

PLACE: Via Webex

DATE: Thursday, October 20, 2022

TIME: 6:30 p.m. - 7:40 p.m.

DOCKET NO.: W-218, Sub 573

BEFORE: Commissioner ToNola D. Brown-Bland, Presiding  
Chair Charlotte A. Mitchell  
Commissioner Jeffrey A. Hughes

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 and for Approval of a Water  
and Sewer Investment Plan

VOLUME: 2

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

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## P R O C E E D I N G S

COMMISSIONER BROWN-BLAND: Good evening.

Let's come on the record and come to order. I am  
ToNola D. Brown-Bland with the North Carolina  
Utilities Commission, Presiding Commissioner for  
this hearing. With me are  
Chair Charlotte A. Mitchell and Commissioner  
Jeffrey A. Hughes.

I now call for hearing docket number  
W-218, Sub 573 in the matter of application by Aqua  
North Carolina, Inc. 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 water system  
improvement plan.

On June 30th, 2022, Aqua North Carolina, Inc.,  
hereafter, Aqua, Company, or Applicant, filed an  
application with the Commission seeking authority  
to adjust and increase its rates for providing  
water and sewer utility service in all of its  
service areas in North Carolina and for approval to  
establish and implement a water and sewer  
investment plan. Hereafter WSIP, which I'll  
pronounce as WSIP.

1 Pursuant to a new state statute, a WSIP  
2 is a rate making mechanism that will allow the  
3 company to recover the reasonably known and  
4 measurable capital investments and anticipated  
5 reasonable and prudent expenses approved under the  
6 WSIP for a three-year period.

7 Aqua proposes new rates for a base year  
8 and the three rate years included in its WSIP. The  
9 proposed rate increase is based on a 12-month test  
10 period ending December 31, 2021.

11 According to the Company, its proposed  
12 increase is necessary due to increased capital  
13 investments and operating costs to comply with  
14 service and regulatory requirements, increased  
15 operating costs to maintain or upgrade the level of  
16 service, and changes in consumption.

17 In addition, Aqua's application requests  
18 continuation of the conservation pilot program  
19 previously approved by the commission, approval to  
20 consolidate residential sewer customers located in  
21 the Park South station, Huntley Glenn, and Parkway  
22 Crossing service areas under its Aqua uniform sewer  
23 rate design, approval of a sewer use rule and  
24 customer assistance program, and authority to

1 implement a consumption adjustment mechanism in  
2 each of its three water rate divisions if its WSIP  
3 request is not approved.

4 On July 26, 2022, the Commission issued an  
5 order establishing a general rate case and  
6 suspending rates.

7 On September 8, 2022, the Commission  
8 issued an order scheduling hearings, establishing  
9 discovery guidelines, and requiring customer  
10 notice. The order scheduled public hearings in  
11 Raleigh, Wilmington, and Gastonia, as well as this  
12 virtual hearing being held this evening for the  
13 purpose of receiving testimony from customer  
14 witnesses. The order further scheduled a hearing  
15 for the purpose of receiving expert witness  
16 testimony in Raleigh to begin at 2 p.m. on  
17 January 9, 2023.

18 On September 23, 2022, Aqua filed a  
19 certificate of service showing that customer notice  
20 of the scheduled hearings had been provided.

21 In addition to the Company, the other  
22 party in this case is the public staff, whose  
23 intervention is recognized pursuant to  
24 North Carolina General Statute 62-15d.

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1           In compliance with the requirements of the  
2           State Government Ethics Act, I remind members of  
3           the Commission of our duty to avoid conflicts of  
4           interest and inquire at this time as to whether any  
5           commissioner has any known conflict of interest  
6           with respect to this docket.

7                     (No response.)

8           COMMISSIONER BROWN-BLAND: The record  
9           will reflect that no conflicts were identified.

10           I now call upon the parties to announce  
11           their appearances, beginning with the applicant.

12           MR. DROOZ: Good evening. My name is  
13           David Drooz. I am appearing on behalf of Aqua  
14           North Carolina.

15           COMMISSIONER BROWN-BLAND: Good evening,  
16           Mr. Drooz. Do you have someone with you that you  
17           would like to introduce?

18           MR. DROOZ: Yes. I didn't know if this  
19           is an appropriate time. Shannon Becker, the  
20           President of Aqua North Carolina, is with me, and  
21           once the introductions are through, I believe he  
22           would like to make a very brief opening statement  
23           if that's acceptable to the commission.

24           COMMISSIONER BROWN-BLAND: That'll be



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1 acceptable. Thank you for letting me know.

2 And the Public Staff?

3 MS. JOST: Good evening. I'm Megan Jost  
4 with the Public Staff. Appearing with me this  
5 evening is Elizabeth D. Culpepper. We represent  
6 the using and consuming public.

7 COMMISSIONER BROWN-BLAND: Good evening,  
8 Ms. Jost and Ms. Culpepper. Are there any  
9 preliminary matters -- other than we already know  
10 that the Company would like to take advantage of  
11 doing an opening statement -- is there any other  
12 matter that needs to come to the Commission's  
13 attention now?

14 MS. JOST: The Public Staff would like  
15 to say a little something as well.

16 COMMISSIONER BROWN-BLAND: All right.

17 MS. JOST: Thank you.

18 COMMISSIONER BROWN-BLAND: All right.  
19 We'll come back to that.

20 Just let me say a little about this  
21 hearing and the way it will be conducted. The  
22 Commission welcomes the customers to this virtual  
23 hearing. We are here to listen to you and hear  
24 your concerns regarding the Company's application.

1                   In conducting this hearing, the  
2                   Commission functions in a judicial capacity as  
3                   required by law. Because this hearing is not in  
4                   the nature of a town hall meeting, but is a  
5                   judicial proceeding, the Commission does not take  
6                   or answer questions. Instead, like a judge in  
7                   court, we are here to receive evidence from  
8                   customer witnesses in the form of testimony.

9                   The Public Staff represents the using  
10                  and consuming public in this application  
11                  proceeding. And a Public Staff attorney will  
12                  assist you, the using and consuming public, in  
13                  providing your testimony tonight.

14                 In order to facilitate an opportunity  
15                 for all witnesses to participate, we will use the  
16                 following procedures:

17                 First, customer public witnesses will be  
18                 appearing by audio connection only. Commissioners  
19                 and attorneys for the parties will be appearing by  
20                 both video and audio connection. Any public  
21                 witnesses that wish to view a live video of the  
22                 proceeding may access it on your computer using  
23                 YouTube, which is linked from the Commission's home  
24                 web page at [www.ncuc.net](http://www.ncuc.net). However, please be sure

1 to mute your computer if you're listening when you  
2 are called on to testify so there will be no  
3 feedback that interferes with the court reporter's  
4 ability to take down everything that is said.

5 Next, to make sure we hear from  
6 everyone, there will be a limit of three minutes  
7 for each witness to speak. Witnesses should try to  
8 avoid repetitive testimony. That will potentially  
9 allow customers to cover different points we might  
10 not otherwise hear. If someone has given testimony  
11 ahead of you that you agree with, you can always  
12 indicate you adopt that testimony and move on to  
13 another point.

14 Next, public witnesses will be called on  
15 to testify in the order that you have called in.  
16 When it is your turn to speak, you will be unmuted  
17 by the Webex administrator. Listen carefully. You  
18 will hear two beeps on your phone line letting you  
19 know that we should be able to hear you if you  
20 start speaking. At that time, I will deliver the  
21 affirmation. Once you have affirmed that your  
22 testimony will be true, the attorney for the public  
23 staff will ask you several identifying questions  
24 and then you will be allowed to testify. Again,

1 please pay close attention during the course of the  
2 hearing and be ready to respond as soon as you hear  
3 the beeps unmuting your phone line. I'll ask if  
4 the witness is on the line.

