STATE OF NORTH CAROLINA UTILITIES COMMISSION RALEIGH

DOCKET NO. W-354, SUB 400

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of
Application by Carolina Water Service, Inc.
of North Carolina for Authority to Adjust and
Increase Rates and Charges for Water and
Sewer Utility Service in All Service Areas of
North Carolina and Approval of a Three-Year
Water and Sewer Investment Plan

PUBLIC STAFF'S VERIFIED
RESPONSE TO CAROLINA
WATER SERVICE, INC. OF
NORTH CAROLINA'S
REPORT ON CUSTOMER
COMMENTS FROM THE
BOONE PUBLIC HEARING
(AS A VIRTUAL
PROCEEDING ON OCTOBER
24, 2022)

NOW COMES THE PUBLIC STAFF – North Carolina Utilities Commission (Public Staff), by and through its Executive Director, Christopher J. Ayers, and pursuant to the Commission's Order Scheduling Hearing, Establishing Intervention and Testimony Due Dates and Discovery Guidelines, and Requiring Notice issued on September 2, 2022, and submits its verified response to Carolina Water Service, Inc. of North Carolina's (CWSNC or Company) Report on Customer Comments from Public Hearing Convened in Boone North Carolina, on October 20, 2022 and as a Virtual Proceeding on October 24, 2022. The public hearing reconvened virtually via WebEx due to safety concerns at the Watauga County courthouse in Boone on the scheduled date.

The purpose of the Public Staff's response is to provide the results of the Public Staff's review of CWSNC's report regarding the public hearing that was to be held on October 20, 2022, in Boone and whether CWSNC's report adequately addresses the customer's concerns.

On October 20, 2022, Mr. Tom Rigsby appeared in the Watauga County Courthouse in Boone to testify. Because of safety concerns in the Courthouse, the scheduled public hearing was cancelled and rescheduled as a virtual hearing for October 24, 2022. However, Mr. Rigsby did not appear for the scheduled virtual hearing.

On November 10, 2022, CWSNC filed a response stating that the Company's area manager, Ronnie Reece, was scheduled to meet with Mr. Rigsby on November 17, 2022, and discuss the water meter issue at the Sky Leaf Villas. The Sky Leaf Villas currently has six master meters for 69 condominium units and Mr. Rigsby expressed an interest in replacing the master meters with 69 individual meters. The Company stated that it is in the process of drafting a cost estimate for the meter replacement, and once complete, will provide the information to Mr. Rigsby and the Sky Leaf Villas association.

The Public Staff believes the Company has adequately summarized the customer's concerns; however, the Company should file an update as soon as reasonably possible to address the content of the meeting with Mr. Rigsby. This would potentially impact billing and revenues. The Public Staff reviewed and investigated the rate increase requested by CWSNC and filed its testimony on October 26, 2022. The Public Staff's testimony addresses customer concerns, including the magnitude of request, rate of return, and rate design. Therefore, this concludes the Public Staff's response.

VERIFICATION

Shashi M. Bhatta, being duly sworn, deposes and says:

That she 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 she had read the foregoing response and knows the contents thereof, and that the same is true of her own knowledge, expert to those matters alleged on information and belief, and as to those, she believes it to be true.

Sworn to and subscribed before me this the 2/3 day of November 2022.

Notary Public

My Commission Expires: 2/13/26