until approval of a subsequent semi annual
7 water and sewer improvement charge application, as
8 allowed by statute.

9 The Company also requested elimination
10 of certain adjustments to calculate and disallow
11 excess capacity cost in its Aqua sewer rate
12 division. Those adjustments have been made in the
13 Company's last rate case.

14 Before the expert witness hearing
15 resumed on July 8th, the Company had withdrawn its
16 request for approval of a consumption adjustment
17 mechanism. The Company and the Public Staff filed
18 a partial settlement agreement and stipulation with
19 the Commission on July 1st, resolving among them
20 all but 4 of the 19 contested issues in this
21 proceeding. Pursuant to the stipulation, the
22 Company agreed it would withdraw its request for
23 authority to apply a conservation normalization
24 factor and for deferral accounting treatment for

1 capital improvements placed in service between rate
2 cases. The Public Staff agreed it would not pursue
3 an excess capacity disallowance in this proceeding.

4 Rather than the requested 11.2 percent
5 increase in operating revenues, the Public Staff
6 and the Company agreed to a 5.2 percent revenue
7 increase. The stipulation is between the Public
8 Staff and the Company and is subject to the
9 approval of the Commission, and the Commission has
10 made no decision approving or disapproving the
11 stipulation.

12 Pursuant to North Carolina General
13 Statute 62-135, the Company elected to implement,
14 effective July 30, 2020, temporary rates under
15 bond. Those temporary rates aligned with the
16 stipulated 5.2 percent revenue increase.

17 On July 2, 2020, the Commission issued
18 an order approving Aqua's revised customer notices
19 and accepting its financial undertaking as required
20 by law.

21 If the temporary rates are ultimately
22 found to be excessive by the final order of the
23 Commission in this proceeding, the portion of the
24 temporary rates collected in excess of the

1 Commissioner -- Commission-determined just and
2 reasonable rates will be refunded to customers with
3 interest at the rate of 10 percent.

4 That brings us to today's public
5 hearing. Pursuant to General Statute 163A-159(e),
6 I remind members of the Commission of our duty to
7 avoid conflicts of interest and inquire at this
8 time as to whether any Commissioner has any known
9 conflict of interest with respect to this docket.

10 (No response.)

11 COMMISSIONER BROWN-BLAND: The record
12 will reflect that no conflicts were identified, and
13 I will now call on counsel for the parties to
14 announce their appearances. I will start with the
15 applicant.

16 MS. SANFORD: Thank you, Presiding
17 Commissioner Brown-Bland, other members of the
18 Commission, and members of the Public Staff, and
19 the Attorney General's Office. I'm Jo Anne Sanford
20 with Sanford Law Office representing Aqua
21 North Carolina in this proceeding. With me
22 participating in the WebEx call today are
23 Shannon Becker, the state president of Aqua
24 North Carolina, and Bob Bennink of the Bennink Law

1 Offi ce.

2 COMMI SSIONER BROWN-BLAND: All right.

3 Thank you, Ms. Sanford.

4 And the Attorney General 's Offi ce? You
5 are on mute. Please unmute.

6 MS. TOWNSEND: I apol ogi ze. I shoul d
7 know better. Yes. This i s Teresa Townsend wi th
8 the Attorney General 's Offi ce. We represent the
9 using and consuming public and also the State and
10 its citizens in this important matter of public
11 interest. Thank you.

12 COMMI SSIONER BROWN-BLAND: Thank you.
13 And the Public Staff?

14 MS. JOST: Good afternoon. My name i s
15 Megan Jost. I 'm an attorney wi th the Public Staff
16 wi th the Utilities Commi ssion. Appearing wi th me
17 today are William Grantmyre and William Creech,
18 also attorneys wi th the Public Staff 's legal
19 di vi sion. We represent the using and consuming
20 publi c. Thank you.

21 COMMI SSIONER BROWN-BLAND: Thank you.

22 Are there any prel imi nary matters before
23 we start wi th hearing from the customers?

24 MS. SANFORD: I wi sh to make a very

1 brief opening statement, if that's agreeable.

2 COMMISSIONER BROWN-BLAND: That is.

3 Do either of the other parties wish to
4 make an opening as well?

5 MS. JOST: Commissioner Brown-Bland, I
6 don't have an opening statement, as such. I just
7 wanted to make a few logistical comments before we
8 begin.

9 COMMISSIONER BROWN-BLAND: All right.

10 MS. TOWNSEND: No opening statement from
11 the Attorney General's Office. Thank you.

12 COMMISSIONER BROWN-BLAND: All right.
13 Ms. Sanford, I think we will elect to go ahead with
14 you at this time.

15 MS. SANFORD: Okay. Thank you very
16 much, and I will be brief. Thank you, again, all
17 of you, for your attendance and for your faithful
18 stewardship over this docket and the efforts that
19 have been unusual and I think successful in keeping
20 it going with fairness to all.

21 We are here today for something that is
22 novel for me -- I think for most of us -- which is
23 to have a public hearing online. We miss the
24 opportunity to be out in the field with customers,

1 as I know we all do, but the Commission has
2 arranged for a good way, under these circumstances,
3 for us to be able to hear from the customers. And
4 we know that's what we're about today, is hearing
5 from the customers. The Company does -- of course,
6 as always, does not intend to engage in cross
7 examination. We may have a question here and there
8 that would be helpful to the proceeding, but that
9 will be it.

10 And the main thing that I wanted to say
11 is that, in the normal circumstances, we have --
12 Aqua has a lot of people in the room who are
13 available to listen to the customers and to seek
14 out the customers at the close of the hearing or
15 during the hearing to try to assist them with their
16 concerns. The Company's normal practice is also to
17 follow up after the hearing in two primary ways.
18 One is to file a report, which we will do in this
19 case, and the other is to seek personal contact
20 with the witnesses who have had service quality
21 complaints. We won't be able to talk to the
22 customers today, obviously, but Aqua absolutely
23 intends, of course, not only to do the report
24 that's required, but to, again, seek out the

1 customers who have had customer service complaints
2 to make personal contact to try to understand
3 better, to try to fix, to try to explain what's
4 been done or what the causes are. All of the
5 things that they have always done and done with a
6 great deal of purpose. So those things will
7 happen. They will not happen today, as they would
8 have if we were all able to be together, but they
9 will happen.

10 And so, with that, again, I want to
11 thank everybody for their patience and their
12 participation.

13 COMMISSIONER BROWN-BLAND: Thank you,
14 Ms. Sanford.

15 Ms. Jost?

16 MS. JOST: Thank you. As Ms. Sanford
17 indicated, Aqua typically has their personnel
18 available at the public hearings to answer any
19 questions from customers, and the Public Staff,
20 likewise, typically has one or more engineers on
21 site to answer questions from customers,
22 particularly about water quality issues.

23 Unfortunately, we are not able to do
24 that in person today, but I wanted to let the

1 customers know that, if you have a question that
2 you would like to ask a Public Staff engineer,
3 Michael Franklin with our water, sewer, and
4 telephone division is available to answer any
5 questions. Mr. Franklin can be reached at
6 (919) 715-7580 or via email at
7 mi ke. frankl i n@psncuc. nc. gov.

8 Regarding the procedure for the hearing
9 this afternoon, I just wanted to mention a couple
10 of things. My cocounsel, Mr. Grantmyre, will call
11 the names of individuals who registered to provide
12 testimony at this hearing in the order in which you
13 your registrations were received. The WebEx
14 administrator will then unmute you so that you
15 could make your statement. You will be affirmed, I
16 believe, by Commissioner Brown-Bland, and then
17 Mr. Grantmyre will ask a few questions to
18 facilitate your statement.

19 So, with that, I will turn it over to
20 Mr. Grantmyre, unless Commissioner Brown-Bland has
21 anything further.

22 COMMISSIONER BROWN-BLAND: Just a little
23 bit. So, before we begin, as Ms. Jost indicated --
24 and I believe we have customers waiting to provide

1 their statement to the Commission -- these
2 customers all signed up in advance, and so we know
3 how many of you are there.

4 When -- after your name is called and
5 you are unmuted, I will affirm you. We ordinarily
6 would give the oath on the Bible, but because we
7 are in remote times, we have made an adjustment,
8 and we are affirming our witnesses these days. The
9 entirety of this proceeding, as well as your
10 testimony, will be taken down by the court
11 reporter. So be sure you speak clearly and slowly.
12 If you are speaking in acronyms, you might wish to
13 identify what those are so that she can take that
14 down and we will have a complete record.

15 When you complete your testimony, the
16 attorneys for the parties -- that would be the
17 Attorney General, the Public Staff, and Aqua --
18 will all have an opportunity to ask you questions
19 about what you have had to say, and then the
20 Commissioners, likewise, will have their
21 opportunity to ask you anything they may wish to.
22 The purpose of this, from the Commissioners'
23 standpoint, is to add clarity and be sure that we
24 understand what it is you have had to say to us.

1 It's not to embarrass you or challenge you in any
2 way. It's to make sure that the record reflects
3 what it is that you have come here to tell us.

4 You will each have three minutes to make
5 your statement. I believe you were already so
6 advised. And the three minutes will begin after
7 Mr. Grantmyre has gone through your name and
8 whether you're a customer and has released you to
9 go ahead and make your statement.

10 At the one-minute mark, you will hear a
11 sound. I believe -- can we hear what that sound
12 is? Ms. Swenson, are you able to --

13 MS. SWENSON: I'm on mute.

14 COMMISSIONER BROWN-BLAND: All right.
15 Are you able to make that sound now?

16 (No response.)

17 COMMISSIONER BROWN-BLAND: You might
18 have to get that louder.

19 MS. SWENSON: I'm still on mute.

20 COMMISSIONER BROWN-BLAND: No, I hear
21 you.

22 MS. SWENSON: You can hear me? Okay. I
23 will try it again.

24 (One-minute sound is played.)

1 COMMISSIONER BROWN-BLAND: That. You
2 will hear that sound. That means you have a minute
3 left, and if you will start at least making sure
4 that you are coming to a close. And then at the
5 end, when your time is up, you will hear a
6 different sound. Can we hear that one?

7 (Time's-up sound is played.)

8 COMMISSIONER BROWN-BLAND: Might have to
9 work on getting it louder, Ms. Swenson.

10 MS. SWENSON: Okay. That's as loud as
11 it goes. Let's try it again. I will see if I can
12 get it up further.

13 COMMISSIONER BROWN-BLAND: You might
14 have to get to the bell tone so we can hear it.

15 (Time's-up sound is played.)

16 COMMISSIONER BROWN-BLAND: All right.
17 And if that doesn't work, we will indicate to you
18 that your time is up. But just so you know, I just
19 wanted you to be familiar. We are all adjusting
20 and trying something new here, and so --

21 (Time's-up sound is played.)

22 COMMISSIONER BROWN-BLAND: Yes, we can
23 hear that. We will see how it goes.

24 MS. SWENSON: Okay.

1 COMMISSIONER BROWN-BLAND: And if it
2 doesn't go -- all right.

3 With that, I think, as Ms. Sanford's
4 indicated, the Company will file a report about
5 anything that they feel needs to be answered in
6 response to what you have to say. And in between
7 times, I'm sure they will be in touch with you to
8 the extent necessary.

9 The Public Staff's report should be
10 filed in this -- I mean the Company's report should
11 be filed in this docket on or about August 24th,
12 and so you can look for it. You can come to the
13 Commission website, enter in the docket number for
14 the case, and you will be able to find any filings
15 made and also follow these proceedings through to
16 their end.

17 That said, Mr. Grantmyre, I think we
18 will begin with you.

19 MR. GRANTMYRE: The Public Staff calls
20 Lora Alexander as our first witness.

21 COMMISSIONER BROWN-BLAND: All right.
22 Ms. Alexander, can you hear me?

23 (No response.)

24 COMMISSIONER BROWN-BLAND: Ms. Alexander

1 on the line?

2 THE HOST: I'm trying to search for her
3 phone number, and I don't see it here, so stand by
4 one second, please.

5 COMMISSIONER BROWN-BLAND: All right.

6 (Pause.)

7 MR. CREECH: Public Staff did speak with
8 her today, and she was going to have some
9 assistance in calling in. So I'm wondering if
10 she's having a little difficulty. I may try to
11 make certain that's not the case.

12 COMMISSIONER BROWN-BLAND: All right.
13 Mr. Creech, if you will check the best you can, and
14 in the meantime, Mr. Grantmyre, will you call your
15 next witness?

16 MR. GRANTMYRE: Michelle Raymond.

17 COMMISSIONER BROWN-BLAND: All right.

18 Ms. Raymond, are you able to hear?

19 MS. RAYMOND: I am. Do you hear me
20 okay?

21 COMMISSIONER BROWN-BLAND: Yes, we do
22 hear you. And all those who are not speaking,
23 please mute your microphones so we won't have
24 feedback. All right.

1 Whereupon,

2 MICHELLE RAYMOND,

3 having first been duly affirmed, was examined
4 and gave her statement as follows:

5 COMMISSIONER BROWN-BLAND: All right,
6 Mr. Grantmyre.

7 DIRECT EXAMINATION BY MR. GRANTMYRE:

8 Q. Ms. Raymond, please give us your address.

9 A. 12208 Staunton Court, 27613.

10 Q. And that's in Raleigh, or at least a Raleigh
11 mailing address?

12 A. Yes, sir.

13 Q. And your subdivision is Sussex Acres?

14 A. That's correct.

15 Q. And that's part of the -- as far as you know,
16 that's part of the Bayleaf/Leesville master system?

17 A. I'm not sure. I just moved into the
18 community in March, so I'm not -- that doesn't sound
19 familiar to me.

20 Q. Okay. And you receive both water service and
21 wastewater service from Aqua North Carolina?

22 A. That's correct.

23 Q. Yes. Please proceed with your statement.

24 A. Sure. I just want to say thank you for the

1 opportunity to allow me to express my concerns. As I
2 stated, I am a new Aqua customer. I'm new to Raleigh
3 city water. I just moved out of Northwest Raleigh,
4 being a Raleigh City resident. So all of this Aqua
5 partnership is new to me.

6 What I do want to say is, between my sewer
7 and water bill, it's a minimum of over \$90 a month. I
8 am a single female, and as you can imagine, that's
9 quite a bit of money to have to spend when that's the
10 minimum amount that's not even being metered for actual
11 use. So my concern is not only being a new customer,
12 but having a high water bill without -- without even
13 taking into account usage of the water is a concern for
14 me.

15 Furthermore -- and again, I'm not sure if
16 this is my own home system or not, but the water is not
17 even drinkable. So when I try to taste the water, it's
18 disgusting, to be quite frank. I have to get an
19 outside water delivery service so that I can have
20 drinkable water. So I'm paying for water that I can't
21 drink. I can shower in and water my plants and do uses
22 like that with my water, but it's not drinkable. So I
23 have an outside source bringing in drinkable water.

24 Finally, I am a nurse, and I don't want to

1 have to worry about limiting my shower time or my
2 hygiene because I'm worried about paying my bill. Like
3 I said, with this \$90 minimum, and being a new Aqua
4 client, I'm just starting to see my water bills, so I
5 can't even figure out, you know, what my water bill is
6 going to average with use. So with that being said, I
7 am concerned with the hike in price when I'm still
8 learning my usage.

9 So those are my main concerns. I don't know
10 if y'all have any questions for me or if that's
11 sufficient.

12 COMMISSIONER BROWN-BLAND: All right.

13 Thank you, Ms. Raymond.

14 Does the Public Staff have questions?

15 MR. GRANTMYRE: Public Staff has several
16 follow-up questions.

17 Q. When you say you don't like the taste of the
18 water, can you describe what it tastes like that you
19 dislike?

20 A. Honestly, I have only tried drinking it once
21 or twice because of the taste, so I can't even really
22 quite describe it as being metallic or really even
23 describe what the taste is, but it's not water I will
24 even feed to my dog. It's that bad. So, yeah, I have

1 only sampled it once, and because it was disgusting, I
2 have never tried it again. And again, I have water
3 coming from the outside, so I just always use that. So
4 I don't know if there is a way to test the water or --
5 I'm not -- again, I'm new to this. I'm not sure what
6 the process is.