5 Be aware that counsel for the Company or  
6 for the Public Staff may ask questions of you after  
7 your statement. The Commissioners will also have  
8 an opportunity to ask questions about your  
9 testimony. These questions are not to argue with  
10 you or embarrass you. Rather they are to make sure  
11 the record is clear on what you are trying to  
12 convey to us.

13 All right. I will now call on Aqua for  
14 its public sta- -- I mean, for its opening  
15 statement.

16 MR. BECKER: Good evening, and thank  
17 you, Commissioner Brown-Bland, for allowing me to  
18 make a brief opportunity to address you, your  
19 fellow Commissioners, the Public Staff, and our  
20 customers this evening.

21 To our customers who are taking this  
22 opportunity to be heard tonight, i look forward to  
23 hearing your testimony. Tonight is your night to  
24 speak in this proceeding. We will not be able to

1       answer your questions on the record here, but if  
2       you do have questions, we encourage you to contact  
3       Aqua's customer service phone number at  
4       877-987-2782, or use the contact form on our  
5       website at [aquaamerica.com](http://aquaamerica.com).

6               We will also follow-up to respond to  
7       your concerns more formally in a written filing to  
8       the Utilities Commission within 20 days of this  
9       hearing. In that report, Aqua will respond to your  
10      concerns as you express them here tonight. That  
11      report will be a public document, which you can  
12      view on the Commission's website.

13             We are subject to regulatory oversight  
14      by this Commission thorough audit and review by the  
15      Public Staff; and environmental regulation by the  
16      North Carolina Department of Environmental Quality  
17      as well as the Environmental Protection Agency, the  
18      EPA. These public hearings are a strong exercise  
19      of that regulatory oversight by this Commission and  
20      we look forward to addressing any issues or  
21      concerns you may have.

22             Thank you again for your participation  
23      in this process. We know that asking for a rate  
24      increase is never easy, but we appreciate you

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1 taking the time to be here tonight and for being  
2 our customers. Thank you.

3 COMMISSIONER BROWN-BLAND: Thank you,  
4 Mr. Becker.

5 Ms. Jost?

6 MS. JOST: Thank you. I just wanted to  
7 say that, in the in-person public hearings, an  
8 engineer from the public staff's water, sewer, and  
9 telephone division is available to answer questions  
10 from customers. That, of course, is not possible  
11 in the virtual hearing, but if customers have  
12 questions they would like to ask a public staff  
13 engineer, they may call 919-733-5610. Thank you.

14 COMMISSIONER BROWN-BLAND: All right.  
15 Ms. Jost, have you identified witnesses who are  
16 willing to come forward with testimony this  
17 evening?

18 MS. JOST: We have.

19 COMMISSIONER BROWN-BLAND: All right.

20 Mr. Webex Administrator, please unmute  
21 the first witness who called in.

22 MS. TERAN: Hello.

23 COMMISSIONER BROWN-BLAND: Hello.

24 Before we get started, let me affirm you.

1 MS. TERAN: Okay. Whereupon,  
2 STEPHANIE TERAN,  
3 having first been duly affirmed,  
4 testified as follows:

5 COMMISSIONER BROWN-BLAND: All right.  
6 Ms. Jost.

7 MS. JOST: Thank you. Please state your  
8 name and address, including the subdivision.

9 MS. TERAN: Yes. My name is  
10 Stephanie Teran, T-E-R-A-N. I live in Park South  
11 Station. My address is 2470 Royal York Avenue,  
12 Charlotte, North Carolina 28210.

13 MS. JOST: Thank you. And do you  
14 receive water or sewer service from Aqua or both?

15 MS. TERAN: Both.

16 MS. JOST: And do you have a statement  
17 you'd like to present to the Commission this  
18 evening?

19 MS. TERAN: I do.

20 MS. JOST: Please proceed.

21 DIRECT STATEMENT:

22 MS. TERAN: Thank you. So I know we  
23 only have three minutes, so I do want to keep it  
24

1       brief and succinct. My overall point is, my  
2       community, which is Park South Station, as well as  
3       Park Crossing and, I think, Huntley Glenn -- I'm  
4       not -- I might be getting those wrong -- we utilize  
5       Aqua services in a very different way than their  
6       other consolidated customers. So I'm asking for us  
7       to be considered to have a unique rate design that  
8       really addresses what services and what we are  
9       really truly being provided through Aqua.

10               So I'm going to take us back to 2020  
11       when they last asked for a rate increase. We  
12       received a letter and it was supposed to be a 3  
13       percent rate increase, which would have brought it  
14       -- I'm going to leave off this sentence, because I  
15       don't know -- we were at \$26 as their base fee for  
16       sewer. and it would have brought us to \$27.  
17       However, after the last meeting and rate increase,  
18       we actually went up 43 percent. So we went from  
19       \$26 to \$60 being our base rate for just sewer  
20       usage, which is a huge increase. Now they're  
21       asking us to go up another \$10 after that for  
22       services that we aren't utilizing the same way as  
23       their other consolidated customers because of the  
24       design of our community. So that's my biggest



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1 point, is I just want them to consider a unique  
2 rate design.

3 Now, coming back to 2020, Aqua did  
4 initially propose us only be raised to \$27, which  
5 would have been about a 3 percent increase;  
6 however, this committee board, or however this came  
7 about, added us into that new \$60 fee that their  
8 consolidated customers were moved towards. Now, if  
9 Aqua was able to provide us the services that they  
10 need at that \$27, that, to me, is expressing that  
11 we are unique and we can have a unique rate design  
12 and they still will make their profit and get the  
13 funding they need to provide the service that they  
14 do provide for us. That's all I have.

15 COMMISSIONER BROWN-BLAND: Ms. Jost, do  
16 you have questions for the witness?

17 MS. JOST: I do not.

18 COMMISSIONER BROWN-BLAND: All right.  
19 Mr. Drooz?

20 MR. DROOZ: No, I do not.

21 COMMISSIONER BROWN-BLAND:  
22 Commissioners?

23 (No response.)

24 EXAMINATION BY COMMISSIONER BROWN-BLAND:

1           Q.       Ms. Teran, I will just ask you -- you  
2 mentioned a number of times that you use the service  
3 differently. Exactly what do you mean by differently?

4           A.       So because our roads are private roads and  
5 they're not the size that Charlotte water requires, we  
6 require a separate party to provide us water; however,  
7 all of our services are actually still funneling and  
8 tunneling through Charlotte water main system. So Aqua  
9 is not utilizing their same facilities and materials  
10 and chemicals that they need or would need for other  
11 customers because we are getting our water from  
12 Charlotte Water. They're kind of like that middleman  
13 for us.

14                   COMMISSIONER BROWN-BLAND: All right.

15           Thank you.

16                   Are there any questions on Commission's  
17 question.

18           MS. JOST: No questions.

19                   COMMISSIONER BROWN-BLAND: Not hearing  
20 any, Ms. Teran, thank you for coming out, and you  
21 may be excused.

22                   MS. TERAN: Thank you so much. Have a  
23 great night.

24                   COMMISSIONER BROWN-BLAND: You too.

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1 Please unmute the next witness.

2 MR. GALAMB: Good evening.

3 Whereupon,

4 ERIC GALAMB,

5 having first been duly affirmed,

6 testified as follows:

7 COMMISSIONER BROWN-BLAND: Ms. Jost.

8 MS. JOST: Good evening. Can you please  
9 state your name and address, including the  
10 subdivision.

11 MR. GALAMB: My name is Eric Galamb. I  
12 reside at 12208 Glenlivet Way, Raleigh 27613. My  
13 subdivision is Sussex Acres.

14 MS. JOST: Thank you. Mr. Galamb, Do  
15 you receive water or sewer service from Aqua or  
16 both?

17 MR. GALAMB: I obtain water from the Bay  
18 Leaf and wastewater treatment at Hawthorne  
19 subdivision, so therefore, the answer is both.

