

**STATE OF NORTH CAROLINA  
UTILITIES COMMISSION  
RALEIGH**

DOCKET NO. W-1073, SUB 7

DOCKET NO. W-354, SUB 396

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of  
Application by Carolina Water Service, Inc. )  
of North Carolina, 4944 Parkway Plaza )  
Boulevard, Suite 375, Charlotte, North ) PUBLIC STAFF'S VERIFIED  
Carolina 28217 and Water Resource ) RESPONSE TO WATER  
Management, Inc., 151 Mr. Bish Boulevard, ) RESOURCE MANAGEMENT,  
Boone, North Carolina 28607, for Authority ) LLC'S RESPONSE TO  
to Transfer the Echota Water Utility System, ) CUSTOMER CONCERNS  
the Seven Devils Wastewater Utility System )  
and Public Utility Franchise in Watauga )  
County, North Carolina, and for Approval of  
Rates

NOW COMES THE PUBLIC STAFF by and through its Executive Director, Christopher J. Ayers, and pursuant to the Commission's September 2, 2022, Order Scheduling Hearings, Establishing Discovery Guidelines, and Requiring Customer Notice, respectfully submits its verified response to Water Resource Management, LLC's (WRM or Company) Response to Customer Concerns from the November 1, 2022 Public Hearing held at the Watauga County Courthouse.

The purpose of the Public Staff's response is to provide the results of the Public Staff's review of WRM's response to the public hearing held in this proceeding on November 1, 2022 at the Watauga County Courthouse, and whether WRM's report adequately addresses the customer's concerns.

On November 14, 2022, WRM filed a response to the concerns raised by Mr. David Ervin, a resident of the Echota water service area, and Messrs. Brian Steg, Brady Hair, Robert Streightiff, Doug Woodberry, William Bair, Warren Brendle and Ms. Donna Peterson, residents of the Seven Devils wastewater service area. The Company stated that no witnesses opposed the transfer and no witnesses identified current service or water quality complaints. The Company added that witnesses were consistently opposed to either the proposed rate structure, the suddenness of the proposed rate increase, the amount of the proposed rate increase, or some combination of these issues. WRM acknowledged in its response that WRM has no authority or right to set the rates for Carolina Water Service, Inc. of North Carolina (CSWNC) and therefore the issues raised by customers with respect to proposed rates are not within the ambit of their response.

WRM addressed the concern raised by Mr. Streightiff that neither he, his neighbors in the eight-unit condominiums known as The Villas at Hawks Peak, nor their property management company received the notice to customers. WRM states that CWSNC delivered the required notice to all account holders and that a management company pays the utility bills for The Villas at Hawks Peak.

WRM further states the management company is the account holder, and thus the notice was initially delivered to the management company instead of individual condominium owners in that location. The Public Staff believes this statement to be incorrect since it was the property management company that

contacted the Public Staff asserting that the notice to customers was not received for The Villas at Hawks Peak.

WRM states in their response that Mr. Streightiff was not harmed by the non-receipt of the notice to customers as he learned of the public hearing and proposed rates in time to testify at the public hearing. The Public Staff agrees with this assessment of the impact of The Villas at Hawk Peak not receiving the notice to customers from CWSNC as required.

The Public Staff believes the Company adequately addressed the content of the public hearing. The Public Staff reviewed and investigated the transfer and rate increase requested by CWSNC and filed its testimony on October 31, 2022. Since the required filing date of the Public Staff's testimony was prior to the public hearing, the Public Staff's testimony did not specifically address concerns identified during the hearing although similar concerns were identified in Consumer Statements of Position that were filed in the dockets of this proceeding. These statements were addressed in the Public Staff's testimony. This concludes the Public Staff's response.

**VERIFICATION**

D. Michael Franklin, being duly sworn, deposes and says:

That he is a Public Utilities Engineer with the Water, Sewer, and Telephone Division of the Public Staff - North Carolina Utilities Commission and is acquainted with the facts set out in this pleading; that he has read the foregoing response and knows the contents thereof, and that the same is true of his own knowledge, expert to those matters alleged on information and belief, and as to those, he believes it to be true.

*D. Michael Franklin*  
Signature of Person Making Verification

D. Michael Franklin  
Typed or Printed Name

December 5, 2022  
Date

Subscribed and sworn before me this the 5th day of December 2022.

*Erica S Jones*

Notary Public  
Erica S Jones  
Printed or Typed Name

Commission Expires: 2/13/26