7 Q. Do you experience any staining of your
8 fixtures, or sinks, or anything?

9 A. Yes, I do. My toilet almost has a rust color
10 that has developed since I have lived here, and my
11 sinks almost seem to have like a -- like a clear
12 buildup, almost like salty.

13 Q. Now, you mentioned that you are single.
14 Are you the one person that lives in the
15 house?

16 A. That's correct.

17 Q. And you may or may not know this, but one of
18 the issues that have not been decided in this case is
19 whether or not you would be converted from a flat rate
20 wastewater or sewer bill, which currently is \$72 a
21 month, and Aqua wants to increase to \$82 a month, to a
22 volumetric bill that you would be billed for wastewater
23 based on the amount you use plus a base charge. And it
24 would --

1 A. For a single person, yes. For a single
2 person, yes, I think that makes more sense. For a
3 large family I think, you know, the flat charge is more
4 beneficial to them, probably. But, yeah, I think I
5 would appreciate having my usage determined as opposed
6 to just having a flat rate, because that is quite a bit
7 of money for one person.

8 Q. Thank you.

9 MR. GRANTMYRE: The Public Staff has no
10 further questions.

11 THE WITNESS: Okay. Thank you for your
12 time.

13 COMMISSIONER BROWN-BLAND: Ms. Sanford,
14 do you have questions?

15 MS. SANFORD: I have a few, if I might.

16 COMMISSIONER BROWN-BLAND: Yes.

17 CROSS EXAMINATION BY MS. SANFORD:

18 Q. Ms. Raymond?

19 A. Yes.

20 Q. Hi. I'm Jo Anne Sanford. I have just a
21 couple of questions for you. I think you said this,
22 and I didn't take it down.

23 When did you move to this house?

24 A. I moved in March. I have been living in it

1 since pretty much the end of May.

2 Q. Okay. Okay. I was just trying to get some
3 idea of the duration of service.

4 And do you irrigate?

5 A. My lawn?

6 Q. Yeah. Do you water the lawn?

7 A. I do not. I don't have an irrigation system.
8 I just water my plants with a typical watering pot.

9 Q. Okay. Thank you. That is helpful.

10 A. Okay.

11 Q. I'm not sure if you heard me say this
12 earlier, so I will repeat it. Normally at these things
13 we have -- Aqua has a number of field people there who
14 look forward to talking to customers and trying to work
15 out things for them.

16 Do you object if someone from Aqua follows up
17 with a phone call to you to discuss some problems you
18 are having?

19 A. No. I would appreciate that.

20 Q. Okay. Great. We will do that then. Thank
21 you very much. I have no more questions.

22 A. Thank you.

23 COMMISSIONER BROWN-BLAND: All right.

24 And does -- looking for the Attorney General.

1 MS. TOWNSEND: Yes. I don't have any
2 questions, but I do want to thank you very much,
3 Ms. Raymond, for coming in and explaining to us
4 your -- thank you.

5 COMMISSIONER BROWN-BLAND: All right.
6 Are there questions from the Commission?

7 Chair Mitchell?

8 CHAIR MITCHELL: Just a quick one,
9 Commissioner Brown-Bland.

10 EXAMINATION BY CHAIR MITCHELL:

11 Q. Ms. Raymond, have you -- I know you're new to
12 the community, but have you contacted the Company prior
13 to now about the water quality issues?

14 A. I have not, because, like I said, I'm not
15 sure if it has anything to do with the structure of the
16 home. I have obviously had other things on my plate
17 that I'm trying to -- you know, little things in my
18 house that I'm prioritizing. And because I have
19 drinkable water at the moment that I bring in, it's not
20 at the top of my list at the moment. So I haven't
21 quite gotten to it, if that makes any sense to you,
22 with just moving into an older home.

23 Q. It does. All right. That's all I have.
24 Thank you.

1 A. Thanks.

2 COMMISSIONER BROWN-BLAND: Any other
3 questions from the Commissioners?

4 Commissioner Hughes.

5 EXAMINATION BY COMMISSIONER HUGHES:

6 Q. Yes. I was just wondering if you had a
7 chance to discuss this with any of your neighbors, and
8 if this was a general issue in the general part of
9 where you live, and then if you don't mind answering
10 roughly how much your water service -- your paid water
11 service is that you are having to -- that you feel like
12 you are having to rely on, if you're comfortable saying
13 what that would cost you extra.

14 A. So I have -- again, I just joined a couple of
15 months ago, so as -- the neighborhood, like, the pages,
16 the Nextdoor, but I do know there are others that have
17 complained about the quality of the drinking water. I
18 know they have also complained about the pressure. I
19 haven't had issues with that, but I do know that I have
20 seen water quality and pressure concerns from
21 neighbors. As far as the drinking water that I get
22 shipped in, I started service early June, and at that
23 time I paid, I believe, \$32 to get the cooler and four
24 of the 5-gallon water jugs. I'm currently in the

1 middle of my last jug, so I'm not sure how much it's
2 going to cost from there, because, again, with that,
3 I'm still learning how much of that drinking water I'm
4 going to be using typically. But my first bill was
5 about \$32 to initiate service.

6 COMMISSIONER BROWN-BLAND: All right.

7 COMMISSIONER HUGHES: Thank you.

8 COMMISSIONER BROWN-BLAND: Any further
9 questions from the Commission?

10 (No response.)

11 COMMISSIONER BROWN-BLAND: Ms. Raymond,
12 I had something for you, but it has escaped my
13 memory.

14 MS. RAYMOND: You're welcome to email me
15 or call me back if you think of anything important.

16 COMMISSIONER BROWN-BLAND: But we thank
17 you for coming out, and are there questions on the
18 Commissions' questions?

19 MS. RAYMOND: Well --

20 COMMISSIONER BROWN-BLAND: Well,
21 Ms. Raymond -- I'm sorry, Ms. Raymond, if you were
22 in the room, you would see me look around, but I'm
23 looking to the counsel to see if they have more
24 questions for you.

1 MS. RAYMOND: Oh, I'm sorry.

2 COMMISSIONER BROWN-BLAND: Did you have
3 something else that you did want to say to us?

4 MS. RAYMOND: No, no.

5 COMMISSIONER BROWN-BLAND: You completed
6 your statement. All right.

7 MR. GRANTMYRE: Public Staff has no
8 questions.

9 COMMISSIONER BROWN-BLAND: All right.
10 Thank you. So, Ms. Raymond, again, thank you for
11 coming out. We appreciate it, and we expect you
12 will be hearing from the Company following your
13 testimony.

14 MS. RAYMOND: I appreciate it.

15 COMMISSIONER BROWN-BLAND: All right.

16 MS. RAYMOND: Thank you.

17 COMMISSIONER BROWN-BLAND: You may be
18 excused. And before we move on down the list,
19 Mr. Creech, were you able to determine -- or make a
20 determination regarding the witness Alexander?

21 MR. CREECH: We were, and I believe
22 she's on the line now.

23 COMMISSIONER BROWN-BLAND: All right.

24 Mr. Grantmyre, if you would then start with

1 Ms. Alexander.

2 MR. GRANTMYRE: We call Lora Alexander.

3 MS. ALEXANDER: Yes, I'm here.

4 COMMISSIONER BROWN-BLAND: All right.

5 Good, Ms. Alexander.

6 Whereupon,

7 LORA ALEXANDER,

8 having first been duly affirmed, was examined

9 and gave her statement as follows:

10 COMMISSIONER BROWN-BLAND: All right,

11 Mr. Grantmyre.

12 DIRECT EXAMINATION BY MR. GRANTMYRE:

13 Q. Please state your address.

14 A. My name is Lora Alexander. I live at 5323
15 Oak Tree Drive, Gastonia, North Carolina 28052.

16 Q. And you are just a water customer; is that my
17 understanding?

18 A. That's correct.

19 Q. Please proceed with your statement.

20 A. I have made several complaints to Aqua.
21 They -- the water is milky. When you wash your clothes
22 in the washing machine, the clothes is like slimy, the
23 water looks like milk. I let it run -- when I call
24 them, they tell me to let the water run, they are going

1 to flush, and they spent so much money on the system,
2 for a while, it got good. Now it's back to normal.
3 The milky looking water. It's not drinkable. The news
4 came out and did a story. All the neighbors here that
5 live in this subdivision complained about the nasty
6 water. It's just not fit to drink, and we have been --
7 we have been charged for it, and it's not suitable, and
8 I have spent bundles of money buying bottled water
9 since I have been here, and I have been here for almost
10 four years. Maybe longer.

11 Q. Is that --

12 A. And I'm just not happy -- I'm just not happy
13 with Aqua at all.

14 Q. How many times have you called the Company on
15 this?

16 A. I have called the Company several times, and
17 I have had someone to come down from the Mooresville
18 office. I have had problems with them charging me and
19 getting my payments in, and one time they cut my
20 service off, and I was in the hospital, and it got out,
21 and I needed my water. So they -- I had to call the
22 Commissioner -- the water Commissioner for that, and
23 then they set up payment plans and got that paid off,
24 and now I'm back to normal. And the water is just

1 still not good. No good quality. I would rather catch
2 rainwater in a bucket and drink it before I drink
3 Aqua's water.

4 Q. The -- how -- is there any special time of
5 the year that the water is slimier or milkier than
6 other times?

7 A. It's always milky. It's always slimy, like,
8 in the winter. And it's just not good quantity of
9 water. The water should be free. And then another
10 thing, when you flush your -- I clean my toilet
11 constantly. There is black -- there is a black film
12 around it within two days of -- and I do this every
13 day. Every two days have to go in and clean the toilet
14 because there is a black ring around it.

15 Q. So --

16 A. And I know it's coming from the water.

17 Q. So when you say "a black ring," you know,
18 water sits in a toilet bowl, and around the edges of
19 the water in the bowl, that's where the black ring
20 appears; is that correct?

21 A. Yes.

22 Q. And --

23 A. At the top of the -- yeah.

24 Q. Is it ever a reddish color or brownish, or is

1 it always black?

2 A. It's black. And sometimes it's like a
3 muddy -- muddy water, like. Like when it rains, it's
4 like a muddy color. It's just --

5 Q. When you say muddy color -- I'm sorry. When
6 you say a muddy color, is that the water coming out of
7 the faucet, or that's the water in the toilet that's a
8 muddy color?

9 A. It's in the toilet and coming out of the
10 faucet. Like, when you turn your bathtub on to take a
11 shower, you at least have to let the water run for like
12 maybe 5, 10 minutes so it could clear up. But if you
13 put it in a glass and look at it, it's still muddy,
14 cloudy. And when you turn the faucets on to drink the
15 water, it looks just like milk. And they going to tell
16 me that it's some kind of air in the water, like
17 starchy rice, whatever. That's just crap.

18 Q. Is the air in the water more prevalent in the
19 summertime, or is it all year round?

20 A. It's all year round with me.

21 Q. And what sub- -- you said people in the
22 subdivision. What is the name of the subdivision? Do
23 you live in a subdivision?

24 A. I do.

1 Q. What is the name of the subdivision?

2 A. Wild Wing.

3 Q. Wild Wing, W-I-N-G?

4 A. Uh-huh.

5 Q. Okay. Thank you.

6 MR. GRANTMYRE: Public Staff has no
7 further questions.

8 COMMISSIONER BROWN-BLAND: All right.

9 Ms. Sanford, do you have questions?

10 MS. SANFORD: I think that I will not
11 ask questions on today, Ms. Alexander, but I would
12 ask you if you would be agreeable to someone from
13 Aqua contacting you after this hearing today to
14 discuss the problems and see if they can figure out
15 a way to improve your water quality.

16 MS. ALEXANDER: Sounds good.

17 MS. SANFORD: Okay. Thank you.

18 COMMISSIONER BROWN-BLAND: All right.

19 Questions from the Commission?

20 (No response.)

21 EXAMINATION BY COMMISSIONER BROWN-BLAND:

22 Q. All right. Ms. Alexander, you indicated that
23 the news came out and did a story at some point in
24 time. When was that; do you remember -- do you recall?

1 A. I do. I don't have the exact date, but the
2 news lady was Bri a Bell.

3 Q. Was that this year; was that last year?

4 A. It was last year.

5 Q. In 2019?

6 A. Yes.

7 Q. All right. And you mentioned that you had
8 problems -- there were problems with being charged and
9 getting payments in, and then you went on to describe
10 you had a payment plan and you caught that up. So I
11 understand that part.

12 My question is, was there a problem from --
13 are you indicating that there was a problem with regard
14 to the actual bills or the way you were getting
15 charged? In other words, from the Aqua side of the
16 business, or were you just having difficulty getting
17 those total amounts in?

18 A. Sort of, like, both. It was where I was
19 getting charged, and I wasn't getting my bills, and
20 they said that --

21 Q. Tell me about that. Why weren't you getting
22 your bills; do you know? Was there --

23 A. I don't. They just wasn't in the box. And
24 they say, well, they sent it out, and all of the

1 statements had been recorded. Because when I spoke
2 with them, they was telling me that the conversation
3 was recorded, and that they talked with me and told me
4 that I was supposed to pay on a certain day, and I said
5 I understood. And, you know, it was just a -- then
6 they had come back and charged me -- I had to put up a
7 deposit. But the first time I didn't. I had to just
8 pay like a small amount down and then start paying the
9 bill, but when they had turned the water off, I think I
10 had to come up with, like, a \$300-and-some deposit that
11 should be on my account now.

12 Q. So is it your testimony that you fell behind
13 or missed some payments because you never received a
14 bill?

15 A. Yes. I got sick, and I went to the hospital,
16 and I came out of the hospital, and my doctor had
17 written me, like, notes, "Please do not turn
18 Ms. Alexander's water off due to a medical condition."
19 They did not pay those any attention, and they told me
20 that they would not accept any more, and then they came
21 up with a plan to where they started not to accept
22 nothing but so many in that year. I think it was like
23 three in a year. You get three of these in a year, or
24 something about that sort.

1 Q. So that's -- can you give me some time table?
2 So there is an aspect of you didn't receive bills, and
3 then there is an aspect of you were in the hospital,
4 and during that time you were in the hospital, you
5 received bills, but you just were unable to -- you
6 weren't there to get them; is that the case?

7 A. I did not receive the bill.

8 Q. Did not --

9 A. I did not receive the bill.

10 Q. All right. So is it more that you didn't
11 receive the bill and that has something to do with why
12 your payments were not timely; is that your testimony?

13 A. Yes.

14 Q. All right. And what was the time period of
15 this when this was happening?

16 A. Oh, I -- it's -- it went on for maybe about
17 two months until I talked with the office manager. I
18 had notes, but I just couldn't find -- take time out to
19 find them.

20 Q. Do you remember, are we talking about -- do
21 you remember if we're talking about 2019, or 2020, or
22 some earlier time?

23 A. We are talking about 2019.

24 Q. Okay.

1 A. Because I ain't been too long got the bill
2 caught up a couple months ago to where I didn't have
3 any more payment arrangements, and then -- I mean, they
4 was just so -- so petty --

5 Q. So that's --

6 A. -- to where on the bill would be like \$52.80
7 or \$52.60, and they never told me about the \$0.60, and
8 then they would charge me again if I didn't pay the
9 \$0.60. It was just awful. Why didn't the \$0.60 just
10 carry over to the next month? Then they said that I
11 had to pay another payment or something. It was just
12 awful. You can get my bill history from Aqua and go
13 down the line and look and you'll understand what I'm
14 telling you. It's kind of difficult to explain, but
15 it's all in the records. It's all in the payment
16 process.

17 Q. So, Ms. Alexander, let me ask you this,
18 was -- you said you have been a customer for about four
19 years; is that correct?

20 A. Yeah.

21 Q. And so --

22 A. I been here about four years.

23 Q. So was there a period of time that you -- I
24 mean, from the beginning, you were receiving bills, and

1 then something happened and you started not receiving
2 bills?

3 A. Not getting them; that's correct.

4 Q. All right. And you mentioned -- I just want
5 to be clear. I assumed they knew what you were talking
6 about in terms of coloration of the water, but when you
7 say the water is milky, and I think you said at one
8 point something salty or appearance, but are we talking
9 about it looks white? It looks not clear but white,
10 right?