20 MR. JOST: Thank you. And do you have a  
21 statement you'd like to provide this evening?

22 MR. GALAMB: I do.

23 MS. JOST: Please proceed.

24 DIRECT STATEMENT:

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1 MR. GALAMB: I'm directly and materially  
2 affected by Aqua's application to increase rates.  
3 I request that my testimony and written comments be  
4 entered as evidence.

5 I'm concerned about the periods of  
6 inefficient and imprudent business practices on the  
7 part of Aqua that have led to frequent rate cases  
8 without significant improvements in the quality of  
9 services provided. I advocate that the Commission  
10 fully investigate the Applicant -- application by  
11 Aqua to determine if the cost of Aqua are  
12 reasonable and prudently incurred. Did Aqua incur  
13 these costs with the aim of providing the best  
14 long-term service at the lowest long-term cost?

15 To facilitate water conservation, Aqua's  
16 base rate should be dropped to 20 percent or lower.  
17 Aqua's current and proposed rate does not match  
18 their water conservation message. The drop in the  
19 base rate will provide an incentive for  
20 conservation. Any cleanups and spills should be  
21 borne by the shareholders and not the customers. I  
22 request relief.

23 Comments submitted during Docket  
24 W-218, Sub 497 generally remain the same, namely:

1 One, rates should not be increased during  
2 recessions which we are currently experiencing;  
3 two, Aqua should not be granted a rate increase,  
4 rather they should have the revenue neutral change;  
5 three, base and usage charges should be at a  
6 maximum of 20-80 ratio; four, sewage should be  
7 metered to help conserve water; flat rates are  
8 unfair -- and five, customers should be provided  
9 adequate time to prepare a response to the public  
10 hearing request.

11 My notice was received on  
12 September 23, 2022. The deputy clerk signed the  
13 notice on September 8, 2022. Similar delays  
14 occurred with the last hearing.

15 My retired neighbors were out of their  
16 house for two months last year. Water and sewer  
17 usage was nil. They returned from their extended  
18 vacation, became frustrated that their bill had not  
19 decreased significantly. This is due to excessive  
20 base charges.

21 Climate change will likely result in  
22 hotter summer temperatures and reduce  
23 precipitation. The Utilities Commission can be a  
24 leader in conservation. Without foresight from the

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1 Commission to adopt the recommendations above, I  
2 could water my lawn and become a average monthly  
3 consumer for the price of low-quality case of beer.  
4 With the proposed rates, I have zero incentive to  
5 conserve our precious natural resources.

6 Again, I request that this testimony be  
7 entered into the record as evidence. Thank you.

8 COMMISSIONER BROWN-BLAND: Thank you.

9 Ms. Jost?

10 MS. JOST: No questions.

11 COMMISSIONER BROWN-BLAND: All right.

12 Mr. Drooz?

13 MR. DROOZ: No questions. Thank you.

14 COMMISSIONER BROWN-BLAND: And do the  
15 Commissioners have questions?

16 (No response.)

17 COMMISSIONER BROWN-BLAND: All right.  
18 Thank you, Mr. Galamb. You may be excused.

19 MR. GALAMB: Thank you for your  
20 consideration. I appreciate it.

21 COMMISSIONER BROWN-BLAND: All right.

22 And, Mr. Administrator, would you unmute  
23 the next witness, please.

24 Hello.

1 MS. JOYCE: Linda Joyce.

2 COMMISSIONER BROWN-BLAND: All right.

3 Let's get you affirmed.

4 Whereupon,

5 LINDA JOYCE,

6 having first been duly affirmed,

7 testified as follows:

8 COMMISSIONER BROWN-BLAND: All right.

9 Ms. Jost.

10 MS. JOST: Good evening --

11 MS. JOYCE: I live at --

12 COMMISSIONER BROWN-BLAND: Hold on.

13 Let's let Ms. Jost ask you a question.

14 MS. JOST: Please state your name,  
15 address, and subdivision for the record.

16 MS. JOYCE: Linda Joyce. I live at 327  
17 Motts Forest Road. Subdivision in New Hanover  
18 County in Wilmington called Motts Village.

19 MS. JOST: Thank you. And do you  
20 receive water service, sewer service, or both from  
21 Aqua?

22 MS. JOYCE: Aqua and Cape Fear Utilities  
23 for sewer.

24 MS. JOST: So is the water provided by

1 Aqua; do you know?

2 MS. JOYCE: Yeah. Yeah.

3 MS. JOST: Okay. Thank you. And do you  
4 have a statement you'd like to provide this  
5 evening?

6 MS. JOYCE: I do.

7 MS. JOST: Please go ahead.

8 DIRECT STATEMENT:

9 MS. JOYCE: I am retired. I'm a senior  
10 living on a fixed income. I speak for neighbors  
11 and friends unable to participate today, but all  
12 were willing to sign a petition supporting issues  
13 regarding Aqua's service and complaints, quality of  
14 water, toxins and filterization [sic], low  
15 pressure, and Aqua's request for rate hikes through  
16 '25 without public input.

17 We are disturbed with Aqua's  
18 authorization and the agencies who are not  
19 protecting homeowners' rights to critical  
20 information that affect our well-being. No one is  
21 enforcing EPA regulations and I ask why. We are  
22 paying for drinking water that carries unacceptable  
23 toxins having the potential to cause irreversible  
24 effects to our health. Aqua's PFAS monitoring



1  
2 results showed PFOA's and PFOS that greatly  
3 exceeded the latest EPA advisories, 825 times per  
4 PFOA and 110 times for PFOS.

5 Our waters should be filled with proper  
6 chemicals, tested quarterly for PFAS and other  
7 toxins, with customers being notified of the  
8 results and the amounts found of each substance.  
9 We need to adopt enforceable standards for  
10 secondary contaminants, sediments, iron, and  
11 magnesia.

12 I live alone. My health is a priority.  
13 Allowing companies like Aqua to continue without  
14 transparency and accountability defeats my efforts  
15 while Aqua continues to jeopardize people's health.

16 Motts -- homes in Motts have low  
17 pressure -- water pressure. Water can trickle from  
18 a garden hose making it impossible to water plants  
19 or drop from a facet in a low stream. I have  
20 reported low pressure issues over the years but  
21 gave up because Aqua states my pressure is fine.  
22 Complaining never gets recorded, so I have been  
23 told from several occasions, "There are no  
24 complaints from you, Ms. Joyce." Aqua is

1 manipulating customers and authorities are not  
2 reporting actual facts.

3 I received a letter signed by a  
4 compliant email in August from the NCUC stating my  
5 low pressure was reported or caused by a  
6 landscaping company issuing an irrigation schedule  
7 causing the problem. This is completely false  
8 information. I have low pressure even in the  
9 winter months with no irrigation running. Letter  
10 states Aqua has made adjustments in the  
11 distribution area addressing these concerns. I  
12 would like to hear what they are, as I have seen no  
13 results of these adjustments.

14 Aqua's drilled two wells two houses down  
15 from me. The first well failed. The second one I  
16 was told was good; however, workmen informed me  
17 they need to bring power to the well to make it  
18 operable. No workmen have been in this area for  
19 some time. What's happening? Why are they not  
20 operable?

21 Can a CFPUA water system be annexed and  
22 extended to serve the village of Motts Landing? If  
23 so, what are the requirements to make that happen?  
24 Residents of Motts wants to know what we have to

1 do. A petition? Sign it by some, all? We need  
2 help. We need action. And most of all, we need  
3 change.

4 There should be an independent detached  
5 from the NCUC to preform a forensic audit on Aqua  
6 focusing on how funds, approved rate hikes, justify  
7 the addressing secondary contaminants, and make  
8 capital investments in water and sewer  
9 infrastructure improvements. Aqua's proposal for  
10 excessively high percentages through 25 without  
11 consumer co- -- conflict is unthinkable.

