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October 10, 2022

## Filed Electronically

Ms. Shonta Dunston  
Chief Clerk  
North Carolina Utilities Commission  
Fifth Floor  
430 N. Salisbury Street  
Raleigh, N.C.

Re: Docket A-41, Sub 21

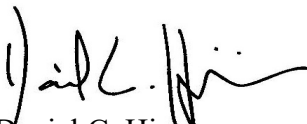
Dear Ms. Dunston:

Enclosed find the Summary of the Testimony of David Sawyer on behalf of the Bald Head Island Club, Inc. ("BHI Club") in this docket.

With best regards, we remain

Sincerely yours,

BURNS, DAY & PRESNELL, P.A.

  
Daniel C. Higgins

DCH:krs  
Enclosures  
cc: Counsel of Record

OFFICIAL COPY

Oct 10 2022

**SUMMARY OF DIRECT TESTIMONY OF DAVID SAWYER ON BEHALF OF THE  
BALD HEAD ISLAND CLUB, INC.**

My name is David Sawyer and I am Chief Executive Officer of the Bald Head Island Club, Inc.

My testimony is submitted on behalf of the Bald Head Island Club and its wholly owned subsidiary, the Shoals Club, which I will collectively refer to as the "BHI Club".

The BHI Club supports the Village of Bald Head Island's request that the Commission regulate the parking operations of Bald Head Island, Ltd. ("Limited") at the Deep Point Marina ferry landing on the mainland as an integral part of BHI Transportation's public utility ferry service.

The BHI Club also supports the Village's request for regulation of Limited's barge operation as a common carrier service.

The BHI Club and the Shoals Club are owned by their members. The BHI Club currently has 1,261 member families and the Shoals Club currently has 816 member families.

At the time my testimony was filed the BHI Club employed 285 people. Virtually all of the Club's employees, including myself, live off the island in Brunswick or New Hanover County and use Limited's parking facilities and BHIT's ferry system to get to work.

I believe that the BHI Club is the largest customer of what I consider to be an integrated transportation system serving Bald Head Island, consisting of parking at the mainland ferry landing, the ferry service, and the barge service.

In 2021 the two clubs spent nearly one million dollars on parking fees, ferry tickets, barge fees, and storage charges for facilities provided by or leased from Limited. This included \$641,127 for employee transportation on the passenger ferry, \$179,720 in parking fees, \$101,743 in barge fees and \$31,200 for leasing warehouse space at Limited's Deep Point Barge Terminal.

BHI Transportation's passenger ferry operation is an essential service that is critical to the existence of Bald Head Island. The island is only assessable to the vast majority of the public by using the ferry service. Because the ferry doesn't transport automobiles, ferry passengers must leave their automobiles at the Deep Point ferry landing, in parking lots owned and operated by Limited.

The parking facilities at the Deep Point ferry landing are an indispensable, integral and essential part of Transportation's ferry operation – as a practical matter you cannot ride the ferry if you don't park your car at the Deep Point ferry landing.

Likewise, Limited's barge service is the exclusive means for transporting all operating supplies and equipment required for operation of the BHI Club, including food and beverage supplies, other supplies and equipment, as well as household goods to the island. The goods transported for the BHI Club include furniture, appliances, and furnishings required for operating club facilities.

Limited's barge also transports furniture, appliances, supplies and other household goods to the island for club members owning homes on the island. These goods typically travel in trucks with drivers that ride over on the barge.

The parking operation at the mainland ferry terminal is indispensable to use of the ferry service. Transfer of the parking and/or the barge operations to an unregulated entity with a monopoly on the charges to be imposed for parking and barge services, without the economic development motivations and interests that moderated Limited's use of its parking and barge monopoly in the past, is a terribly troubling prospect for all island interests.

Bald Head Island needs dependable ferry and barge service at reasonable prices, and the prospect of being held hostage through the pricing set by an unregulated monopolist that is the only source for these indispensable services does not bode well for the BHI Club, homeowners or other island businesses and interests.

BHI Club employees, like nearly all people who travel to Bald Head Island, are captive customers of the passenger ferry and Limited's parking operations at the mainland ferry landing.

Likewise, BHI Club has no option other than to use Limited's barge operation to get supplies, materials, and other household good that we need to operate from the mainland to Bald Head Island. As the largest user of these various parts of this transportation system, BHI Club believes the entire system should be regulated as a public utility operation in a fashion that provides a reasonable profit to the system owner and ensures that adequate and dependable services are provided to businesses, employers and vendors and island stakeholders at reasonable rates.