11 A. Yes. It looks just like a glass of milk.

12 Q. All right.

13 A. When you turn the faucet on, put it in the
14 glass, it looks just like a glass of milk. Then you
15 wait. You set the glass down and you wait for about
16 four or five minutes. You could see it clearing up.
17 And I was told it was air, but the water is slimy.
18 When you wash your clothes in the washing machine, you
19 reach in there to get them out after they are wrung
20 out, they are kind of slimy.

21 Q. Is oily a fair word for slimy? Does it have
22 an oily consistency?

23 A. I wouldn't know. I wouldn't know. I just
24 know it's slimy.

1 Q. All right. And then you -- okay, go ahead.

2 A. It's like some kind of solution or something
3 they are using in the water.

4 Q. And then you gave some testimony, in response
5 to Mr. Grantmyre's question, that there was a
6 muddiness, and the muddiness, is that sort of a
7 reddish -- a reddish/brown?

8 A. Yeah. Reddish/brown that comes from the bath
9 water. That's from the tub.

10 Q. All right. Do you only see the muddiness in
11 your bathroom, or do you see it in your kitchen?

12 A. In both bathrooms. In the kitchen, the water
13 is kind of the cloudy, the milk cloudy. But in the
14 faucets that's in each bathroom, it comes just out like
15 milk.

16 COMMISSIONER BROWN-BLAND: Okay. Are
17 there other questions from the Commissioners?

18 (No response.)

19 COMMISSIONER BROWN-BLAND: I don't see
20 any. Questions on Commission's questions?

21 MR. GRANTMYRE: Yes. Bill Grantmyre,
22 Public Staff.

23 EXAMINATION BY MR. GRANTMYRE:

24 Q. Have you been experiencing this milky water

1 the whole time you have been there, four years now?

2 A. I have, and it cleared up one time after the
3 news came out and Aqua sent me a letter that they spent
4 so many thousands of dollars working on the water. It
5 cleared up and got clear, and now it's back to that
6 same way.

7 Q. Mr. Creech, one of the attorneys, handed me a
8 news release from WBTV, presumably in Charlotte or
9 Gastonia, dated October 31, 2017, about the milky water
10 that the customers at Wild Wing were complaining about,
11 and they had some pictures.

12 Has the TV -- do you remember when they came
13 out to the neighborhood?

14 A. They came out then when you just stated, and
15 they was here last year, but they didn't, like, put it
16 on the news. They just came back to see if the
17 customers was getting any response from Aqua at that
18 time, and we was telling them that we did, and Aqua
19 said they were gonna work on the system, and do some
20 flushing, and put signs out at the end of the road
21 letting us know when they are gonna flush. And it got
22 kind of better, then it just went -- all the better
23 just went away. Back to the same old thing.

24 MR. GRANTMYRE: Public Staff has no

1 further questions.

2 COMMISSIONER BROWN-BLAND: Ms. Sanford,
3 question on Commission's questions?

4 MS. SANFORD: No, ma'am, we don't. We
5 look forward to contacting Ms. Alexander and to
6 looking into the matter. Thank you.

7 Thank you, Ms. Alexander, for calling
8 in.

9 MS. ALEXANDER: Thank you.

10 COMMISSIONER BROWN-BLAND: All right.
11 Thank you, Ms. Alexander, for participating and
12 sharing your testimony with us, and you are
13 excused.

14 MS. ALEXANDER: All right. Y'all have a
15 good day. Bye-bye. Be safe.

16 MR. GRANTMYRE: The Public Staff calls
17 Becky Daniel as the next witness.

18 COMMISSIONER BROWN-BLAND: All right.
19 Ms. Daniel, are you able to hear?

20 MS. DANIEL: I am. Can you hear me?

21 COMMISSIONER BROWN-BLAND: Yes, I do.

22 Whereupon,

23 BECKY DANIEL,

24 having first been duly affirmed, was examined

1 and gave her statement as follows:

2 COMMISSIONER BROWN-BLAND: All right,

3 Mr. Grantmyre.

4 DIRECT EXAMINATION BY MR. GRANTMYRE:

5 Q. Ms. Daniel, welcome back.

6 A. Thank you.

7 Q. Can you please give us your address?

8 A. Yes. It's 505 Brittany Bay West, Raleigh,
9 North Carolina 27614.

10 Q. And you live in the Coachman's Trail
11 subdivision?

12 A. That's correct.

13 Q. And you receive water service only from Aqua;
14 you have your own septic tank; is that correct?

15 A. Yes.

16 Q. Please proceed with your statement.

17 A. Thank you so much for having me. Some of you
18 may remember that I testified at length in the 2018
19 Raleigh public hearing associated with Aqua's previous
20 rate case, Docket W-218, Sub 497.

21 I have submitted written testimony in this
22 docket today, and my oral testimony will cover two main
23 points. First, I would like to provide a status update
24 on the concerns I raised in the last rate case.

1 Second, I would like to express my support to the
2 proposed conservation rate mechanism pilot, or CRM, of
3 which my subdivision would be a part.

4 Since the Commission issued its December 2018
5 order the last rate case, I have been tracking
6 reliability issues that I have experienced myself at my
7 home address and also any issues experienced by others
8 on the Bayleaf system in which I personally played a
9 direct role facilitating the customer service response.

10 During the 19 months since that order, I am
11 directly aware of five instances of brown water, one
12 instance of aerated or milky water, and one instance of
13 water service cut without notice. Additional details
14 of each of these incidents are provided in a log that
15 was included in my written testimony. While not
16 perfect, this represents an operational improvement
17 compared to my last testimony. It is clear that the
18 Bayleaf master system requires above-average
19 operational focus, and Aqua appears to have increased
20 their focus accordingly. It is my hope that this focus
21 continues beyond this rate case today.

22 Aqua has made great improvements in customer
23 service since my last testimony. They are providing
24 prompt and thorough responses to service issues via

1 email, phone calls, and visits from technicians. They
2 have also formed the Bayleaf Advisory Group which has
3 met five times. Communication about the annual
4 flushing has greatly improved, and the call center
5 experience has been changed so that calls are completed
6 by speaking to an actual representative. Overall, as a
7 status update, I would say that reliability has
8 improved with periodic issues, customer service has
9 greatly improved in multiple areas, and Aqua seems
10 engaged with the Bayleaf community.

11 Next, I would like to express my support for
12 the CRM. I believe this rate designing has the
13 potential to provide environmental and operational
14 benefits, information about usage and the result in
15 financial implications, and a fair method of shifting
16 cost to disproportionately high-usage customers. The
17 pilot provides an appropriate method of gathering data
18 so that the rate design can be adjusted as needed prior
19 to rolling it out to the entire service territory.

20 In conclusion, my chief concern in this
21 proceeding is that Aqua continue their focus on
22 operating the Bayleaf system properly and providing
23 thorough customer service. To that end, I respectfully
24 request that the Commission continue to require a

1 series of action stats and reports I laid out in my
2 written testimony, which I believe are facilitating
3 real improvement in our customer experience. In
4 addition, I respectfully request that this Commission
5 give serious consideration to allowing the CRM pilot.
6 Thank you so much for your time and consideration.

7 COMMISSIONER BROWN-BLAND:

8 Mr. Grantmyre, you are on mute.

9 Q. Ms. Daniel, you filed maybe two months ago or
10 a month ago extensive written comments with the
11 Commission, and today you gave a brief summary of those
12 comments.

13 Would you like those copied into the record,
14 the entire written comments you have, part of your
15 testimony and to be included as full evidence in this
16 case?

17 A. Yes, please.

18 Q. And also, you testified in your summary that
19 you want continued reporting on Coachman's Trail.

20 Do you realize that the Company, Aqua, has
21 requested that the Commission no longer require Aqua to
22 report on Coachman's Trail, but the Public Staff has
23 opposed that; the Public Staff has testified and
24 recommended to the Commission that Aqua continue to

1 report on Coachman's Trail? Now, you would like --
2 it's my understanding you want Aqua to continue
3 reporting on Coachman's Trail to ensure that they
4 continue the improved service that they have given; is
5 that correct?

6 A. That is correct.

7 Q. Now, with regard to the pilot, have you read
8 the Public Staff's testimony that we are opposed to the
9 pilot?

10 A. I have not read it in any detail, but I am
11 aware that you are opposed.

12 Q. Well, we don't oppose -- the Public Staff
13 testified -- and Mr. Junis, who you have met, was our
14 witness -- we do not oppose increasing block rates.
15 What the Public Staff testified to is that we oppose it
16 on a pilot program that is not representative of the
17 total customer base.

18 Did you read that part of the testimony?

19 A. I have to say that I skimmed Mr. Junis'
20 testimony, at best.

21 Q. Well, the Public Staff's testimony was Aqua
22 just picked some very high-use subdivisions, which is
23 not representative, and the Public Staff requested that
24 instead -- or recommended instead that Aqua should come

1 back in its next rate case and propose increasing block
2 rates for all its metered water system.

3 MS. SANFORD: Objection. I'm sorry.

4 I'm sorry to interrupt, Mr. Grantmyre. I'm going
5 to object. This doesn't seem like proper
6 questioning of the public witness. It's going to
7 evidentiary details.

8 COMMISSIONER BROWN-BLAND: Sustained.

9 Q. Well, would you be in favor of increasing
10 block rates for all customers?

11 A. I'm in favor that, if it is designed in a way
12 that works properly, and I believe that a pilot gives
13 the opportunity to gather the data needed to ensure
14 that the rate works properly.

15 Q. Well, you feel that Bayleaf is representative
16 of all the water systems and customer houses in
17 North Carolina?

18 A. No, I don't. I believe that Bayleaf is a
19 higher usage and a peakier system than North Carolina
20 as a whole.

21 Q. Thank you.

22 MR. GRANTMYRE: We have no further
23 questions.

24 COMMISSIONER BROWN-BLAND: Ms. Sanford,

1 do you have the -- what you referred to as their
2 testimony? Has the Company seen that?

3 MS. SANFORD: Yes, I have, and we have
4 no objections to that being -- let's see, what
5 would you do, Mr. Grantmyre, just call it exhibit
6 to her testimony today? What did you request?

7 MR. GRANTMYRE: We requested that it be
8 considered an exhibit to her testimony and be
9 considered in evidence in this case.

10 COMMISSIONER BROWN-BLAND: How do you
11 wish to identify it, Mr. Grantmyre?

12 MR. GRANTMYRE: We would call it
13 Becky Daniel Exhibit 1.

14 COMMISSIONER BROWN-BLAND: All right.
15 The prior-filed testimony of Ms. Daniel's --
16 statement of Ms. Daniel will be received as
17 Becky Daniel Exhibit 1.

18 (Becky Daniel Exhibit 1 was admitted
19 into evidence.)

20 COMMISSIONER BROWN-BLAND: Ms. Sanford,
21 do you have questions on that or on her testimony?

22 MS. SANFORD: I do not. We are -- we
23 are amenable to having that admitted. We have read
24 it. And I don't have questions of Ms. Daniel

1 today. I would like to thank her for her testimony
2 today, and also for her continued participation in
3 the process of trying to work on the issues that
4 exist in her community. So that is it from Aqua.

5 COMMISSIONER BROWN-BLAND: All right.

6 Are there questions from the Commission?

7 (No response.)

8 COMMISSIONER BROWN-BLAND: Ms. Daniel,
9 we -- Commissioner Hughes?

10 EXAMINATION BY COMMISSIONER HUGHES:

11 Q. If you don't mind me asking, Ms. Daniel, if
12 you know roughly your water use and how it varies
13 across the year. I'm interested, since you are an
14 advocate of this change. Would you describe yourself
15 as a large water user? Does it go up and down? Just
16 any detail you have, but I know it might not be at your
17 fingertips.

18 A. Definitely our water usage in my house goes
19 up and down over the course of the year. During the
20 summer, it's higher. We do not have an irrigation
21 system, nor do we have an in-ground pool, but we do
22 water our landscaping as need be in hot summer months.

23 I did take a look at some of our bills while
24 looking at this pilot, and I believe that we would

1 always be a beneficiary under this pilot. I would say
2 our average water usage over the course of the year
3 hovers somewhere in the high 4,000, right around
4 5,000 gallons a month probably with a bigger peak in
5 the summer and smaller usage in the winter.

6 Q. Thank you very much. That's exactly what I
7 was looking for.

8 COMMISSIONER BROWN-BLAND: All right.

9 Ms. Daniel, we do recall your appearance before us
10 before, and we appreciate that you continue to
11 stick with us and help both us and the Company
12 improve upon service out in that area. Your
13 updates and information you provide is helpful. So
14 thank you for participating, and you are -- Mr.
15 Grantmyre, I assume we are moving into evidence
16 Becky Daniel's Exhibit 1?

17 MR. GRANTMYRE: Yes, please.

18 COMMISSIONER BROWN-BLAND: It will be
19 received.

20 (Becky Daniel's Exhibit 1 was previously
21 admitted into evidence.)

22 COMMISSIONER BROWN-BLAND: And,

23 Ms. Daniels, you are excused.

24 MS. SANFORD: Excuse me.

1 COMMISSIONER BROWN-BLAND: Hold on,
2 Ms. Sanford.

3 MS. SANFORD: I'm so sorry. I have one
4 question on Commissioner Hughes' question, if I
5 might.

6 COMMISSIONER BROWN-BLAND: Hold on,
7 Ms. Daniels, you have a question.

8 Ms. Sanford, go ahead.

9 MS. SANFORD: I'm sorry. I won't hold
10 us up for very long.

11 EXAMINATION BY MS. SANFORD:

12 Q. Ms. Daniel, Commissioner Hughes was asking
13 you about consumption and your average consumption.
14 Are you -- and you may not know the answer to this
15 question, but have you undertaken any kind of inquiry
16 to make yourself familiar with the range of levels of
17 construction in your neighborhood? Consumption,
18 consumption. I'm sorry.

19 A. In Coachman's Trail, specifically, or Bayleaf
20 as a whole?

21 Q. Well, I will take either one if you have
22 them.

23 A. I think I can speak to Coachman's Trail. I
24 have lived in this neighborhood for 14 years, and I

1 would say the vast majority of my neighbors have
2 neither an in-ground pool nor an irrigation system. So
3 I suspect that most Coachman's Trail families would
4 benefit under the pilot. But as I drive around greater
5 North Raleigh where the Bayleaf system resides, I
6 definitely see a lot of neighborhoods with larger homes
7 that have both in-ground pools and irrigation systems,
8 so I suspect that Coachman's Trail is probably not
9 completely representative of the Bayleaf system as a
10 whole, but that is a subdivision.

11 Q. Okay. Understood. Thank you very much.
12 That's all I have.

13 COMMISSIONER BROWN-BLAND: All right.
14 Now, Ms. Daniel, you may be excused. Thank you
15 again.

16 MS. DANIEL: Thank you for your time.

17 COMMISSIONER BROWN-BLAND: Thank you.
18 Mr. Grantmyre.

19 MR. GRANTMYRE: Public Staff calls
20 Evan Brown.

21 MR. BROWN: Hi.

22 COMMISSIONER BROWN-BLAND: Hi,
23 Mr. Brown.

24 Whereupon,

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24

EVAN BROWN,

having first been duly affirmed, was examined
and gave his statement as follows:

COMMISSIONER BROWN-BLAND: All right,
Mr. Grantmyre.

DIRECT EXAMINATION BY MR. GRANTMYRE:

Q. Please give us your address.

A. 2524 Royal York Avenue in Charlotte,
North Carolina 28210.

Q. And you live at Park South Station; is that
correct?

A. That is correct. I believe that they
referenced it in their documents as Park South.

Q. Okay. And you receive both water service and
wastewater service from Aqua North Carolina; is that
correct?

A. Yes, that is correct.

Q. Please proceed with your statement.

A. So I have lived here, it will be six years
later this year. And, you know, I think what I wanted
to try and communicate today actually seems to be
fairly similar to some of the other folks that have
testified thus far, in that I don't believe that Aqua
is recovering costs appropriately. I did -- I have a

1 bunch of figures that I was able to put together, so
2 for my neighborhood, Aqua purchases the water and then
3 discharges the sewer to the City of Charlotte system.
4 And the problem that I contend here with their rates is
5 that their customer and availability fees are extreme.
6 For example, I have a 3-quarter-inch meter, and Aqua
7 charges \$19.25 and they are proposing to increase that
8 in their rate case here up to \$20.63. The City of
9 Charlotte, though, they don't have a 3-quarter-inch
10 meter, so I actually had to round up to a 1-inch meter.
11 They would only charge \$3.22 for that same service. So
12 it's about five times higher.