12 In 2000 -- in 2014, Aqua justified the  
13 approved rate hike to address secondary  
14 contaminants. Today, eight years later, customers  
15 are still burdened with these said contaminants.  
16 We need to eliminate water service providers  
17 self-monitoring and reporting and require  
18 independent testing and reporting for the  
19 contaminants that is overseeing administered by the  
20 public water supply, PWS, section the Division of  
21 Water Resources, the NCDEQ.

22 Last, Aqua requested its customers to  
23 complete a backwater flow annual inspection. I had  
24 an engineer inspect mine and was told that two

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1 safety mechanisms would make it impossible for the  
2 backflow to cause an issue. Therefore, I ask why  
3 you can't do this every five years instead of  
4 annually --

5 COMMISSIONER BROWN-BLAND: Ms. Joyce,  
6 are you about --

7 MS. JOYCE: Last paragraph.

8 COMMISSIONER BROWN-BLAND: You've  
9 exceeded. All right. I'll let you go, but you've  
10 exceeded --

11 MS. JOYCE: The public right to access  
12 needed information for health and safety decision  
13 making this must trump over competing interests  
14 that are opposed to transparency.

15 I appreciate your time and  
16 consideration.

17 COMMISSIONER BROWN-BLAND: Thank you.  
18 Ms. Jost, do you have questions for the  
19 witness?

20 MS. JOST: I don't. Thank you.

21 COMMISSIONER BROWN-BLAND: And the  
22 Company?

23 MR. DREWS: No, we do not.

24 COMMISSIONER BROWN-BLAND:

1 Commissioners?

2 COMMISSIONER HUGHES: I have a question.

3 COMMISSIONER BROWN-BLAND: Commissioner  
4 Hughes.

5 EXAMINATION BY COMMISSIONER HUGHES:

6 Q. Yes. You mentioned, I believe, a  
7 cross-connection inspection that you were required to  
8 have; do I understand that you have a separate  
9 irrigation system?

10 A. I am not a separate irrigation system, no. I  
11 mean, I'm talking about my home irrigation system.

12 Q. Okay. Do you know how much you paid for that  
13 cross-connection inspection? Were you obligated to pay  
14 for it yourself?

15 A. Are you talking about the backflow  
16 inspection?

17 Q. Yes. I'm sorry. I used the engineering  
18 word. I'm sorry. My engineering background just came  
19 back.

20 A. Okay.

21 Q. I'm sorry. Your backflow inspection. I'm  
22 sorry for confusing you.

23 A. Yes. It's \$50, and I just find, when I am  
24 told that it would be impossible not only -- there was

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1 another reason -- it was three reasons, actually. Two  
2 were the safety mechanisms and something to do with the  
3 pressure. He said it would be impossible, and I trust  
4 the gentleman. So I just ask that an extra burden  
5 every year for people to do that \$50 and if it's  
6 unnecessary, I mean, why can't we compromise and go out  
7 five years? Particularly if it's something that's --  
8 you know, I'm being told it's sort of impossible. So  
9 why are we doing it?

10 COMMISSIONER HUGHES: Okay. Thank you.  
11 You've clarified my question. Answered my  
12 question. Thank you.

13 MS. JOYCE: You're welcome.

14 COMMISSIONER BROWN-BLAND: All right.

15 EXAMINATION BY COMMISSIONER BROWN-BLAND:

16 Q. Ms. Joyce, have you -- you spoke to various  
17 contaminants that you believe are in the water.

18 Have you spoken with anybody from the  
19 Department of Environmental Quality about your concerns  
20 or anybody from the Public Staff?

21 A. I haven't. We have a gentleman, though, in  
22 our development by the name of Bennett that is actively  
23 involved with this on multiple levels.

24 Q. And do you bel- --

1           A.       Motts Village.

2           Q.       Do you believe that he's spoken with these  
3 other agencies?

4           A.       I can't confirm that, but I feel, with the  
5 number of -- the correspondence that I have seen, I  
6 would think it would be likely that he has.

7                   COMMISSIONER BROWN-BLAND: All right.

8                   And then I usually say this in my  
9 opening, but I didn't tonight. You asked if there  
10 would be independent audit of the Company, and I  
11 just want to point out -- just for everyone's  
12 knowledge -- that the Public Staff represents the  
13 using and consuming public, and the Public Staff is  
14 not controlled by the Commission. It is an  
15 independent agency, and it does have accountants,  
16 attorneys, engineers, economists, who go through  
17 the records, do various audits, visit the  
18 facilities, and that kind of thing. I don't have a  
19 question about that, but I just wanted to assure  
20 you that that is what is in place in the North  
21 Carolina law to -- to represent the using and  
22 consuming public.

23                   All right. Are there any questions for  
24 Ms. Joyce on Commission's questions.

1 (No response.)

2 COMMISSIONER BROWN-BLAND: Hearing none,  
3 Ms. Joyce, you may be excused, and thank you so  
4 much for your testimony.

5 MS. JOYCE: Thank you.

6 COMMISSIONER BROWN-BLAND: All right.  
7 Mr. Administrator, please unmute the next  
8 witness.

9 MS. COOK: Hello.

10 COMMISSIONER BROWN-BLAND: Hello.

11 Whereupon,

12 DEBRA COOK,  
13 having first been duly affirmed,  
14 testified as follows:

15 COMMISSIONER BROWN-BLAND: All right.  
16 Ms. Jost, do you have questions for this witness?

17 MS. JOST: Yes. Good evening, ma'am.  
18 Could you please state your name, address, and  
19 subdivision for the record.

20 MS. Cook: Yes. My name is  
21 Debra L. Cook. My address is 3634 East Cotton Gin  
22 Drive, Clayton, North Carolina 27527. I'm in the  
23 Cottonfield Village subdivision in Flowers  
24 Plantation.



1 MS. JOST: Thank you. And do you  
2 receive water, sewer, or both services from Aqua?

3 MS. COOK: Both.

4 MS. JOST: Thank you. And do you have a  
5 statement you'd like to give this evening?

6 MS. COOK: Yes, I do.

7 MS. JOST: Please, go ahead.

8 DIRECT STATEMENT:

9 MS. COOK: Okay. I'm asking you to  
10 reject the proposed rate increase by Aqua NC and to  
11 oppose their water and sewer investment plan they  
12 want the customers to finance. Please do not  
13 approve their request.

14 I live in Cottonfield Village, a modest  
15 neighborhood in Flowers Plantation in Clayton,  
16 North Carolina. I am a retired North Carolina  
17 school teacher, and this rate increase would  
18 negatively impact my life and others like me.

19 This utility already charges an  
20 extraordinarily high rate for their service with  
21 little of my monthly bill being for actual  
22 consumption of water. My base fee for just being  
23 connected to their service for water currently is  
24 \$20.70 a month, and the sewer connection base

1 charge is \$60.43 per month. My usage is less than  
2 the average customer, and with only around 2,000  
3 gallons used last month and my -- my most recent  
4 bill was \$97.06. That is just with a part of the  
5 month with the already approved rate increase for  
6 water usage. Next month will be higher.

7 The proposed base fee would be increased  
8 for just the first year of their request. For my  
9 unit, it is \$25.35 for water and \$70.77 for sewer.  
10 That is about a \$15 increase per month for just  
11 being connected. They say the average customer  
12 would pay \$155.86 a month just for the first year.  
13 I'm guessing that my bill with low usage will be  
14 around \$115 a month. Where is the incentive for  
15 conservation? It is and will be the highest  
16 utility bill I pay. My electric bill this month  
17 was only \$85, and with this increase, my water bill  
18 will exceed what I pay for cable TV and internet  
19 combined. I will need to cut back on something,  
20 and using less water will make little or no  
21 difference in my bill. And they are asking for  
22 increases the following three years. No. When  
23 would that stop?