13 In addition to that, on the sewer side, Aqua
14 charges \$26.11, and I believe that one is proposed to
15 be increased to \$26.58. Meanwhile, the City of
16 Charlotte, for a 1-inch sewer, will be \$21.76. So it's
17 about 20 percent higher with Aqua.

18 So, you know, given that I'm a single male, I
19 live alone, I have an 800-gallon bill most months, and,
20 you know, my bill ends up being a very high percentage
21 just as these customer charges, not even volume
22 dependent. Actually, one of my most recent invoices,
23 less than \$7 of my \$51 invoice was actually
24 consumption-based charges.

1 Aqua has undertaken excessive pipe flushing
2 activities in our neighborhood. Many years ago we had
3 a slight -- very slight increase in -- I think it was a
4 chlorine contaminant or something that can be found in
5 pipes that -- where water is stagnant or something. I
6 believe I received communication from them. All of a
7 sudden now we have pipe flushing that occurs every
8 couple of months that they say is, you know, to prevent
9 this from happening. These numbers were not the size
10 of the drinking quality standards, if I recall
11 correctly, they were just elevated. And so some of
12 these activities certainly might be excessive.
13 Certainly, I don't know what they do in other
14 communities, but it might suggest that there are some
15 excessive costs that might not be -- that I would
16 contend might not be recoverable here.

17 COMMISSIONER BROWN-BLAND: Mr. Brown,
18 you're at the end of your time, so if you could
19 come to a close.

20 MR. BROWN: Okay. Yup. No, that's
21 fine. I'm all set.

22 COMMISSIONER BROWN-BLAND: You can close
23 out, if you had -- you were getting ready to make a
24 point.

1 MR. BROWN: There was just one more
2 thing. Unlike Duke Energy or Piedmont Natural Gas,
3 the other utilities in the area, Aqua doesn't
4 accept debit or credit cards. I know, in my
5 community, that was something that was raised to me
6 when I posted about this on Nextdoor and had some
7 offline conversations, and so that would be
8 something that we would want to see as well.

9 COMMISSIONER BROWN-BLAND: All right.
10 Thank you.

11 Mr. Grantmyre.

12 Q. So to summarize your testimony, you think the
13 base charge -- that is the charge you have before you
14 use any water -- should be lower -- a much lower
15 percentage of your bill; is that correct?

16 A. Absolutely, that is correct.

17 Q. Thank you.

18 MR. GRANTMYRE: We have no further
19 questions.

20 COMMISSIONER BROWN-BLAND: Ms. Sanford?

21 MS. SANFORD: We have no questions.

22 Thank you, Mr. Brown.

23 COMMISSIONER BROWN-BLAND: Any questions
24 from the Commissioners?

1 (No response.)

2 COMMISSIONER BROWN-BLAND: All right.

3 Mr. Brown, we thank you for your participation, and
4 you may be excused.

5 MR. BROWN: Thank you.

6 COMMISSIONER BROWN-BLAND: All right,
7 Mr. Grantmyre.

8 MR. GRANTMYRE: The Public Staff would
9 call Brad Phillips.

10 MR. PHILLIPS: Good afternoon.

11 COMMISSIONER BROWN-BLAND: Hi,
12 Mr. Phillips.

13 Whereupon,

14 BRAD PHILLIPS,

15 having first been duly affirmed, was examined
16 and gave his statement as follows:

17 DIRECT EXAMINATION BY MR. GRANTMYRE:

18 Q. Mr. Phillips, please give us your address.

19 A. 84 Mitchell River Ridge, Roaring Gap,
20 North Carolina 28668.

21 Q. And you live in the Olde Beau subdivision?

22 A. That's correct.

23 Q. And you receive both water and wastewater
24 service from Aqua or just water?

1 A. Both water and wastewater.

2 Q. Please proceed with your statement.

3 A. Thank you. Members of the Commission, thank
4 you for the opportunity to comment today. I represent
5 the Olde Beau Owners Association of Roaring Gap as a
6 member of the board of directors. We are a small group
7 of about 170 property owners in Allegheny County. We
8 are located a few miles away from the Blue Ridge
9 Parkway.

10 About 80 percent of our owners are seasonal,
11 but all of us pay a monthly bill year-round to Aqua,
12 even when there is no usage. Aqua purchased the water
13 system back in 2007, and for the most part, following a
14 couple of improvements they made in the first few
15 years, we really don't have a lot of complaints.
16 However, we do oppose the proposed rate increase, and
17 there are a few reasons for our position.

18 We understand that Aqua has a fiduciary
19 responsibility to its shareholders, but they also have
20 a responsibility to the customers to provide best
21 product and service at a fair price while meeting the
22 needs of their customers and communities. We think
23 that raising rates mid-COVID-19 pandemic, the massive
24 unemployment we have seen nationally, as well as the

1 economic uncertainty, is neither fair nor socially
2 responsible. We appreciate the Company offering a
3 period of late-fee forgiveness and postponing
4 disconnections, but the timing of this rate increase,
5 to us, simply reeks of insensitivity by a Company that
6 actually relies on the public's trust. We feel the
7 request for the amount of the increase is excessive.
8 Frankly, any increase, at this point, we feel like
9 would be excessive.

10 In our community, Aqua provides routine
11 maintenance, repairs, and other types of service of
12 that nature when they are required, but we are unaware
13 of any plans the Company has to improve the quality of
14 water, increase the reliability of its system, to
15 expand new wells in our area, or any other enhancement
16 or improvement to the water system or the wastewater
17 system whatsoever.

18 Increases in cost of service are to be
19 expected, but in our community, it's simply business as
20 usual. Routine maintenance and repair hardly
21 necessitate a rate increase of any amount, in our
22 opinion.

23 We also feel that Aqua has been unresponsive
24 to the needs of our small community. There are at

1 least two ongoing issues that are causing damage to the
2 streets of our community. There is a leak at an access
3 cover across from the treatment facility, and there is
4 erosion and road damage simply by where they park their
5 trucks at their water facility. For years we asked
6 Aqua to please address these issues, but they continue
7 to ignore our request.

8 And finally, we simply ask the Company to
9 improve its efforts to communicate with its customers.
10 Aside from the monthly bill, and occasional boil-water
11 notice, and the required annual water quality report,
12 we rarely, if ever, hear from them. That is until
13 there is a rate increase.

14 So we respectfully ask the Commission to deny
15 Aqua's request at rate increase, and with that, I will
16 close, and be glad to answer any questions that anyone
17 may have. Thank you again.

18 Q. Mr. Phillips, this is Bill Grantmyre with
19 some follow-up on behalf of the Public Staff.

20 You had mentioned that -- I believe at the
21 beginning you were discussing the fact that the bills
22 were the same for wastewater regardless of whether
23 anyone was at the house. The Public Staff has
24 recommended volumetric wastewater bills, that is, you

1 would receive the wastewater which, in greater part,
2 would be based on the amount of wastewater that you
3 produced or water that you used.

4 Would your subdivision, to your knowledge, be
5 in favor of volumetric wastewater bills instead of flat
6 rate?

7 A. Yes, indeed, we would. Most of our owners
8 are -- they are not really large families. They are
9 mostly couples. And again, many of those are seasonal.
10 So I feel certain that we would support that.

11 Q. You had mentioned occasional boil-water
12 notices.

13 How many boil-water -- how long have you had
14 a house at Olde Beau?

15 A. We have been there for five years now, but I
16 have been a customer of Aqua in Raleigh for 16 years
17 before retirement and moving up to Roaring Gap.

18 Q. How many --

19 A. As far as the number of boil-water notices
20 there, there have been a few. There haven't been a
21 lot. That's why I said earlier, we really have few
22 complaints. It's business as usual for us there, and
23 we don't have a lot of boil-water notices. But we do
24 hear from them when there is an -- I would say maybe

1 the past five years I have had three.

2 Q. And we are referring to Olde Beau now; is
3 that correct?

4 A. That's correct, Olde Beau.

5 Q. And can you please describe when you say the
6 Company is unresponsive? You mentioned that.

7 A. Yeah. Across from their -- their wastewater
8 treatment facility, there is an access cover, manhole
9 if you will, and there is a leak at that cover, and we
10 have asked them several times to please repair that.
11 And to Ms. Sanford's comments earlier about having
12 field technicians and others at a normal hearing, that
13 would be welcomed today so that we could discuss this
14 in person rather than sending emails and making phone
15 calls. We have had numerous requests to Aqua to try
16 and repair this, and we have just not gotten any
17 response.

18 The other is -- that I mentioned was erosion
19 and road damage that's caused where they park their
20 trucks at the water facility. The water -- as you can
21 imagine, we are up in the mountains, so we got an
22 erosion problem there because of where they park their
23 trucks, and the ruts cause the shoulders of the roads
24 to begin to wash out. And we are undergoing a paving

1 project up there now, and this is a problem for us. We
2 would love to get them to address that for us.

3 Q. Thank you.

4 MR. GRANTMYRE: The Public Staff has no
5 further questions.

6 COMMISSIONER BROWN-BLAND: All right.
7 Ms. Sanford?

8 CROSS EXAMINATION BY MS. SANFORD:

9 Q. Good afternoon, Mr. Phillips. I have a few
10 questions here. Though most of the responses to your
11 concerns we're going to deal with in our report that we
12 file with the Commission and in some follow-up
13 conversations with you, but I want to ask you -- I'm
14 concerned about the allegations of Aqua being
15 unresponsive.

16 Do you know Mr. David Rouse (phonetic
17 spelling)?

18 A. I do. In fact, he's my neighbor.

19 Q. He's your neighbor. I guess you are all
20 neighbors out there at Olde Beau.

21 A. We are.

22 Q. And is he currently the Olde Beau homeowners
23 organization -- whatever it's called -- chair?

24 A. Currently, Mr. Rouse is on the Olde Beau Club

1 Board and represents the club -- he represents the club
2 board and the property owners association also. He's
3 not the chair of the group that I sit on, but he is on
4 that board, yes.

5 Q. Okay. Okay. So are you aware of the
6 conversations that Mr. Shannon Becker, Aqua's state
7 president, has had with Mr. Rouse?

8 A. I know that there has been some
9 conversations, but I can't be specific, Ms. Sanford --

10 Q. Sure.

11 A. -- as to when they were or what the
12 conversations were.

13 Q. Sure. But you are aware that Mr. Becker has
14 reached out to Mr. Rouse and has had conversations
15 about the various issues and the work being done at
16 Olde Beau?

17 A. I know there have been conversations; yes,
18 ma'am.

19 Q. Okay. And have you -- have you been made
20 aware of work that's been done on the pump control
21 system and the additional hydro tank that's been
22 installed at Olde Beau?

23 A. I am not aware of those, and I have been on
24 the board now for a couple of years, so I don't know

1 when those -- it might have been done, but I guess that
2 kind of points back to the lack of communication that
3 we have had with them. If those things have been done,
4 that's wonderful, and we appreciate it. Again, we
5 understand the cost of service.

6 Q. Right, right, and thank you for that. So I
7 will -- I won't take you through a litany of questions
8 today, but we will look forward to having someone from
9 Aqua contact you after this hearing today for some of
10 the kinds of conversations that it sounds like would be
11 additionally helpful. And at that point in time, if
12 there are any other questions you have then or after
13 that, then you will have a contact at Aqua and will
14 know who to speak to. So with that, I will just thank
15 you for your participation today.

16 A. Thank you for your response, and I appreciate
17 your questions.

18 COMMISSIONER BROWN-BLAND: Are there
19 questions from the Commission?

20 (No response.)

21 COMMISSIONER BROWN-BLAND: I don't see
22 any, so, Mr. Phillips, we do appreciate your
23 participation and your willingness to share your
24 testimony with us. And with that, you're excused.

1 MR. PHILLIPS: Thank you very much.

2 MR. GRANTMYRE: The Public Staff calls
3 Dennis Kretzinger.

4 COMMISSIONER BROWN-BLAND: All right.
5 Mr. Kretzinger, are we pronouncing that correctly,
6 and are you on the line?

7 THE HOST: I don't see him on the line
8 right now.

9 COMMISSIONER BROWN-BLAND: All right.
10 You do recognize his number, though?

11 THE HOST: I do. Yes, ma'am.

12 COMMISSIONER BROWN-BLAND: Okay. All
13 right. Mr. Grantmyre.

14 MR. GRANTMYRE: We will go to
15 Patrick D'Andrea.

16 COMMISSIONER BROWN-BLAND: All right.
17 Mr. D'Andrea? All right.

18 Whereupon,

19 PATRICK D'ANDREA,
20 having first been duly affirmed, was examined
21 and gave his statement as follows:

22 COMMISSIONER BROWN-BLAND: All right,
23 Mr. Grantmyre.

24 DIRECT EXAMINATION BY MR. GRANTMYRE:

1 Q. Mr. D'Andrea, could you please spell your
2 last name for the court reporter?

3 A. Sure. It's D, apostrophe, capital
4 A-N-D-R-E-A.

5 Q. And please give us your address.

6 A. 143 Hazelton Loop, Mooresville,
7 North Carolina 28117.

8 Q. And your subdivision is Regency Lake?

9 A. That's correct.

10 Q. And do you get water and wastewater service
11 from Aqua or just water?

12 A. No, sir, I get water only from Aqua.

13 Q. Okay. Please proceed with your statement.

14 A. I just have a few points to make about my
15 dissatisfaction with the services of Aqua water. First
16 of all, in the many years that I have been a customer
17 with Aqua, which at this point is somewhere in the
18 neighborhood of 10, we have had numerous breaks in
19 lines, probably three, maybe four episodes of having to
20 boil water. Occasionally, for whatever reasons, the
21 pressure goes down so low you can't even get water out
22 of the faucet. The water is often cloudy. It has poor
23 taste. It tastes stale. At times, it tastes overly
24 chlorinated. I have water stains in my sinks, my tubs,

1 my toilets, I suspect from the high content of the
2 minerals in the water, although I'm not sure of that.

3 And as far as my reading of Aqua's
4 improvements, I haven't seen any evidence of any
5 improvements in my neighborhood. And, furthermore,
6 it's my belief that we have very old pipes here -- they
7 have been repaired many times -- that need to be
8 replaced, probably the reason why the lines break and
9 -- well, in my opinion, and I think many people share
10 this with me, Aqua water does not deserve yet another
11 increase in rates. The rates continue to increase as
12 the years go by and the service levels stay the same.
13 And those are my comments.

14 COMMISSIONER BROWN-BLAND: All right.

15 Mr. Grantmyre?

16 MR. GRANTMYRE: Yes. I have some
17 follow-up questions.

18 Q. You said the pressure gets so low you hardly
19 get any water out.

20 How often does that happen?

21 A. That's been rare. Geez, maybe a couple times
22 a year.

23 Q. Does it happen more in the summertime when
24 there is higher usage or is it all year -- it could

1 happen any time during the year?

2 A. There doesn't seem to be any particular
3 season when that happens. But, honestly, I haven't
4 kept track of that, so I don't know.

5 Q. And you said the water is often cloudy.

6 How often does that happen?

7 A. Half a dozen times a year I will pour a glass
8 of water and --

9 COMMISSIONER BROWN-BLAND: Mr. D'Andrea?

10 Mr. D'Andrea? You're -- you have affirmed to tell
11 the truth, and you are the witness sworn in. We
12 hear someone else weighing in. That's not
13 appropriate, and the court reporter can hear that.
14 If you -- it's okay if you need assistance there,
15 but we shouldn't be hearing it on the record.
16 Thank you.

17 MR. D'ANDREA: Yes. I apologize for
18 that.

19 Q. And you also state -- so, you pour a glass of
20 water when it's cloudy, and after a period of time it
21 clears up because the air has come out of the water.

22 Does that seem to describe what you
23 experience?

24 A. Well, I didn't state that, but I will say

1 that that is true. It will settle after a while.
2 Whatever is causing it seems to dissipate, but I don't
3 think it leaves the water. The water continues to have
4 a poor taste.

5 Q. When you say "poor taste," can you describe
6 how it tastes? I know it's hard to describe sometimes,
7 but just do the best you can.

8 A. I don't know if you have ever tasted a glass
9 of stale water -- stale-tasting water as if it's been
10 sitting around for days, but that's about as accurate
11 as I can be.

12 Q. And you also testified it's overly
13 chlorinated.

14 Is it such chlorinated that you can't drink
15 the water at times, or is that all the time, or just
16 some of the time?

17 A. No, sir. It's never been so chlorinated that
18 I can't drink it. However, in my opinion, I shouldn't
19 taste chlorine in the water. Maybe that's normal, but
20 I don't think it should be.

21 Q. You also testified it stains the sinks, the
22 tubs, and the toilets.

23 What color stains to you experience?

24 A. They are not -- they are not black, as the

1 previous testimony, but they are -- they are a dark
2 stain, and over time they get darker. They will start
3 out sort of an off-white color, and then, as time goes
4 on, it will get darker to the point where it looks like
5 a light brown, I guess would be the best way for me to
6 describe it.

7 Q. And is that in all the sinks and the tubs and
8 toilets in the house?

9 A. I get the stains more in the toilets. I can
10 see in the sinks the discoloration and feel the mineral
11 deposits around the drains where water has been
12 sitting.

13 Q. Now, do you know how many customers or people
14 in your subdivision, how many houses are there in
15 Regency Lake?

16 A. Um.

17 Q. Just approximate.

18 A. Somewhere around 80 homes, I think.

19 Q. And you said the pipes are old and they break
20 a lot.

21 How old is your subdivision; do you know?

22 A. Oh, gee. Maybe 20 years.

23 Q. Okay.

24 A. I really don't know for sure.

1 Q. Thank you.

2 A. It was built in 1970.

3 Q. Okay. So that would be about 50 years?

4 A. About 50 years.

5 Q. Okay. Thank you.

6 MR. GRANTMYRE: Public Staff has no
7 further questions.

8 COMMISSIONER BROWN-BLAND: Mr. D'Andrea,
9 for the record, could you identify whose voice that
10 was we were hearing?

11 MR. D'ANDREA: Yes. That would be my
12 wife.

13 COMMISSIONER BROWN-BLAND: And her name
14 is what?

15 MR. D'ANDREA: Alana (phonetic
16 spelling).

17 COMMISSIONER BROWN-BLAND: All right.
18 Thank you. Ms. Sanford?

19 MR. BENNINK: I will take over.

20 COMMISSIONER BROWN-BLAND: Mr. Bennink.

21 CROSS EXAMINATION BY MR. BENNINK:

22 Q. Mr. D'Andrea, how long have you been a
23 customer of Aqua?

24 A. About 10 years.

1 Q. And have you registered your customer
2 complaints with the Company?

3 A. The only communication that we have made from
4 our end is to call in when they have had problems with
5 the break in the line, but as far as calling in,
6 it's -- specific complaints, no, we haven't done that.

7 Q. All right. Thank you. That's all I have.

8 COMMISSIONER BROWN-BLAND: All right.

9 Are there questions from the Commissioners?

10 (No response.)

11 COMMISSIONER BROWN-BLAND: I don't see
12 any. Thank you, Mr. D'Andrea. We appreciate your
13 participation, and you're excused.

14 MR. D'ANDREA: Thank you for having me.

15 MR. GRANTMYRE: Is Dennis Kretzinger
16 available now?

17 MR. KRETZINGER: Yes. Can you hear me
18 okay?

19 COMMISSIONER BROWN-BLAND: Yes.

20 Mr. Kretzinger?

21 MR. KRETZINGER: Yes.

22 Whereupon,

23 DENNIS KRETZINGER,

24 having first been duly affirmed, was examined

1 and gave his statement as follows:

2 DIRECT EXAMINATION BY MR. GRANTMYRE:

3 Q. Mr. Kretzinger, could you please spell your
4 last name for the court reporter?

5 A. Yes. It is K-R-E-T-Z-I-N-G-E-R.

6 Q. And please give us your address.

7 A. It is 7 Glen, separate word now, Garnock,
8 G-A-R-N-O-C-K, Circle, Raleigh 27613.

9 Q. And you are -- live in Wexford?

10 A. That is correct.

11 Q. And do you get water and wastewater service
12 from Aqua or just water?

13 A. It is both.

14 Q. Please proceed with your statement.

15 A. Yeah. I have just one statement and -- or
16 actually two statements and a question. It's very
17 frustrating that, at least based on what I hear from
18 coworkers, and relatives, and other folks who live in
19 the Raleigh/Durham area, it seems that we have already
20 very, very high water and sewer sewer costs -- or
21 service costs, and it just makes me wonder, it makes me
22 scratch my head, why the folks at Aqua want Heater
23 Utilities.

24 It seems as though -- and it's something I

1 didn't keep record of, haven't kept track of, but it
2 seems -- it seems every few years we are faced with
3 these hearings and Aqua asking for a rate increase.
4 And it is frustrating when they are already very high,
5 at least in my opinion, and it just makes me wonder why
6 they brought the Heater Utilities. Did they not
7 understand what the income stream was like, what the
8 costs were like? I mean, we haven't seen any
9 improvements in this neighborhood. I don't know what
10 they are spending their money on.

11 But, you know, I wish every private business
12 could do what the utility companies do. Go ahead and
13 buy the company, buy the risk if you will, but it's
14 really no risk on their part, because like us, we will
15 just go to the public and we will go to the taxpayers
16 and just ask for a rate increase if we can't make
17 money. They had to know what the financials looked
18 like when they bought Heater Utilities. It's just very
19 frustrating. It seems like it always falls on the
20 individual homeowner, the taxpayer. Excuse me.

21 And for those of you on the Commission, I
22 know you have a really difficult task. You have to
23 represent the utility companies and make sure they have
24 money to operate properly, but you have to represent

1 the taxpayers too. And I used to handle zoning cases
2 in the distant past, and it's very frustrating because
3 I also know how these utility companies work, and I'm
4 assuming that things haven't changed much in the last
5 couple of decades, but I know that very often, if a
6 utility company -- and I'm going to make up numbers
7 here -- if they want an 8 percent increase, for
8 instance, they ask for 10 percent. If they want 6
9 percent, they ask for 9 percent. And very often, they
10 are given a rate increase, and then the Commission is
11 able to say, well, we didn't give them everything they
12 wanted. Well, on the surface we didn't, but they still
13 got a rate increase. And it hurts the individual
14 property owner, it hurts the individual taxpayer.

15 It hurts us when they get a rate increase of
16 any kind when we are already paying \$140, \$150 a month
17 just for water and sewer. And we are talking about, in
18 my case, a two-person household. We don't even have
19 children.

20 So I just hope you will keep those thoughts
21 in mind, and if anybody at Aqua wants to address my
22 question about why they came here and bought Heater
23 Utilities, and then turn around and ask constantly, it
24 seems like frequently, for rate increases, I would like

1 an answer.

2 COMMISSIONER BROWN-BLAND: All right.

3 Mr. Grantmyre?

4 Q. Mr. Kretzinger, you mentioned you have a
5 two-person household. The Public Staff in this case is
6 recommending that you be billed wastewater based on the
7 volume of wastewater you -- or water you use, rather
8 than a flat rate.

9 Would you be in favor of being billed
10 wastewater on a volumetric billing rather than a flat
11 rate?

12 A. Well, I guess I can't answer that, not
13 knowing what I'm really comparing. I don't know. I
14 don't know if that's going to be a benefit to us or if
15 it's going to end up costing us more money. I don't
16 have -- I don't have any figures in front of me to
17 analyze, so it's difficult for me to answer. I just --
18 I don't know how to answer that any better than I just
19 did.

20 Q. Thank you.

21 MR. GRANTMYRE: The Public Staff has no
22 further questions.

23 COMMISSIONER BROWN-BLAND: Any questions
24 from the Company?

1 MR. BENNINK: No questions.

2 COMMISSIONER BROWN-BLAND: All right.

3 Any questions from the Commission?

4 (No response.)

5 COMMISSIONER BROWN-BLAND: All right,
6 Mr. Kretzinger, thank you for testifying tonight,
7 and you are excused.

8 MR. KRETZINGER: Thank you for your
9 time. Appreciate it.

10 MR. GRANTMYRE: Dennis Gershowitz.

11 COMMISSIONER BROWN-BLAND: The record
12 will reflect -- the record will reflect that it's
13 not night. I'm just used to doing these at night.
14 It's still afternoon.

15 Who is the witness, Mr. --

16 MR. GRANTMYRE: Dennis Gershowitz.

17 COMMISSIONER BROWN-BLAND: Gershowitz.

18 Whereupon,

19 DENNIS GERSHOWITZ,

20 having first been duly affirmed, was examined

21 and gave his statement as follows:

22 DIRECT EXAMINATION BY MR. GRANTMYRE:

23 Q. Will you please spell your last name, please?

24 A. Of course. G-E-R-S-H-O-W-I-T-Z.

1 Q. And what is your address?

2 A. 258 Highlands Drive, Hampstead,
3 North Carolina 28443, and we're in the Castlebay
4 subdivision.

5 Q. And I believe you get both water and
6 wastewater service from Aqua North Carolina; is that
7 correct?

8 A. That is correct.

9 Q. Please proceed with your statement.

10 A. Thank you. Madam Chairman and Commissioners,
11 I appreciate this opportunity. I am the vice president
12 of HOA and been vice president of this group for, I'd
13 say, probably close to 8 to 10 years, and moved into
14 the community in 2005. Back then, in those days, we,
15 of course, have -- we have grinder -- grinders and
16 grinder pumps that take the wastewater away from the
17 home to the sewer. And early on in the community, it
18 was subjective as to whether -- who was taking care of
19 the grinders. And when we moved in, as well as most of
20 the community, we were -- it was implied that Aqua
21 would take care of it, and, you know, we were under
22 that assumption.

23 And then there was a transaction back around
24 2005 where Aqua rates basically took everything over

1 from the developer. And it was based on an
2 understanding that -- back in 2001, that the developer
3 with the North Carolina Environment Management
4 Commission would assure that the HOA -- or the POA at
5 that time it was called -- would really put together a
6 funding to maintain the grinders. That was never put
7 together. And it was again noted in letters from Aqua
8 back in 2009 asking where that stood, and we weren't
9 privy to the response of that. But never has the POA
10 taken on the responsibility for maintaining the
11 grinders, and it was even implied by Neil Phelps
12 (phonetic spelling), who was the president back in
13 2005, that the POA was going to do that.

14 So, in essence, what ended up being is the
15 homeowners became responsible for the grinders, and
16 it's a very expensive responsibility. I, for example,
17 had to replace my grinder pump two years ago. Cost me
18 over \$2,000 for that. And our big argument here, or
19 our big concern as a community, I represent over 300
20 homes -- owners, and our big argument is basically that
21 our sewage rates keep going up. Right now we pay \$72 a
22 month, and we are not sure what Aqua is doing for it,
23 other than processing the sewage. We incur what seems
24 to be most of the expense, and there was never any rate

1 adjustments that we were made aware of or we can find
2 from the time that Aqua took over, and there was
3 clearly a cushion in there. The events of that day
4 were claiming to have occurred when they were taking
5 care of the grinders, and whether those expenses ever
6 came out and rates were adjusted is not apparent.

7 And so our position is we are going to seek
8 that the sewage rate not be raised and maybe a detailed
9 investment -- investigation be given by an accounting
10 firm -- independent accounting firm, or somebody along
11 those lines, to make sure that the sewage rate is
12 equitable, considering that we are responsible for the
13 grinders and everything, you know, basically from the
14 house to the sewer, okay.

15 And I have been -- you know, just before the
16 question is asked whether or not the community would be
17 in favor of volumetric billing. I have to be honest
18 with you, especially the single members or the single
19 households would definitely be, but understanding
20 analytics and metrics, I would say I would surely like
21 to see the formulas of how that's being put together
22 before I could speak on behalf of the community and say
23 that we would favor that. Thank you. I appreciate
24 your time.

1 COMMISSIONER BROWN-BLAND: Thank you,
2 Mr. Gershowitz.

3 Mr. Grantmyre?

4 MR. GRANTMYRE: Zeke, you better take
5 over. I just got cut off.

6 COMMISSIONER BROWN-BLAND:
7 Mr. Grantmyre, we still hear you.

8 MR. CREECH: I think you are still
9 there, Mr. Grantmyre.

10 MR. GRANTMYRE: Okay. I can't see.
11 I'll get back on.

12 Q. Mr. Gershowitz, you mentioned that you're
13 responsible -- you were only responsible on your
14 grinder -- from the house to the grinder pump, and once
15 it leaves the grinder pump, who is responsible after
16 that?

17 A. My understanding is the way the letters read
18 that we do have on file, we are responsible to the
19 curb.

20 Q. Okay. Thank you.

21 MR. GRANTMYRE: We have no further
22 questions.

23 COMMISSIONER BROWN-BLAND: All right.
24 Any questions from the Company? Mr. Bennink, you

1 are on mute.

2 CROSS EXAMINATION BY MR. BENNINK:

3 Q. Mr. Gershowitz, who owns the grinder pumps?

4 A. Who owns the grinder pump?

5 Q. Yes.

6 A. We -- each homeowner now, yeah.

7 Q. Aqua does not own them then, correct?

8 A. Not -- not according to the letters that are
9 on file. They -- they turned that over to the
10 homeowner.

11 Q. All right. That's all. Thank you.

12 COMMISSIONER BROWN-BLAND: All right.
13 Are there any questions from the commissioners?

14 (No response.)

15 COMMISSIONER BROWN-BLAND:

16 Mr. Gershowitz, thank you for coming and for having
17 your testimony, and you may be excused.

18 MR. GERSHOWITZ: Thank you for your
19 time. We appreciate it.

20 COMMISSIONER BROWN-BLAND: Before you
21 call the next witness, Mr. Grantmyre, we are going
22 to give our court reporter a little break here and
23 come back on the record at 3:25. And those of you
24 hanging out on the line, just hang out a little

1 while longer, and we will be right back with you.
2 If all those in attendance would turn off your
3 cameras and go to mute, please.

4 (At this time, a recess was taken from
5 3:11 p.m. to 3:25 p.m.)

6 COMMISSIONER BROWN-BLAND: Let's come
7 back on the record.

8 MR. GRANTMYRE: The Public Staff calls
9 Michael Thompson.

10 COMMISSIONER BROWN-BLAND: Mr. Thompson,
11 are you there?

12 MR. THOMPSON: I am. Can you hear me?

13 COMMISSIONER BROWN-BLAND: Yes, we do
14 hear you.

15 Whereupon,

16 MICHAEL THOMPSON,
17 having first been duly affirmed, was examined
18 and gave his statement as follows:

19 COMMISSIONER BROWN-BLAND: All right,
20 Mr. Grantmyre.

21 DIRECT EXAMINATION BY MR. GRANTMYRE:

22 Q. Please give us your address, please.

23 A. It's 2524 Emerald Woods Drive, Wake Forest,
24 North Carolina 27587.

1 Q. And you are in Emerald Woods subdivision?

2 A. Yes.

3 Q. And that is near Wake Forest?

4 A. Yes.

5 Q. Please proceed with your statement.

6 A. Thank you, Commissioners, for the opportunity
7 to testify today. I have -- I am a North Carolina
8 native. I have had private well water in Wake County
9 my entire life and recently moved into this house, and
10 I have had Aqua here for about three years.