24 In 2018, Aqua NC reported that their

1 average customer paid \$114.62 a month. If this  
2 increase is approved, that is a 37 percent increase  
3 in four years for the average customer.

4 Aqua NC has been charging a system  
5 improvement charge. Yet, I see little or no  
6 improvement in water quality since 2018 when there  
7 were many complaints that were covered by WRAL.  
8 What is the real plan now? It seems it really is  
9 only to improve their bottom-line. Please do not  
10 approve this increase in rates for their base fee  
11 for Aqua NC. Thank you.

12 COMMISSIONER BROWN-BLAND: Ms. Jost?

13 MS. JOST: No questions.

14 COMMISSIONER BROWN-BLAND: Mr. Drooz?

15 MR. DROOZ: Yes, one question.

16 EXAMINATION BY MR. DROOZ:

17 Q. Ms. Cook, do you know if you are receiving  
18 purchased water from Johnston County through those Aqua  
19 pipes?

20 A. Yes. Aqua NC does purchase the water from  
21 Johnston County, and, from what I understand from just  
22 communicating with other people that are on straight  
23 Johnston County water, they pay a whole lot less, but I  
24 don't know that for sure.

1 Q. Okay. Thank you.

2 COMMISSIONER BROWN-BLAND: All right.

3 Do the Commissioners have questions?

4 (No response.)

5 COMMISSIONER BROWN-BLAND: All right.

6 Ms. Cook, we appreciate your testimony tonight, and  
7 you may be excused.

8 MS. COOK: Thank you so much.

9 COMMISSIONER BROWN-BLAND:

10 Mr. Administrator, would you unmute the next  
11 witness, please.

12 (Pause.)

13 COMMISSIONER BROWN-BLAND: Hello?

14 MS. CHANDLER: Yes, hello.

15 COMMISSIONER BROWN-BLAND: All right.

16

17 Whereupon,

18 SUSAN CHANDLER,

19 having first been duly affirmed,

20 testified as follows:

21 COMMISSIONER BROWN-BLAND: Ms. Jost.

22 MS. JOST: Good evening. Please state  
23 your name and address for the record along with the  
24 subdivision name.

1 MS. CHANDLER: Yes. My name is  
2 Susan Chandler. I reside at 217 Longwood Drive,  
3 Chapel Hill, and our subdivision is Stoneridge  
4 Sedgefield.

5 MS. JOST: Thank you. And do you  
6 receive water, sewer, or both services from Aqua?

7 MS. CHANDLER: We just receive the  
8 water.

9 MS. JOST: Okay. Thank you. And would  
10 you like to provide a statement this evening?

11 MS. CHANDLER: Yes, very much so.

12 MS. JOST: Please go ahead.

13 DIRECT STATEMENT:

14 MS. CHANDLER: Okay. Thank you. I  
15 moved into this home in 2001, so I've been here for  
16 21 years. When I first moved in, I was shocked and  
17 dismayed about the quality of the water that we  
18 were paying for. The water has been, and still is,  
19 substandard. We have experienced sediment,  
20 contaminants, calcium deposits leaving residue on  
21 our sinks, glasses, toilets, wreaking havoc on our  
22 skin and our hair. The water quality results in  
23 the -- quality of our health. As a result, we  
24 installed a \$6,000 water filter and softening

1 system that, again, two years ago we needed to  
2 replace it at, again, a cost of \$5,000. We also  
3 have a water filtration system in addition, and  
4 this costs us \$500 as well.

5 I couldn't believe and still can't  
6 believe, believe it or not, that when we have a  
7 power outage, we have no water. We can't flush the  
8 toilets. We have no drinking water -- which by the  
9 way is substandard -- and no hot water to shower.  
10 I think that, in this day and age, to not have the  
11 power of water is an outrage. We also need more  
12 than, I believe it's five generators, which if I  
13 understand from our water committee working with  
14 Aqua, the five generators supplied for  
15 North Carolina and South Carolina, we need more  
16 generators, and we also need a dedicated generator  
17 for our neighborhood.

18 You are increasing our rate, and guess  
19 what, we're receiving substandard water quality and  
20 service. It's like an insult to injury. Thank  
21 you.

22 COMMISSIONER BROWN-BLAND: All right.

23 Ms. Jost, do you have questions for  
24 Ms. Chandler?

1 MS. JOST: I don't.

2 COMMISSIONER BROWN-BLAND: Mr. Drooz?

3 MR. DROOZ: No questions.

4 COMMISSIONER BROWN-BLAND:  
5 Commissioners?

6 MS. CHANDLER: You sure you have no  
7 questions? I'd be happy to discuss.

8 COMMISSIONER BROWN-BLAND:  
9 Commissioners, do you have questions?

10 (No response.)

11 EXAMINATION BY COMMISSIONER BROWN-BLAND:

12 Q. All right. Ms. Chandler, I would like to  
13 know how long has it been since you had the -- you said  
14 you first had installed the water filtration and  
15 softening system at a cost of \$6,000; when was that?

16 A. When I first moved in. It was \$6,000. That  
17 was 21 years ago, and approximately -- I think it was  
18 four years ago, we were told that we also needed to  
19 replace it, because they said that system was old, and  
20 that was \$5,000.

21 Q. All right. I understand.

22 A. That's a lot of money. A lot of money.

23 COMMISSIONER BROWN-BLAND: All right.

24 Are there questions on Commission's

1 question?

2 (No response.)

3 COMMISSIONER BROWN-BLAND: Hearing none,  
4 Ms. Chandler, thanks for your testimony and you may  
5 be excused.

6 MS. CHANDLER: Thank you so much. I  
7 appreciate it. You take good care too.

8 COMMISSIONER BROWN-BLAND: All right.  
9 Thank you. You too.

10 Mr. Administrator, would you please  
11 unmute the next witness.

12 MS. ROWAN: Hello.

13 COMMISSIONER BROWN-BLAND: Hello.

14 Whereupon,

15 ROSE ROWAN,  
16 having first been duly affirmed,  
17 testifies as follows:

18 COMMISSIONER BROWN-BLAND: All right.  
19 Ms. Jost.

20 MS. JOST: Good evening. Please state  
21 your name and address, including the subdivision,  
22 for the record.

23 MS. ROWAN: Sure. My name is  
24 Rose Rowan. The address is 636 Chapel Ridge Drive



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1 in Pittsboro, 27312, and the subdivision is Chapel  
2 Ridge.

3 MS. JOST: Thank you. And do you  
4 receive water or sewer service from Aqua or both?

5 MS. ROWAN: Both.

6 MS. JOST: And do you have a statement  
7 you'd like to provide this evening?

8 MS. ROWAN: I do.

9 MS. JOST: Please go ahead.

10 DIRECT STATEMENT:

11 MS. ROWAN: Thank you. First, I just  
12 want to say thank you for allowing our voices to be  
13 heard here tonight. And I just want to pause. So  
14 before I get into what I have to say, I want -- I'm  
15 not asking a question -- I know that's not allowed  
16 to be answered -- but I want all of you to think of  
17 a yearly water bill that you think is fair and  
18 fairly regulated. What do you think a yearly water  
19 bill would cost that's fair? And I'll come back to  
20 that later. Not looking to have an answer, though.

21 So my reaction when we received the  
22 letter from Aqua that they were proposing rates to  
23 be increased, I was shocked. I can't imagine my  
24 bill being any higher than it actually is today.

1                   When we first moved into Chapel Ridge  
2                   about four years ago, after the neighbors introduce  
3                   themselves to you, the next thing they say is, "Our  
4                   water is really, really expensive. Please be  
5                   careful. You'll be shocked when you get your  
6                   bill." And when we got our bill, I realized why  
7                   they warned me. I literally thought that a pipe  
8                   burst under our house or that we had a leak,  
9                   because I couldn't believe that was an actual bill.  
10                  And my husband and I are from very  
11                  high-cost-of-living areas, and we've never  
12                  experienced that. The -- so when neighbors move  
13                  into our subdivision, I feel obligated to warn them  
14                  to be very careful on their water consumption.