11 So I didn't really expect anything different
12 being a public well system versus having private well
13 water. However, right after we moved in, we noticed
14 that we were getting a lot of sediment and issues with
15 the water, and we called the contractor, and they said
16 it was Aqua's fault, and Aqua said, "Well, they got
17 sediment in the line." And there was a lot of
18 finger-pointing back and forth.

19 And ultimately we got a hold of somebody at
20 the North Carolina Department of Environmentally --
21 Environmental Quality in the public water section and
22 talked to them about it and got a hold of the levels
23 for our water, and turns out there was an excessive
24 level of manganese, among other things, in the water,

1 and that's what was causing the issues that some of the
2 other folks have indicated.

3 We constantly have blackish/brown stains in
4 the toilets, not just at the water's edge, but running
5 down from the lip of the bowl where the water comes in.
6 We clean it every couple of days, and it just, you
7 know, almost immediately comes back. And at one point,
8 one of the Aqua representatives' advice was not to use
9 cleaning products in the toilet, because that just
10 makes the chemical come out of suspension faster, which
11 was kind of ridiculous. And given the amount of
12 sediment and garbage floating in the water, we don't
13 think it's safe to let our child or our pets consume
14 it. So everything that we drink we have got to filter
15 first.

16 We also, you know, as part of cleaning this
17 up and supposedly making it better, you know, Aqua
18 flushes our pipes periodically. The most recent one
19 was the end of last year. They gave us two days'
20 notice that they were going to do this, and most of the
21 neighbors were not even notified at all. They took
22 three days to flush the system, and they basically
23 said, you know -- like a Time Warner appointment, you
24 know, "We're gonna be here between the hours of 8 and

1 5 p.m. every day for three days, but we can't tell you
2 when or what day." And so what I got from the
3 conversation was that it was just going to be at some
4 point during that interval they were going to flush it.
5 No. They were flushing it at random intervals all
6 throughout there, but they never had any clue when they
7 were going to be back and when they were gonna do it.
8 And every time they did this, I would have to burn up
9 about 20 gallons of my own water that I paid for out of
10 my pocket to flush the junk out of the lines that they
11 introduced from their flushing. And I am talking about
12 water coming out like thick hot chocolate. I mean,
13 just nasty brown sludge. And some of that sediment was
14 so bad that it actually clogged up one of my outside
15 spigots. I'm gonna have to have a plumber come in and
16 pull the line out because it's just jammed the
17 frost-free spigot completely.

18 Now, I understand there are definitely others
19 out there, because I have seen the pictures online,
20 whose water from Aqua is substantially worse and
21 consistently worse. The pictures of brown water I see
22 on the internet and the Facebook groups is just
23 appalling. So I can't understand, like some of the
24 other folks have asked why they would feel the need to

1 raise rates on, you know, water we are paying for
2 already that's not clean. And, personally, I would
3 love to understand why it is I can't have my own
4 private well, because I would love to go back to that.
5 Then at least I know, if I have to pay for filtration
6 and everything, you know, I am not having to pay for
7 the water and then turn around and pay to filter it. I
8 would rather just pay for my own well, and then it's on
9 my own accord.

10 COMMISSIONER BROWN-BLAND: All right.

11 Mr. Grantmyre.

12 Q. You said you have a blackish-brown stain in
13 your toilets.

14 Is that in all the toilets or just those that
15 aren't used very often?

16 A. Oh, it's in all of them.

17 Q. And do you have it in your sinks, and
18 bathtubs, and showers also?

19 A. Some in the shower. The bathtubs will get it
20 if you run water -- if you don't flush the water before
21 you run it. So usually when, you know, we are bathing
22 my son, we let the water run for a minute or two before
23 I put the stopper in, and we get a little bit of
24 buildup in the shower, but the toilets is where it's

1 most noticeable.

2 Q. What did the -- what cleaning products did
3 the Aqua sale- -- operator that came to your house tell
4 you not to use?

5 A. Well, nobody came out. This was at one point
6 when I talked to them on the phone, and I think
7 specifically they said not to use anything that had,
8 you know, Clorox in it, which is -- you know, I can't
9 see why you wouldn't be able to use chlorine to clean
10 the toilet, but.

11 Q. Did they suggest to you products that would
12 help get those stains out?

13 A. No. They just -- I mean, I understand
14 chemically what's going on there. They basically said,
15 if you enter something in there, it's going to cause
16 something that's in suspension to come out more
17 noticeable, but there was no alternative.

18 Q. Did anybody ever mention to you some type of
19 citric acid that might help clean the stains, like Tang
20 or anything like that?

21 A. No. I mean, like I said, usually we don't
22 let it sit long enough to become a stain. But that
23 means you have to brush it constantly, otherwise it
24 looks like somebody's come and dumped something into

1 the tank.

2 Q. How many -- how many persons -- how many
3 houses are in Emerald Woods, your subdivision?

4 A. I think there is 60-something in here, and
5 all the neighbors that I've ever talked to, everybody
6 has these same problems.

7 Q. And the last flushing they did, you said you
8 only got two days' notice on it; is that correct?

9 A. Yes. I personally got two days' notice,
10 because I got one of the phone calls. Most of the
11 neighbors did not know about it until somebody posted
12 it in our Facebook group and warned everybody, at which
13 point it became a lot of questions about why there was
14 no notification sent out. I did get notification,
15 though, but most people didn't.

16 Q. And the notice they said was going to take --
17 the flushing was going to be over three days; is that
18 what you testified?

19 A. Yes. They said it was gonna -- it was like
20 Wednesday, Thursday, Friday between the hours of 8:00
21 and 5:00 that they would be doing -- they would be
22 doing the flushing sometime in that window. And after
23 calling and asking, my impression was that it would be
24 -- you know, it would be done somewhere in that window,

1 a one-time thing, but in reality, they were flushing
2 every single day.

3 Q. So they did flush all three days; is that
4 what you said? Actual flushing of the water all three
5 days?

6 A. Yes. At some point during all three days
7 Aqua was in the neighborhood doing that. So every
8 afternoon we had to flush our own systems out, and I
9 actually cut my water off at the cutoff closest to the
10 road to try to prevent ingress of stuff into the house
11 if possible. But like I said, I wound up having to
12 dump about 20 gallons of water from the main cutoff at
13 the pressure regulator to keep the stuff from flowing
14 into the house. That still didn't completely stop it.

15 Q. How many years have you lived on this -- you
16 said you recently moved in. Approximately when did you
17 move in, approximately?

18 A. It was the end of 2017.

19 Q. And how many times since you moved in has
20 Aqua flushed your system?

21 A. I'm not 100 percent certain, because this is
22 the only one that I ever distinctly remember receiving
23 notice on, but it probably happened, you know, at least
24 two or three times in that interval and I just wasn't

1 completely aware of it.

2 Q. Okay. Thank you.

3 MR. GRANTMYRE: We have no further
4 questions.

5 COMMISSIONER BROWN-BLAND: All right.

6 Are there questions from the Company?

7 MR. BENNINK: No questions.

8 COMMISSIONER BROWN-BLAND: All right.

9 Are there questions from the Commissioners?

10 Chair Mitchell.

11 CHAIR MITCHELL: Just one quick
12 question.

13 EXAMINATION BY CHAIR MITCHELL:

14 Q. Would you please confirm the county that you
15 live in?

16 A. It's Wake.

17 Q. Okay. Thank you.

18 A. At the very edge.

19 Q. Okay.

20 COMMISSIONER BROWN-BLAND: And Mr. --

21 MR. THOMPSON: I had a question too.

22 Well, one clarification. I couldn't hear the email
23 for Mr. Franklin at the beginning of the call. I
24 couldn't catch the website part of that.

1 COMMISSIONER BROWN-BLAND: All right. I
2 believe that was from Ms. Jost.

3 Could you repeat that for the benefit of
4 the customers?

5 MS. JOST: Sure. So his name is
6 Mike Franklin, and his email address is Mike,
7 M-I-K-E, dot, Franklin, F-R-A-N-K-L-I-N, @
8 P-S-N-C-U-C, dot, N-C, dot, gov, G-O-V.

9 MR. THOMPSON: I got it. The other
10 question I had too was if there has been any -- if
11 the Commission looked at regulating the secondary
12 contaminant levels that the EPA has for manganese
13 and some of those other chemicals, if they looked
14 at making the regulation for that a little bit more
15 strict, because I believe that seems to be a common
16 issue with most of these things is manganese and
17 other sediments in that secondary listing.

18 COMMISSIONER BROWN-BLAND: Mr. Thompson,
19 this is not a forum where we answer that. This is
20 more in the nature of a court proceeding, and you
21 know, in the same way that you don't ask the judge
22 questions. However, if you look at the dockets
23 that pertain to the Aqua rate cases, you will see
24 quite a bit of discussion about our dealings with

1 the manganese, the iron, and the secondary water
2 quality issues.

3 MR. THOMPSON: Okay. Thank you.

4 MR. GRANTMYRE: Mr. Thompson, you can
5 also call Mike Franklin on that, and he will
6 discuss it with you. He's with the Public Staff.

7 COMMISSIONER BROWN-BLAND: All right.
8 Ms. Jost, could you provide Mr. Franklin's phone
9 number once more?

10 MS. JOST: Sure. It's (919) 715-7580.

11 MR. THOMPSON: Okay.

12 COMMISSIONER BROWN-BLAND: All right.
13 Commissioner McKissick?

14 EXAMINATION BY COMMISSIONER MCKISSICK:

15 Q. Sure. Mr. Thompson, I know you indicated
16 that you had contacted the Division of Environmental
17 Management on one occasion. Have you had other
18 occasions to contact them?

19 A. You know, when we first moved in about this
20 whole thing, I was in contact with them on and off and
21 Aqua and everybody for, I don't know, it was months,
22 trying to figure out between them and -- because the
23 HOA told us that they had a contract with Aqua, so
24 there was some confusion around that, because my

1 question revolved back to could I have my own private
2 well, because I would much rather go that route. And
3 so I talked to them on environmental quality, and one
4 of the other -- I didn't ever call the Utility
5 Commission, but I know I talked to one of the other --
6 I'm forgetting now. I talked to one of the other
7 North Carolina regulatory agencies.

8 Q. Okay. And I guess the next question was, has
9 your homeowners association taken any action, as an
10 HOA, on behalf of the subdivision? I think you said
11 there were about 60 homes, and, I mean, are they all
12 equally impacted the same as you have been, or do you
13 know?

14 A. They are, but for some reason the HOA decided
15 to take a defensive stance on that, and basically
16 dismissed my complaints.

17 Q. Dismissed it. Okay. Thank you.

18 A. It wasn't a primary regulated contaminant,
19 that they didn't think it was a problem, and they
20 didn't want to bother with it.

21 Q. Okay. Thank you, sir.

22 COMMISSIONER BROWN-BLAND:

23 Commissioner Duffley?

24 EXAMINATION BY COMMISSIONER DUFFLEY:

1 Q. I just had one clarifying question, and it
2 was regarding your stated concerns around the flushing,
3 and is it -- the improvement that you want to see from
4 Aqua, is it surrounding the communication regarding the
5 flushing?

6 A. Yes. It would be nice to know when they are
7 planning to do it, and if they are going to do it all
8 three days, tell us it will be every single day. Be
9 more clear-cut about that. And also give us some kind
10 of -- you know, if I'm going to spend 20 gallons of
11 money that I have to pay for for them to flush my own
12 pipes, I think we should get some kind of reimbursement
13 for that.

14 Q. Okay. Thank you.

15 COMMISSIONER BROWN-BLAND: Are there --
16 Commissioner McKissick?

17 COMMISSIONER MCKISSICK: One thing I
18 forgot to ask. I apologize.

19 EXAMINATION BY COMMISSION MCKISSICK:

20 Q. Mr. Thompson, I know you indicated that the
21 water quality issue was in your toilet, but wouldn't
22 you also have experienced the same thing with water
23 coming in through your regular faucets?

24 A. Yes. If you let the water sit, it will. So

1 we get a little bit in the sink, but for the most part
2 that flushes away. I'm not sure why the toilets are
3 the most obvious location for it, but yeah, we see it a
4 little bit in the sink and a little bit in the water.
5 If you pour a glass of water and let it stand, you can
6 get some fallout from it in there.

7 Q. Okay. Thank you.

8 EXAMINATION BY COMMISSIONER BROWN-BLAND:

9 Q. Mr. Thompson, do you -- do you-all drink the
10 water from Aqua?

11 A. Only after it's been run through a secondary
12 filter.

13 Q. So you filter -- you filter your water.

14 And also, if you don't mind saying, do you
15 have -- are you able to give us some indication of your
16 usage or your monthly bills, what they usually sort of
17 seem to average out to?

18 A. I think it's around \$50 a month for water
19 only with a three-person household, and we don't have a
20 pool and we don't irrigate.

21 COMMISSIONER BROWN-BLAND: All right.

22 Are there questions from the Commission's
23 questions?

24 MR. GRANTMYRE: Not from the Public

1 Staff.

2 COMMISSIONER BROWN-BLAND: From the
3 Company? None from the Company?

4 MS. JOST: Commissioner Brown-Bland, I'm
5 sorry --

6 COMMISSIONER BROWN-BLAND: Wait.
7 Mr. Bennink, I think you are speaking. You were
8 muted.

9 EXAMINATION BY MR. BENNINK:

10 Q. I wanted to ask Mr. Thompson, are you willing
11 to have the Company contact you to talk about the
12 problems that you have raised and to respond to any
13 questions?

14 A. Sure.

15 Q. All right. The Company would be glad to do
16 that.

17 COMMISSIONER BROWN-BLAND: Ms. Jost, did
18 you have something?

19 MS. JOST: Yes, I did. I provided the
20 wrong phone number for Mr. Franklin. Let me give
21 that again. It is (919) 733-5610, and I apologize
22 for that.

23 COMMISSIONER BROWN-BLAND: 56 -- repeat
24 again.

1 MS. JOST: Yes, I will. (919) 733-5610.

2 MR. THOMPSON: (919) 733-5610?

3 MS. JOST: That's correct.

4 MR. THOMPSON: Okay. Got it.

5 COMMISSIONER BROWN-BLAND: All right.

6 Thank you, Mr. Thompson, and you may be excused.

7 MR. THOMPSON: Thank you.

8 MR. GRANTMYRE: Husher Edmonds.

9 COMMISSIONER BROWN-BLAND: Witness
10 Edmonds, are you here? Can you hear us?

11 MR. EDMONDS: Yes, I am. Can you hear
12 me?

13 COMMISSIONER BROWN-BLAND: Yes, I do.

14 Whereupon,

15 HUSHER EDMONDS,

16 having first been duly affirmed, was examined

17 and gave his statement as follows:

18 MR. EDMONDS: Yes, ma'am. I have no
19 testimony to give. I just wanted to listen in on
20 the hearing just to -- so if there is any recourse
21 as to why the rates may go up. Other than that, I
22 really have no issues, just hopefully that the
23 rates will maintain as they are. Other than that,
24 we had a tremendous problem.

1 COMMISSIONER BROWN-BLAND: Just a
2 moment. Mr. Grantmyre, would you go ahead and get
3 his information, and he will finish telling us?

4 MR. GRANTMYRE: Yes.

5 DIRECT EXAMINATION BY MR. GRANTMYRE:

6 Q. Could you please spell your first and last
7 name?

8 A. Yes. First name is Husher, H-U-S-H-E-R,
9 Edmonds, E-D-M-O-N-D-S, Jr.

10 Q. And could you please --

11 A. Address --

12 Q. -- state your address?

13 A. Yes, sir. 1528 Grassy Branch Drive. That's
14 two separate words. Grassy Branch Drive, Fayetteville,
15 North Carolina 28304-5944.

16 Q. And you live in the Farrington?

17 A. Yes, Farrington. That's the subdivision.

18 Q. And you get your water service from Brookwood
19 Water Company; is that correct, or Aqua Brookwood
20 System?

21 A. Yes, sir.

22 Q. Please proceed with your statement or
23 whatever you have to say.

24 A. Actually, I have no main issues. I was just

1 going to look in and see about the filing as far as the
2 rates may increase. Other than that, we live down here
3 since 1996. We are the rightful owners of the home,
4 the first buyers, and I believe somewhere around six
5 years after we moved in I think they changed companies
6 or coincided with another company, I can't recall. And
7 we had a problem with the rates just went up
8 tremendously. We had no recourse, everybody in the
9 subdivision. But other than that, since then,
10 everything seemed to quiet down, and hopefully it will
11 stay that way. Hopefully the rates won't go up. And
12 as far as my meters, there was a problem going back in
13 time, but it has been resolved.