15                 Our family goes to great lengths to try  
16                 to reduce our consumption to control and, kind of,  
17                 offset that bill every month. We never wash our  
18                 car. We always take it to the car wash; it's just  
19                 cheaper. We never put our irrigation system on in  
20                 the backyard and our grass -- you can tell -- it's  
21                 very dead in the back, but our neighbors can't see  
22                 it. Our front yard, we do use our irrigation  
23                 system, but we use it very minimally and just when  
24                 we absolutely have to so that the grass does not

1 burn up.

2                   Regardless of all the precautions -- and  
3 there is so many more that we take because the  
4 water bill is always top of mind. Regardless of  
5 those precautions that we take, our -- a 12-month  
6 bill from Aqua is over \$4,000 for our household.  
7 And just to put that in perspective, the Aqua  
8 water bill per year is higher than our property  
9 taxes, and we have higher property taxes here. The  
10 Aqua water bill per year is higher than our  
11 electric bill and gas bill combined. And the  
12 reason I say that is really just to put a spotlight  
13 on how disproportioned that bill is relative to  
14 other utilities and also our property taxes.

15                   So here's the ask. My ask is that the  
16 price increase be rejected, but also that the  
17 commission strongly step in here with your voice  
18 and also look at measures to reduce our bill. This  
19 just cannot be normal. Again, like I said, my  
20 husband and I are from other areas that have very  
21 high costs of living. This is not normal for us.  
22 Other areas have gotten it right. Something's  
23 broken here. Something's wrong.

24                   So we're just asking for the Commission

1 to step in and strongly investigate that. Reject  
2 this increase, but also look at measures to reduce  
3 this to be a fair rate for the public. That's all  
4 that I have. Thank you for your time.

5 COMMISSIONER BROWN-BLAND: Thank you.

6 Ms. Jost, do you have questions.

7 MS. JOST: I don't.

8 COMMISSIONER BROWN-BLAND: All right.

9 Mr. Drooz, questions for Ms. Rowan?

10 MR. DROOZ: Yes. I have a couple  
11 questions.

12 EXAMINATION BY MR. DROOZ:

13 Q. Ms. Rowan, are you aware you're averaging  
14 around 26,000 gallons of usage per month?

15 A. I don't know what we average per month per  
16 gallon.

17 Q. Okay. Are you aware that your system is  
18 what's called a "path to" system, where the water is  
19 supplied by the Town of Pittsboro and --

20 A. I do.

21 Q. -- distributed by Aqua?

22 A. Yes. I am aware that Aqua buys it from the  
23 City of Pittsboro.

24 Q. And are you aware that the City of

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1       Pittsboro's usage rate is -- I'm going to say very  
2       roughly -- four times the usage rate that Aqua has?

3           A.       Yes.

4           Q.       Okay. Thank you.

5                   MR. DROOZ: That's all my questions.

6                   MS. ROWAN: Can I respond to that?

7                   COMMISSIONER BROWN-BLAND: Yes.

8                   MS. ROWAN: So in the letter that was  
9       sent, there was a table provided of what the rate  
10      was that was the "path through" rate from the City  
11      of Pittsboro, and that rate is the highest rate  
12      compared to any other rate on that chart. So I  
13      agree that Aqua is part of it, but also then the  
14      City of Pittsboro is also part of the problem as  
15      well. And maybe the two need to negotiate better  
16      terms as well, because it's \$23 compared to other  
17      areas that are getting 4 and 7.

18                  COMMISSIONER BROWN-BLAND: All right.

19                  Are there questions from the Commission?

20                  (No response.)

21                  COMMISSIONER BROWN-BLAND: All right,  
22      Ms. Rowan, thank you for your testimony tonight and  
23      you may be excused

24                  MS. ROWAN: Thank you.

1 COMMISSIONER BROWN-BLAND: All right.

2 Next witness, Mr. Administrator.

3 MR. MOORE: Yes. Hello.

4 Whereupon,

5 HAYDEN MOORE,

6 having first been duly affirmed,

7 testified as follows:

8 COMMISSIONER BROWN-BLAND: All right.

9 Ms. Jost, do you have questions?

10 MS. JOST: Yes. Sir, could you please  
11 state your name and address and subdivision for the  
12 record.

13 MR. MOORE: My name is Hayden Moore.  
14 5001 Fielding Drive, Raleigh. The subdivision is  
15 Meadow Ridge.

16 MS. JOST: Thank you. And, Mr. Moore,  
17 do you receive water or sewer service from Aqua or  
18 both?

19 MR. MOORE: Water.

20 MS. JOST: All right. And do you have a  
21 statement you'd like to give?

22 MR. MOORE: Yes. Does the time start  
23 now?

24 MS. JOST: Go ahead.

1 DIRECT STATEMENT:

2 MR. MOORE: Okay. All right. Well,  
3 first, someone previously talked about there was no  
4 conservation encouragement, and I certainly agree  
5 with that. That the rates that are proposed, you  
6 know, you can just be extremely wasteful with  
7 water, and there's no encouragement of this natural  
8 resource with -- with the rate structure and the  
9 high base charge, you know, if you use 1,000  
10 gallons a month, the bulk of your bill is the base  
11 charge.

12 And I might have time for this later to  
13 just say that, in my case, irrigation systems by  
14 the subdivision adjacent to ours really ruined the  
15 water quality, in my opinion. Okay.

16 Next thing is, the percentage increases  
17 that are proposed in the information that I was  
18 mailed, it's nine pages, and on page 5 it says the  
19 proposal is for a 19.1 percent increase, but when I  
20 calculate the -- according to my numbers -- the  
21 base rate increased 22.3 percent and the usage rate  
22 increased 23.7 percent. So I don't know how you  
23 can say it's a 19.1 percent. That's a little  
24 misleading to me.

1                   And the other thing about the rates is  
2                   on page 5 it says they are accumulative year one  
3                   through three. So you do these 20-something  
4                   percent increases every year for three years, and  
5                   you're going to have double your bill in three  
6                   years or less. So that's just, again, based on what  
7                   I'm seeing, the service and so forth, that just  
8                   seems outrageous. Okay.

9                   And that with the inflation that we have  
10                  now, you know, I don't know if it's at 8 or 10  
11                  percent or whatever, but the bulk of that is food  
12                  and fuel, and I don't think Aqua is using either  
13                  one of those. Maybe a little fuel for the trucks.  
14                  So this 20-something percent just seems totally  
15                  outrageous with other economic conditions.

16                 And then just let me say -- I guess I  
17                 got a minute left -- that, in my neighborhood, we  
18                 had 47 houses served by a little regional company  
19                 that had two wells built for our neighborhood and  
20                 the water quality was perfect. Never had a  
21                 problem. It tasted good. It never turned brown.  
22                 It never turned cloudy. And when Aqua bought it,  
23                 it just went you know where in a handbasket. I  
24                 would get stuff that looked like coffee or Coke



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1 coming out of my faucets. I would call them and  
2 complain. They'd say, "Flush the lines. Flush the  
3 lines." I said, "Well, then don't charge me for  
4 flushing 500 or 1,000 gallons of water. Just total  
5 callous disregard. No, we will not give you any  
6 money for that. And just customer service, you  
7 know, just a callousness, in my opinion. And,  
8 let's see, I'm about out of time, I guess.

9 Now, they did do something and the  
10 water's not brown anymore. It is now cloudy-white.  
11 I won't drink it. I don't know anybody who will  
12 drink it. So you got the expense of having to buy  
13 bottled water all the time.

14 So that's -- I guess my times up.

15 COMMISSIONER BROWN-BLAND: All right.

16 Ms. Jost, do you have questions?

17 MS. JOST: I do.

18 EXAMINATION BY MS. JOST:

19 Q. I had intended to ask this before Mr. Moore  
20 began, but, Mr. Moore, did you register to testify at  
21 this hearing by the deadline set out in the notice you  
22 received?

23 A. I did not, because I agree with the previous  
24 person, it was not mailed in a timely manner to have

1       been received. I would have received it had it been  
2       mailed shortly after September the 9th. I think that's  
3       the date of it.

4           Q.       And were you out of the country when --

5           A.       Yes.

6           Q.       -- the notice arrived?

7           A.       Yes. I was out of the country for  
8       approximately three weeks. Got my mail this past  
9       Friday, I guess, which meant then I didn't read it  
10      until Monday. And it was passed the date to call in  
11      and request to be on this, so.

12          Q.       Okay --

13          A.       And I --

14          Q.       Go ahead.

15          A.       The cause would be for the untimely mailing  
16      and my being out of the country.

17                   MS. JOST: All right. So the Public  
18      Staff would request that Mr. Moore's testimony be  
19      accepted into evidence. I am authorized to state  
20      that the Company does not object to that.

21                   COMMISSIONER BROWN-BLAND: All right.  
22      Ms. Jost, there's no objection to that and his  
23      testimony is received onto the record.

24                   MS. JOST: All right. And I did have

1           one additional question for Mr. Moore.

2           Q.       Mr. Moore, you indicated that you were  
3 instructed to flush your lines at some point, but was  
4 that by somebody who you spoke with at Aqua customer  
5 service?

6           A.       Yes.    Yes.

7           Q.       And did you ask for any sort of credit or  
8 compensation for the water that you were advised to  
9 flush?

10          A.       Yes.

11          Q.       And what were you told?

12          A.       On one occasion, I did get a very minimal  
13 credit, but on multiple occasions, it was like just  
14 totally flipped off.  "No.  We're not going to pay you  
15 for that."

16          Q.       And do you remember approximately when those  
17 instances occurred when you were not, and you were told  
18 you wouldn't be compensated?

19          A.       It's been a few years.  I don't know if it's  
20 been three or four or five.  I'm not certain.

21                   MS. JOST:   Those are all my questions.

22           Thank you.

23                   COMMISSIONER BROWN-BLAND:  All right.

24          Mr. Drooz?

1 MR. DROOZ: Yes.

2 EXAMINATION BY MR. DROOZ:

3 Q. I just wanted to ask, Mr. Moore, if -- when  
4 you looked at the customer notice and you looked at the  
5 percentage increases year by year, did you understand  
6 those to be accumulative amount or a separate increase  
7 percentage every year?

8 A. The statement says they are accumulative. So  
9 if you got a 23 percent increase the first year, then  
10 you got another 28.9 on top of that, and then you get  
11 another 34.8, so it's going to double in less than  
12 three years.

13 Q. I'm not here to testify, but I think the 23  
14 or whatever in the first year is correct; but the  
15 subsequent years reflect a cumulative amount that  
16 includes the amount from the first -- from the prior  
17 years. That's my understanding. And, of course, if  
18 the Commissioner, Public Staff has a different  
19 understanding they'll let you know. So I don't believe  
20 it's as bad as it looks on that notice. Thank you.

21 COMMISSIONER BROWN-BLAND:

22 Commissioners, do you have questions?

23 (No response.)

24 COMMISSIONER BROWN-BLAND: All right.

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1 Mr. Moore, as Mr. Becker indicated earlier, the  
2 Company will be filing a report to address the  
3 questions raised tonight, and so you may find some  
4 of your answers there.

5 And also, if we were in an in-person,  
6 they would have representatives as well as the  
7 Public Staff there to answer, or to attempt to  
8 answer some of your questions. As Mr. Becker  
9 indicated, they'll be happy for you to get in touch  
10 with them. They may even reach out to you to try  
11 and answer some of your questions.

12 There being no other questions for you,  
13 Mr. Moore, you may be excused, and we thank you for  
14 your testimony.

15 MR. MOORE: Thank you, ma'am.

16 COMMISSIONER BROWN-BLAND: Thank you.

17 Mr. Administrator, do we have another  
18 witness?

19 MR. REILLY: Hello.

20 COMMISSIONER BROWN-BLAND: Hello.

21 Whereupon,

22 DANIEL REILLY,  
23 having first been duly affirmed,  
24 testified as follows:

1 COMMISSIONER BROWN-BLAND: All right.

2 Ms. Jost.

3 MS. JOST: Good evening. Could you  
4 please state your name, address, and subdivision  
5 for the record.

6 MR. REILLY: Hi. This is Daniel Reilly.  
7 I live at Park South Station. My address is 4156  
8 Park South Station Boulevard.

9 MS. JOST: Thank you. And do you  
10 receive water, sewer service from Aqua, or both?

11 MR. REILLY: I receive both.

12 MS. JOST: Thank you. And do you have a  
13 statement you would like to give this evening?

14 DIRECT STATEMENT:

15 MR. REILLY: I want to support the first  
16 testimony or express support for the first  
17 testimony.

18 COMMISSIONER BROWN-BLAND: All right.  
19 That will be from the first witness?

20 MR. REILLY: Yes, exactly.

21 COMMISSIONER BROWN-BLAND: All right.  
22 Did you have anything else to add?

23 MR. REILLY: I would like to request  
24 that -- that the Commission reject the rate -- the

1 rate increase. I think it's not -- I don't think  
2 that it's warranted and there's been rate incre- --  
3 steady rate increases over the last few years, and  
4 I think there needs to be more investigation of the  
5 management of the infrastructure.

6 COMMISSIONER BROWN-BLAND: All right.  
7 And I believe the first witness was also from Park  
8 South Station, and that was in Charlotte.

9 Are you from Charlotte?

10 MR. REILLY: Yes, I am. Charlotte,  
11 North Carolina.

12 COMMISSIONER BROWN-BLAND: All right.

13 Ms. Jost, do you have further questions  
14 for this witness?

15 MS. JOST: No questions.

16 COMMISSIONER BROWN-BLAND: Mr. Drooz?

17 MR. DROOZ: No questions.

18 COMMISSIONER BROWN-BLAND: And the  
19 Commissioners?

20 (No response.)

21 COMMISSIONER BROWN-BLAND: All right.  
22 Thank you, Mr. Reilly. You may be excused.

23 MR. REILLY: Thank you.

24 COMMISSIONER BROWN-BLAND: All right.

1 Next witness.

2 MR. PADAYACHEE: It's Raigen. Hello?

3 COMMISSIONER BROWN-BLAND: Hello.

4 Whereupon,

5 RAIGEN PADAYACHEE,

6 having first been duly affirmed,

7 testified as follows:

8 COMMISSIONER BROWN-BLAND: All right.

9 Ms. Jost, your witness.

10 MS. JOST: Thank you. Could you please  
11 state your name, address, and subdivision for the  
12 record.

13 MR. PADAYACHEE: Yes. It's  
14 Raigen Padayachee. 15 Litchford Road in Chapel  
15 Hill, and the subdivision is the Stoneridge  
16 Sedgefield neighborhood.

17 MS. JOST: Thank you. And do you  
18 receive water or sewer service from Aqua or both?

19 MR. PADAYACHEE: Water.

20 MS. JOST: And do you have a statement  
21 you'd like to provide?

22 DIRECT STATEMENT:

23 MR. PADAYACHEE: I do. I did also want  
24 to support Ms. Susan Chandler's testimony and add



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1 to that, that having moved to -- from Dallas to  
2 Chapel Hill in 2019, was very surprised at the  
3 quality of the water in the neighborhood. And also  
4 had to have a home filtration and water softening  
5 system installed in 2020, which was approximately  
6 \$12,000.