14 COMMISSIONER BROWN-BLAND:

15 Mr. Grantmyre?

16 MR. GRANTMYRE: We have no further
17 questions.

18 COMMISSIONER BROWN-BLAND: All right.

19 Any questions from the Company?

20 MR. BENNINK: No questions.

21 COMMISSIONER BROWN-BLAND: All right.

22 Any from the Commissioners?

23 (No response.)

24 COMMISSIONER BROWN-BLAND: Mr. Edmonds,

1 thank you for listening in and having your say.

2 MR. GRANTMYRE: We call Carey -- we call
3 Carey Camp.

4 COMMISSIONER BROWN-BLAND: Just a
5 second. You may be excused. As Carey Camp comes
6 up to the stand, so to speak, virtually, I
7 neglected to say, both to the Company and to the
8 Public Staff, if you will, going back to the
9 Witness Gershowitz who spoke to the grinder -- the
10 matter he was having with the grinders, during his
11 testimony he indicated that there was some
12 documentation or some letters regarding the
13 ownership of these grinders -- grinder pumps. If
14 you-all are aware of those or can clarify that for
15 the Commission, we would ask that you do so in your
16 subsequent filed reports. Let us know what you
17 know about those -- that documentation and where it
18 may be found. In particular, if it's found amongst
19 any of the Commission's dockets or filings.

20 MR. GRANTMYRE: We will do so.

21 COMMISSIONER BROWN-BLAND: Thank you.
22 Now, the witness, was it Camp?

23 MR. CAMP: Yes. Can you hear me?

24 COMMISSIONER BROWN-BLAND: Yes, I do.

1 Whereupon,

2 CAREY CAMP,

3 having first been duly affirmed, was examined

4 and gave his statement as follows:

5 COMMISSIONER BROWN-BLAND: All right.

6 Mr. Grantmyre.

7 DIRECT EXAMINATION BY MR. GRANTMYRE:

8 Q. Please -- please provide us your address.

9 A. Yes. 4812 Sandberry Lane. Sandberry is one
10 word, S-A-N-D-B-E-R-R-Y. And Sandberry Lane in
11 Raleigh, 27613.

12 Q. And you live in Wood Valley subdivision?

13 A. Not really. I live in a small subdivision
14 called Heavenridge, but we are surrounded by Wood
15 Valley, so, you know, probably as good as anything.

16 Q. And you --

17 A. I'm sure -- I'm sure we have the same water
18 supply.

19 Q. And you are part of the Bayleaf/Leesville
20 master system; is that your understanding?

21 A. I'm not sure.

22 Q. Okay. Please -- and you're water only, you
23 don't get wastewater from Aqua, do you?

24 A. Yes, sir, just water.

1 Q. Okay. Please proceed with your statement.

2 A. Okay. First of all, thank you all for the
3 opportunity to testify. With my three minutes, I will
4 try to go quickly. Most of what I have to say we have
5 heard all day today. And if you see I have been an
6 attendee there on the page, so I have been listening to
7 this for the past couple of hours. I have been a
8 customer for 23 years, first with Heater and now Aqua.
9 I am against the rate increase. I have shared this
10 information with my neighbors. They support what I'm
11 saying today. Also, I've provided a written copy of
12 this statement both to the Commission and to the
13 engineer, so that's available as well.

14 Bottom line is the service is poor. We have
15 problems with water pressure and flow rates. These
16 things come and go. It does tend to be worse in the
17 summer, and it does tend to be worse -- it's like being
18 on the neighborhood internet. You know, in the
19 mornings, things are not as good as they are in the
20 middle of the afternoon. But here we usually stagger
21 showers and clothes washings. We don't have any fire
22 hydrants. This affects the fire insurance ratings and
23 our insurance costs. Not to mention, if there is a
24 fire, all the water is going to come by truck.

1 The water quality isn't good. The water --
2 we talked today about what the water smells like. It
3 smells kind of earthy. It smells like there is a
4 little bit of dirt in it. It is hard as a rock, okay,
5 which necessitates either the use of water softeners,
6 or scale removers, or very powerful cleaners. This
7 shortens the life of the water heaters and other
8 equipment. And here in my house, when we use the water
9 for washing or cooking, we need to use bottled or
10 filtered water for drinking.

11 We are living with the white water pretty
12 much all summer. And this is pretty much a summer
13 phenomenon. It's usually not a problem in the winter.
14 A lot of descriptions about it today. There is a
15 picture in my written statement of a glass of it, of
16 fresh tap water. It looks like skim milk. It looks
17 like water after -- the lady said in the beginning
18 about water after rinsing off the rice. Aqua might
19 call this the champagne of water, but after aeration
20 goes away, there is kind of a thin scum left behind.
21 We also note some issues with black stains in the
22 summer which kind of raises questions about
23 chlorination or the lack thereof.

24 Other than the drinkability issues, I have

1 concerns about what this is doing to equipment. When
2 you turn it on or flush a toilet, you hear it spinning
3 and bubbling. Calling Aqua goes nowhere. The stock
4 answer is, "You must have some aeration in your line."
5 And apparently nobody -- they don't know unless they
6 call, but nothing happens and people quit calling when
7 nothing changes.

8 Aqua is doing very well financially. They
9 are what's called a rate machine in the investment
10 community. Because if you don't -- if you can avoid
11 investments and increase prices routinely, then I guess
12 that's what it makes you.

13 In conclusion, I would like to say nothing
14 has changed. I gave this exact same testimony in 2011
15 at a rate hearing downtown, and these are almost
16 identical comments as to that. Nothing has changed.
17 So we pay more for the privilege of the same old crap.
18 Thank you for your time.

19 COMMISSIONER BROWN-BLAND:

20 Mr. Grantmyre.

21 Q. Mr. Camp?

22 A. I'm still here.

23 Q. You say you have water pressure problems
24 mostly in the summer; is that correct?

1 A. Yes.

2 Q. And I believe you said it's early in the
3 mornings a lot that the low pressure; is that correct?

4 A. Yes. I don't know if it's everybody in the
5 neighborhood taking a shower or what. Here in my
6 neighborhood, we don't have any swimming pools and we
7 don't have any irrigation systems.

8 Q. Have you discussed this with Aqua, you know,
9 all -- there are six or seven elevated storage tanks on
10 your water system, and have you discussed this? I'm
11 perplexed about the low pressure. Have you discussed
12 this with Aqua?

13 A. It comes and goes, and I have not talked to
14 Aqua this year. I have talked to them in the past.
15 And, in fact, after 2011, they sent a supervisor over
16 here to see me and walk around and talk about what was
17 going on, but nothing changes.

18 Q. Have you asked Aqua to put a pressure
19 recorder on your outside spigot so they could get a
20 24-hour or a 7-day, 24-hour pressure readings as to
21 what type of pressure you are having?

22 A. I didn't know that such a thing was
23 available, and they are welcome to do that.

24 Q. The --

1 A. But again, the water pressure is kind of the
2 least of my problems. When you get a glass of water
3 out of the sink, you know, you shouldn't have to be
4 looking at it twice.

5 Q. Are you talking about the air in the water;
6 is that what you're experiencing, it's milky?

7 A. Yes.

8 Q. And I'm assuming the milkiness goes away
9 after 5 minutes, or 10 minutes, whatever; is that
10 correct?

11 A. Yes, but there is kind of like this little
12 scum that's left on top of the glass.

13 Q. Is it a white or gray scum; is that what
14 you're talking about?

15 A. Yes.

16 Q. And has Aqua explained to you that that may
17 be hardness?

18 A. No, they haven't, but hardness manifests
19 itself in other places too, because we get iron and
20 manganese stains elsewhere, like in all the bathroom --
21 in the bathroom fixtures and things like that. This
22 water is very hard.

23 Q. Is there one of Aqua's wells that you know of
24 very close to your neighborhood or in your

1 nei ghborhood?

2 A. No.

3 Q. And --

4 A. The closest one I'm aware of is up on Macon
5 near Norwood.

6 Q. Okay. The -- now, you mentioned you have a
7 written statement.

8 Have you filed that with the Commission prior
9 to today?

10 A. Yes, sir. I think -- I don't recall what day
11 it was. Prior to your Saturday.

12 Q. And would you like that --

13 A. I sent it -- I was going to say I sent it to
14 the information that was in the email about the Aqua
15 public hearing at PSNC, et cetera, and also one to
16 Mike Franklin.

17 Q. And that written statement has additional
18 information as to -- in addition to what you gave
19 verbally today?

20 A. No, sir. Everything I've said today is in
21 that statement, with the addition of a picture of the
22 water that comes out of the tap.

23 Q. And would you like your statement introduced
24 into evidence along with your verbal statement, mainly

1 the picture?

2 A. That's quite all right.

3 MR. GRANTMYRE:

4 Commissioner Brown-Bland, we would request that
5 that be identified as Camp Exhibit 1 and be allowed
6 to be introduced into evidence.

7 COMMISSIONER BROWN-BLAND: It will be so
8 identified, and without objection, it will be
9 received into evidence.

10 (Camp Exhibit 1 was identified and
11 admitted into evidence.)

12 COMMISSIONER BROWN-BLAND:

13 Mr. Grantmyre, with regard to these identified and
14 introduced exhibits, I would ask you to make sure
15 the court reporter receives appropriate exhibits.

16 MR. GRANTMYRE: We will do so. The
17 Public Staff has no further questions.

18 COMMISSIONER BROWN-BLAND: All right.

19 MR. CAMP: I was going to say I sent
20 that statement in on Friday the 31st.

21 COMMISSIONER BROWN-BLAND: All right.

22 Thank you, Mr. Camp.

23 Is there questions from the Company?

24 CROSS EXAMINATION BY MR. BENNINK:

1 Q. Mr. Camp, you -- your subdivision is within
2 or near Wood Valley; is that correct?

3 A. Yes, sir.

4 Q. And were you aware that the Company installed
5 an iron manganese filter on that system in
6 April of 2019?

7 A. No. I do know that they flushed the lines
8 this spring.

9 Q. And are you willing to talk with the Company
10 if they contact you after this hearing?

11 A. Absolutely.

12 Q. All right. Thank you. That's all.

13 COMMISSIONER BROWN-BLAND: All right.

14 Chair Mitchell?

15 EXAMINATION BY CHAIR MITCHELL:

16 Q. Just one question for you, Mr. Camp. Just so
17 I'm clear, the problems that you described for us
18 today, those have -- I understand from your testimony
19 that you have been before the Commission before
20 describing your experience with Aqua, but the specific
21 problems have been occurring this spring or this summer
22 are still occurring right now?

23 A. Oh, yes, and they have been occurring not
24 just this spring and this summer, but last spring and

1 last summer, and the year before that and the year
2 before that.

3 Q. I understand, but the water quality issues --

4 A. You know, I honestly believe that -- I'm
5 sorry to interrupt, but we got a little overlap here.
6 I'm looking at your picture on TV -- on the screen.

7 Q. That's okay.

8 A. But the problem is, is that it really seems
9 to be that they have added more customers than they
10 actually have capacity for, because when we first got
11 here, these weren't problems. But as we've had -- you
12 know, building out neighborhoods and infill and stuff
13 like that, it just seems to become more and more of a
14 problem. And even in the -- the worst period of time
15 was in -- it was probably five years ago. We had a
16 series of about three drought years in a row, and it
17 was awful then. And we had watering restrictions,
18 rightfully so, but the past three years, we've had
19 plenty of rain. It's just been hot.

20 Q. Okay. Thank you.

21 EXAMINATION BY COMMISSIONER BROWN-BLAND:

22 Q. Mr. Camp, I notice that you said at least
23 recently you have not had much conversation or
24 discussion with the Company, but have you noticed, over

1 this period of the last three to four years, an
2 increase in your communications with the Company,
3 whether that be one-way communications from them or
4 between them and the subdivision? Have you noticed
5 improvement in the way that the Company tries to
6 communicate with the customers?

7 A. No. I'm on their -- I'm on their call list.
8 They called last week, and they asked us to limit any
9 watering we might be doing to two days a week and in
10 the morning and stuff like that. Then we got the
11 letter about the water quality test and the one about
12 this hearing. That's pretty much it.

13 Q. All right.

14 COMMISSIONER BROWN-BLAND: Are there
15 questions on the Commission's questions?

16 MR. GRANTMYRE: Not from the Public
17 Staff.

18 COMMISSIONER BROWN-BLAND: Any from the
19 Company?

20 MR. BENNINK: None from the Company.

21 COMMISSIONER BROWN-BLAND: All right.
22 Thank you, Mr. Camp, and your exhibit Camp
23 Exhibit 1 is received into evidence, just to be
24 clear.

1 (Camp Exhibit 1 was previously admitted
2 into evidence.)

3 COMMISSIONER BROWN-BLAND: And,
4 Mr. Camp, you may be excused.

5 MR. CAMP: Thank you all.

6 MR. GRANTMYRE: We call Sheeba Jumma.

7 MS. JUMMA: Can you hear me?

8 COMMISSIONER BROWN-BLAND: Yes, we do
9 hear you.

10 Whereupon,

11 SHEEBA JUMMA,
12 having first been duly affirmed, was examined
13 and gave her statement as follows:

14 DIRECT EXAMINATION BY MR. GRANTMYRE:

15 Q. Could you please spell both your first and
16 last name?

17 A. Sure. S-H-E-E-B-A, and my last name is
18 J-U-M-M-A.

19 Q. And what is your address?

20 A. 5708 Glenfiddich Way, Raleigh, NC 27613.

21 Q. And you live in Sussex Acres; is that
22 correct?

23 A. Yes, sir.

24 Q. And you receive both water and wastewater

1 from Aqua; is that correct?

2 A. That's correct too, yes.

3 Q. Please proceed with your statement.

4 A. I would like to say thank you to all of you
5 for giving us the opportunity, first of all, to raise
6 our comments and concerns. And as -- like, I don't
7 have any testimony as such. The only concern I have is
8 the proposed rate hike, and I would -- I would not
9 suggest, but I would be more at ease if it was, like,
10 you know, like, how you charge on what you spend. You
11 know, the volumetric bill instead of flat-rate bill,
12 because it's pretty expensive being an Aqua customer,
13 and I moved from Texas, so of course every state is
14 different, but it's like three times more that we pay
15 every month for the water and sewer services by Aqua.
16 And so the proposed rate hike is, like, all right,
17 where are we going? Where are we headed? We already
18 pay -- like, my bill is like \$100, \$103, \$105 every
19 month, and we are a family of five, and the water usage
20 has been the same all these five years since I moved in
21 this subdivision. And, of course, sewer is the most
22 expensive out of the bill, and if we could have
23 something -- you know, if we could meter the sewer,
24 that way, again, like just like the volumetric bill,

1 you know, you can come to know each family, the use,
2 how much a family uses, and you could charge
3 accordingly. That way I think it would be fair to us
4 as customers. That's the only conditions I have.
5 Other than that, everything is good.

6 COMMISSIONER BROWN-BLAND: All right.
7 Mr. Grantmyre.

8 MR. GRANTMYRE: We have no further
9 questions.

10 COMMISSIONER BROWN-BLAND: Does the
11 Company have questions for this witness?

12 Mr. Bennink?

13 CROSS EXAMINATION BY MR. BENNINK:

14 Q. Ms. Jumma, do you have any service -- any
15 service quality complaints?

16 A. No. We do have the milky kind of water that
17 I have been hearing all this while, but it's on and
18 off, and we do get the notifications when the Aqua --
19 when they are flushing. So they are pretty good in
20 that with us here. We get notifications 24 hours
21 before the flushing, and they will let us know it has
22 started and it has ended. So they are pretty good with
23 the communications. And the water on and off, it's not
24 on a regular basis, but it is milky sometimes. And

1 after two to three minutes, that goes away and the
2 water is clear.