7 Subsequent to installation of that  
8 system, we've had multiple times when our water  
9 system has been flushed without appropriate notice.  
10 And, for which time, we were either without water  
11 or water was very low -- very, very low flow  
12 through the system, which also caused our newly  
13 installed filter to be flooded with sediment.  
14 We've also had to install a -- a flow valve that  
15 keeps the pressure from spiking, as is common -- as  
16 is common during the flushing of the system by  
17 Aqua.

18 With respect to the number of projects  
19 that Aqua has in -- has identified as being a top  
20 priority, I'd also ask that -- that the  
21 Sedgefield -- the Stoneridge Sedgefield  
22 neighborhood be moved up in that -- in that queue,  
23 with the system being approximately 45 years old,  
24 and it's been significant water quality issues that

1 others have testified to. Thank you.

2 COMMISSIONER BROWN-BLAND: Ms. Jost?

3 MS. JOST: No questions. Thank you.

4 COMMISSIONER BROWN-BLAND: All right.

5 Mr. Drooz?

6 EXAMINATION BY MR. DROOZ:

7 Q. Yes, sir. Do you -- are you aware -- and  
8 this relates to your comment about notice of flushing.  
9 Are you aware that, for the past couple of years, there  
10 is a way you can sign up for a program called  
11 WaterSmart Alert and get advanced notice of flushing  
12 that way?

13 A. I was not aware of that. I will look into  
14 that. I had not seen anything in our paperwork from --  
15 from -- from when we moved in from Aqua related to  
16 that, but if you can direct me to where that is, I'll  
17 take a look at that as well.

18 Q. Yeah. Anyone can get that information from  
19 that customer service number, but Aqua will reach out  
20 to you directly and provide you with that information.

21 MR. DROOZ: Thank you. That's all I  
22 have.

23 COMMISSIONER BROWN-BLAND: All right.

24 Commissioners?

1 (No response.)

2 EXAMINATION BY COMMISSIONER BROWN-BLAND:

3 Q. All right. Mr. Adayachee, I believe -- am I  
4 pronouncing it right?

5 A. Padayachee, with a "P". No. Padayachee with  
6 a "P".

7 Q. Padayachee?

8 A. Thank you.

9 Q. So are there times when you do receive a  
10 notice of flushing?

11 A. I have not. If -- if it might have come --  
12 it may come to our neighborhood and we get notice  
13 through our -- our neighborhood lister, but it's  
14 usually very late after either within -- within 12  
15 hours or 24 at the most that that occurs, at which time  
16 we have to prepare for being without water and/or, you  
17 know, fill up our bathtubs with water to maintain that  
18 until the flushing is complete. And when that flushing  
19 is done, a lot of sediment is either sent through our  
20 system -- our water filtration system in our home -- or  
21 through our washing machine, which then requires us  
22 to -- to have to disconnect the hoses and do a flush of  
23 our washing machine as well. So the notice period is  
24 not sufficient for a neighborhood in which most

1 families, most adults are working and in preparation  
2 for -- for those events to have to plan to have to have  
3 some -- some alternative plan for taking care of kids,  
4 etc.

5 Q. All right. And you mentioned that. at least  
6 on one occasion, the flushing affected your newly  
7 installed filter. Does that happen often?

8 A. That was the first time it's happened. So  
9 we've had the filter -- the system in place for  
10 approximately two and a half years now. That  
11 happened -- I don't know the exact timing -- I would  
12 say within 6 to 7 months of having the system  
13 installed. The filter that would typically last, in  
14 normal usage, somewhere in the neighborhood of 24  
15 months to 36 months before needing to be cleaned or  
16 replaced, was -- was -- was embedded with sediment,  
17 which required us to pay for the filter -- a new filter  
18 -- at that point in time. So it has not happened since  
19 then, but the fact that it did happen with -- with as  
20 much flowthrough of sediment and other items that it  
21 caused the filter to not even be able to be cleaned it  
22 needed to be fully replaced, was -- was very  
23 surprising.

24 Q. Does the filter come in an additional cost to

1       you beyond the \$12,000 for the system?

2           A.       It does. It did. And --

3           Q.       Can you indicate about how much?

4           A.       Yeah. I think it was approximately \$170 plus  
5       the cost of installation, so that might have been 2- --  
6       approximately \$250 to \$270.

7                    COMMISSIONER BROWN-BLAND: All right.

8           Thank you.

9                    Any questions on Commission's questions?

10                   COMMISSIONER HUGHES: I have a  
11       follow-up, if you don't mind.

12                   COMMISSIONER BROWN-BLAND: Commissioner  
13       Hughes.

14       EXAMINATION BY COMMISSIONER HUGHES:

15           Q.       Just -- just following up on -- on your  
16       filter system. Do you -- do you have a company that  
17       provides some sort of maintenance contract with that?  
18       We've heard a lot, particularly in your development, of  
19       these, I guess they're called point-of-use systems, and  
20       I was just wondering if there's one company that -- if  
21       you know of -- that serves a lot of your neighbors, and  
22       do they -- you know, do they keep a relationship with  
23       you after you sell it, or do you just buy it on your  
24       own?

1           A.       No.   You -- you have the option of a variety  
2       of service plans over the course of -- of a year, for  
3       example, in which you can have service once every six  
4       months, once every ni- -- once a year, once every  
5       quarter.   With varying -- varying levels of cost.

6           The -- when I had my system installed, it  
7       included an annual service as a part of that initial  
8       cost.   So the service to -- to when the filter was --  
9       went bad, was -- was a separate -- was separate and  
10      apart from our annual maintenance service because it's  
11      not typically included.   I would say there were  
12      probably four or five companies that are providing  
13      water-softening and purifying systems.   Ours is  
14      Kinetico.   I can't say that they are -- you know, that  
15      the majority of neighbors have them.   I have several  
16      who have used them in our neighborhood, and we are  
17      happy with -- with the functioning of the system.

18               Commissioner Hughes:   Okay.   Thank you.

19           That's all.

20               COMMISSIONER BROWN-BLAND:   All right.

21           Any questions on the Commission's questions?

22               (No response.)

23               COMMISSIONER BROWN-BLAND:   All right.

24           Hearing none, Mr. Padayachee, you are excused, and

1           thank you very much for coming out

2                       MR. PADAYACHEE: All right. Thank you  
3           for your time.

4                       COMMISSIONER BROWN-BLAND: All right.  
5           next witness.

6                       MR. MCCOY: Commissioner, that is it.  
7           We have no more.

8                       COMMISSIONER BROWN-BLAND: All right.  
9           Well, it seems we are now at the conclusion of this  
10          public witness hearing. I'll just remind those who  
11          are still listening that the Company is required to  
12          file a report addressing the service concerns that  
13          we've heard, and I think they usually take the  
14          opportunity to answer other questions as well.

15                      The expert witness hearing will be  
16          January 9, 2023, in the Commission hearing room in  
17          Raleigh, and after that hearing, the Commission  
18          will make a decision in this case.

19                      That being said, is there anything else  
20          from the parties tonight?

21                      (No response.)

22                      COMMISSIONER BRONW-BLAND: Getting the  
23          negative answers, and so we're now at the  
24          conclusion and we will be adjourned. Thank you,

everybody.

MR. DROOZ: Thank you. Good night.

(Hearing adjourned at 7:40 p.m.)

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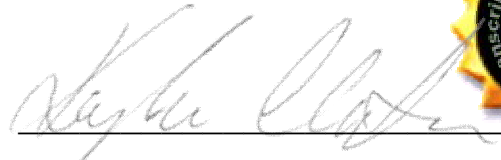
## CERTIFICATE OF REPORTER

STATE OF NORTH CAROLINA )

COUNTY OF WAKE )

I, Kaylene Clayton, court reporter, the officer before whom the foregoing hearing was conducted, do hereby certify that any witnesses whose testimony may appear in the foregoing hearing were duly sworn; that the foregoing proceedings were taken by me to the best of my ability and thereafter reduced to typewritten format 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 24th day of October, 2022.



KAYLENE CLAYTON

Notary Public 202228500270