3 Q. All right. Thank you for saying that.

4 A. Uh-huh.

5 COMMISSIONER BROWN-BLAND: All right.

6 Any other questions? Questions from the
7 Commissioners? Commissioner Hughes.

8 EXAMINATION BY COMMISSIONER HUGHES:

9 Q. Just a quick, quick question. You said \$103
10 to \$105 for your water bill.

11 Does that vary at all during the year? Does
12 your family use much more water in the summer, or is it
13 pretty stable?

14 A. No. We have no irrigation in our house. We
15 have no pool. The only time the water -- my water bill
16 goes up is when I host a big family reunion and thing,
17 but I know why the hike is there, you know, because
18 there is like 20 people living under one roof. But
19 other than that, this is like the standard for me.
20 It's \$103, \$105. You know, it's so -- I was just
21 thinking, with the proposed rate hike, you know, it's
22 going to be \$110, \$115, you know, probably. So that's
23 just my concern.

24 Q. Okay. Thank you very much.

1 A. Uh-huh. Thank you.

2 COMMISSIONER BROWN-BLAND: All right.

3 Is there any questions on the Commission's
4 questions?

5 MR. GRANTMYRE: Not from the Public
6 Staff.

7 COMMISSIONER BROWN-BLAND: All right.
8 Ms. Jumma, we thank you for coming to share your
9 experiences with us and to -- your concerns about
10 the requested rate increase. There are no more
11 questions for you, so you may be excused.

12 MS. JUMMA: Thank you. Thank you all.
13 Bye-bye.

14 MR. GRANTMYRE: We call Oliver Bacasse.

15 COMMISSIONER BROWN-BLAND: Is that
16 Bacasse?

17 MR. BACASSE: Yes. Can you hear me?

18 COMMISSIONER BROWN-BLAND: Yes, I do.

19 Whereupon,

20 OLIVER BACASSE,

21 having first been duly affirmed, was examined
22 and gave his statement as follows:

23 DIRECT EXAMINATION BY MR. GRANTMYRE:

24 Q. Could you please spell for the court reporter

1 your last name?

2 A. Sure. It's Oliver. Last name is Bacasse,
3 B-A-C-A-S-S-E.

4 Q. And please state your address.

5 A. It's 1704 Chatsworth, C-H-A-T-S-W-O-R-T-H,
6 Lane, Raleigh, North Carolina 27614.

7 Q. And what subdivision are you in?

8 A. We are in Hunters Landing, and I believe it's
9 part of the Bayleaf system.

10 Q. Please proceed with your statement.

11 A. Sure. So the evidence, I think, that's been
12 presented throughout the call, we have many of the same
13 issues. I think the gentleman two individuals before
14 me, I actually share his frustration. We have lived in
15 North Carolina for 15 years. We lived adjacent to a
16 previous Aqua customer down in Johnston County and
17 moved to Raleigh in 2017. When we moved here, there
18 was a couple immediate observations we had. Our water
19 is unbelievably hard. I believe the estimation or the
20 measurement that was given to us was it was on a
21 scale -- it was an 18. Anything over 10 obviously is
22 hard, so it is extremely hard. We did notice problems
23 with both our appliances in the house when we moved in.
24 We actually had to replace all our appliances due to

1 buildup in the -- in the water service line. And we
2 also noticed constantly the iron deposits on all of the
3 toilets in the home, as well as in the bathtubs.

4 My experience with Aqua has not been positive
5 by any way, stretch, or manner. I have had numerous
6 issues with the customer service, and actually I had
7 stopped calling because of the service I received. We
8 do have issues with the milky instances. Actually have
9 had that ongoing for at least the last three weeks. I
10 have talked to several neighbors. I am aware of 17
11 complaints from my neighborhood about this issue over
12 the last several weeks, and we still don't have
13 resolution to it.

14 In addition, I have also had problems with
15 specifically our meter was replaced. I asked for
16 details on the performance of the meter. We did see a
17 noticeable uptake in the meter -- meter readings prior
18 to its replacement, and then an immediate drop in
19 consumption right after the meter was replaced. It
20 took Aqua about two and a half months to get back to me
21 and refused to give me the evidence and the report of
22 metrology validation on the meter after I had requested
23 it.

24 As I said -- and you've heard the

1 communication challenges. We do get the robocalls from
2 Aqua. However, they very rarely line up with when
3 actual service happens with flushing. We have flushing
4 probably two or three times a year with brown water
5 having to be introduced into the home, and we do have
6 to flush that out. We did end up purchasing a
7 whole-house water softener and dechlorinator due to the
8 hardness of the water, as well as some of the issues
9 with the quality, the minerals and the water. And so
10 that has helped significantly, but, obviously, it's not
11 something that I would expect people to have to install
12 based on, you know, publicly provided water.

13 And then just one last point. Because we are
14 on Bayleaf, and the way they have structured this price
15 change, we are looking at roughly a 40 percent increase
16 in our costs. We would be hitting the tiers -- I have
17 a family of four. We would be hitting at least the --
18 we're somewhere between 7,000 and 9,000 gallons of
19 consumption, which means we would be hitting at least
20 two price hikes in usage over our current bill. Our
21 current bill runs roughly \$60. We do not have any --
22 we are on our own septic system. So we would be
23 looking at roughly a \$90 to \$95 bill going forward,
24 assuming we had the same consumption.

1 COMMISSIONER BROWN-BLAND: All right.

2 Mr. Grantmyre.

3 Q. Yes. Have you been getting the iron
4 deposits? What color is that? Is it kind of a brown
5 or reddish-brown?

6 A. Yeah. We have a brownish -- we have a
7 brownish-red deposit on all of our toilets. We have to
8 clean that regularly. As I said, it has improved with
9 the addition of the filtration system, but we still get
10 it. And it is absolutely noticeable. The first time
11 when we moved into the house it took us a weekend's
12 worth of cleaning to try and get all that stuff off the
13 toilets. It was not a fun process.

14 Q. Have you discussed with Aqua, have they given
15 you any indications of products that would clean that
16 fairly easily?

17 A. So the response I got from Aqua was, "Well,
18 we're sorry you have hard water. There is nothing we
19 could do in the process." We have gone out and tried
20 to -- we tried CLR, we tried several other products.
21 And so we have found a combination of things that work,
22 but, you know, it was not through suggestions of Aqua.
23 We found things on our own.

24 Q. Has Aqua ever suggested to you citric acid as

1 being a very good cleaning product to remove hardness
2 stains and iron and manganese stains?

3 A. So they have never made the recommendation,
4 but we did identify that on our own.

5 Q. Okay. Good. Now, you testified milky water.
6 Have you had that the whole three years you
7 have been there, or just the -- just the last three
8 weeks of this summer?

9 A. It is on and off. It comes traditionally
10 during the summertime. We actually have problems with
11 pressure. We are actually at the end of the line. We
12 are close to a public station. Actually, we did have
13 our pressure regulator get blown out by the Aqua
14 system, and it actually tore up our filtration system,
15 because we were at about 140 PSI of pressure on the
16 incoming lines to the house. So we have had issues
17 with that as well. You know, obviously, as I said,
18 it's not been a great experience.

19 Q. So I believe you said normally you have 140
20 PSI pressure coming into your house; is that correct?

21 A. Yeah. Before our regulator coming into the
22 house, we have about 140 PSI. At least that's what was
23 tested when we found out the regulator was blown out.
24 The technician that came out put a gauge on the input

1 line of the filtration system and was quite surprised
2 to see what he had found. So we actually did blow a
3 pop-off valve. Not only did it damage the water
4 softener, it also blew out the -- a valve on the
5 water -- the water tank as well, the hot water tank.

6 Q. So what you are saying is you had a
7 pressure-reducing valve that blew off, and therefore it
8 was no longer being reduced, and you were getting the
9 145 that was coming to your water meter; is that
10 correct?

11 A. Correct.

12 Q. And the milky water the last three weeks, has
13 that been every day, or a special time of the day?

14 A. Yes, it's constant.

15 Q. Excuse me?

16 A. It's constant. It has not changed in the
17 last three weeks. I have a picture that I took, I
18 believe it was on the 16th of July, and I can take a
19 picture today showing the exact same state of the
20 water, and that's been consistent over the last several
21 weeks.

22 Q. Now, I think you mentioned that Aqua sent a
23 notice out to reduce irrigation the last week or two.

24 Did you state that, or I misunderstood

1 something?

2 A. I did not state that, but we did get the --
3 we did get that note. We don't actually have our
4 irrigation system even connected. We do not use an
5 irrigation system.

6 Q. Who gave you that note? Did it come from
7 Aqua?

8 A. Yeah. I got an email about that. Or,
9 actually, I apologize. It was not an email. It was a
10 phone call. It was an automated robocall.

11 Q. Now, when they replaced the meters within the
12 last year or two, and you testified you asked for the
13 test results from your old meter, but they refused to
14 give you the results?

15 A. Correct. So I used to work in the metering
16 industry. I know very well about the process with
17 regard to metrology and the certification that's
18 required by the Commission. It is something that is
19 supposed to be public knowledge. Aqua refused at first
20 to even do the test. After several comments and
21 conversations, finally it was approved. As I said, I
22 actually didn't hear anything back from them. They
23 actually had to reach back out to them to get them to
24 acknowledge they had run the test, and that's when they

1 told me, "Oh, everything came back positive." Sorry,
2 "Everything came back normal." And, you know, that was
3 the end of it from their side.

4 Q. But you also testified, I believe, that after
5 they replaced your meter with the new meter, your
6 consumption was lower than it was with the old meter;
7 isn't that what you testified?

8 A. Correct.

9 Q. And how much lower was it?

10 A. I would have to go back and look at my bills,
11 but it was probably about 10 percent or so, 15 percent
12 lower.

13 Q. And did Aqua ever say -- when they test a
14 meter, they should have exact calculations.

15 Did Aqua ever tell you why they would not
16 give you those exact calculations?

17 A. No information was provided.

18 Q. Thank you.

19 MR. GRANTMYRE: I have no -- Public
20 Staff has no further questions.

21 COMMISSIONER BROWN-BLAND: All right.
22 Are there questions from the Company for this
23 witness?

24 MR. BENNING: No questions.

1 COMMISSIONER BROWN-BLAND: All right.

2 Questions from the Commissioners?

3 (No response.)

4 EXAMINATION BY COMMISSIONER BROWN-BLAND:

5 Q. All right. Mr. Bacasse, you mentioned that
6 you had given up on the customer service and had
7 stopped calling.

8 How long ago has it been since you stopped
9 calling?

10 A. So, after the repeated issues with the trying
11 to get information about the water meter performance,
12 as well as issues with the brown water, that's probably
13 been 12 months, 14 months, somewhere about that.

14 Q. All right.

15 A. I mean, just on another note, Aqua has at
16 least three pumping stations in our neighborhood. We
17 have routinely had issues with poor maintenance on
18 those facilities. We had a tree that was down in front
19 of one of their locations for at least a year, and
20 nothing was ever done about it to try to clean it up.
21 Certainly, I don't want to profess to speak for
22 everybody in the neighborhood, but I know there is a
23 lot of frustration about the way that they handle their
24 sites here in the Bayleaf area.

1 Q. With regard to the -- getting the meter
2 replaced and watching consumption go down, did you ask
3 for or did the Company offer any type of bill credit or
4 adjustment?

5 A. I asked for a credit, and that's kind of how
6 we ended up with the validation of the meter. I asked
7 for the metrology validation and the verification, and
8 they came back and confirmed that, from their
9 perspective, it was normal, but would not provide any
10 evidence to such.

11 Q. And remind me -- you may have testified, but
12 I'm not remembering. Remind me the time frame when
13 this occurred.

14 A. I want to say it was summer last year. It
15 was either late spring or early summer last year, 2019.

16 Q. All right. So you are thinking between March
17 and June, something like that?

18 A. Somewhere in that ballpark, yes.

19 Q. All right. Thank you.

20 COMMISSIONER BROWN-BLAND: Any questions
21 on Commission's questions?

22 MR. GRANTMYRE: Yes. I have one
23 follow-up.

24 EXAMINATION BY MR. GRANTMYRE:

1 Q. You said the tree fell down on one of the
2 lots that Aqua has in your subdivision.

3 Did that tree block the driveway into the
4 house, or was it just the driveway was still --

5 A. No. It's on their -- it's on their premises,
6 or on -- basically leading up to the pumping station.

7 Q. But could a truck get to the pumping station
8 with the tree down, or it did not impede a truck from
9 going to the pump station?

10 A. It didn't impede a truck, but you have to
11 take concerted effort to go around it.

12 Q. Do you know if Aqua is actively using the
13 three wells you talked about in your neighborhood?

14 A. I can't profess to you if they are or are
15 not. I have seen trucks at all three of them, but, you
16 know, I don't -- I don't know what they are doing with
17 the stations. I mean, obviously, it's the primary
18 solution up here. We are close to the water basin, so
19 I have to assume they are using them, but I don't know
20 for a fact.

21 Q. Thank you.

22 MR. GRANTMYRE: We have no further
23 questions.

24 COMMISSIONER BROWN-BLAND: All right.

1 Any other questions on Commission's questions?

2 EXAMINATION BY MR. BENNINK:

3 Q. Mr. Bacasse, do you remember who you may have
4 talked with at Aqua concerning your questions about the
5 accuracy of your meter?

6 A. I'd have to go back and look at my notes. I
7 don't have a name off the top of my head.

8 Q. And how much -- what is your average monthly
9 usage of water?

10 A. We average between probably 8,000 and 11,000
11 gallons a month.

12 Q. And does that include irrigation?

13 A. No.

14 Q. That's without irrigation?

15 A. Correct.

16 Q. Thank you very much.

17 COMMISSIONER BROWN-BLAND: All right.

18 Mr. Bacasse, we thank you for coming out and
19 sharing your views and your experiences with the
20 Company.

21 MR. BACASSE: I appreciate it.

22 COMMISSIONER BROWN-BLAND: There are no
23 other questions, so you may be excused.

24 MR. GRANTMYRE:

1 Commi ssi oner Brown-Bland, that i s the l ast wi tness
2 we had si gned up.

3 COMMI SSIONER BROWN-BLAND: All ri ght.
4 Very good. If we sti ll -- for those of you who are
5 sti ll wi th us li stening, whether onli ne or by
6 YouTube or other means, thi s wi ll concl ude thi s
7 fi rst sessi on of the publ ic hearings, and i f you
8 wi sh to conti nue to fol low the case, again, go to
9 our websi te and put i n the docket number for thi s
10 case, and the i nformati on wi ll be there.
11 Ulti mately, the transcript of these proceedings
12 here today wi ll be there, as wel l as responses that
13 wi ll be fi led by the Company and by the Publ ic
14 Staff.

15 Also to the customers, I'm certain, as
16 Ms. Sanford i ndicated earli er and as Mr. Bennink
17 fol lowed up on, the Company wi ll try to be i n touch
18 wi th regard to i ndi vi dual servi ce i ssues and
19 otherwi se wi ll fi le a report about the matters that
20 you brought to our attenti on toni ght.

21 That bei ng all for thi s sessi on, thi s
22 sessi on stands adj ourned.

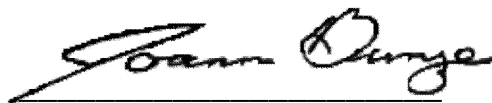
23
24 (Publ ic hearing adj ourned at 4:20 p.m.)

CERTIFICATE OF REPORTER

STATE OF NORTH CAROLINA)
COUNTY OF WAKE)

I, Joann Bunze, RPR, the officer before whom the foregoing hearing was taken, do hereby certify that the witnesses whose testimony appear in the foregoing hearing were duly sworn; that the testimony of said witnesses were taken by me to the best of my ability and thereafter reduced to typewriting under my direction; that I am neither counsel for, related to, nor employed by any of the parties to the action in which this hearing was taken, and further that I am not a relative or employee of any attorney or counsel employed by the parties thereto, nor financially or otherwise interested in the outcome of the action.

This the 6th day of August, 2020.



JOANN BUNZE, RPR

Notary Public #200707300112

