

1 PLACE: Held via Videoconference
 2 DATE: Monday, August 17, 2020
 3 TIME: 7:00 p.m. - 8:08 p.m.
 4 DOCKET NO: W-1305, Sub 12
 5 BEFORE: Commissioner Kimberly W. Duffley, Presiding
 6 Chair Charlotte A. Mitchell
 7 Commissioner ToNola D. Brown-Bland
 8 Commissioner Lyons Gray
 9 Commissioner Daniel G. Clodfelter
 10 Commissioner Jeffrey A. Hughes
 11 Commissioner Floyd B. McKissick, Jr.

12
 13 IN THE MATTER OF:
 14 Application of Pluris Hampstead, LLC,
 15 5950 Berkshire Lane, Suite 800,
 16 Dallas, Texas 75225,
 17 for Authority to Adjust and Increase Rates
 18 for Sewer Utility Service in All Service Areas
 19 in Pender County, North Carolina

20
 21 VOLUME: 1
 22
 23
 24

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

A P P E A R A N C E S:
FOR PLURIS HAMPSTEAD, LLC:
Daniel Higgins, Esq.
Burns, Day & Presnell, PA
Post Office Box 10867
Raleigh, North Carolina 27605

FOR THE USING AND CONSUMING PUBLIC:
William E.H. Creech, Esq.
North Carolina Utilities Commission
4326 Mail Service Center
Raleigh, North Carolina 27699-4326

1	T A B L E O F C O N T E N T S	
2	E X A M I N A T I O N S	
3	SARAH SORENSEN	
4	Direct Examination by Mr. Creech.....	10
5	Examination by Commissioner Hughes.....	16
6	Examination by Commissioner Brown-Bland.....	17
7	Examination by Chair Mitchell.....	18
8		
9	MIRIAM BLOCH	
10	Direct Examination by Mr. Creech.....	20
11	Examination by Commissioner McKissick.....	29
12		
13	DENNIS MAURER	
14	Direct Examination by Mr. Creech.....	33
15	Examination by Commissioner McKissick.....	38
16	Examination by Mr. Higgins.....	41
17		
18	DAN FISHER	
19	Direct Examination by Mr. Creech.....	44
20		
21	ROBERT ROSSI	
22	Direct Examination by Mr. Creech.....	50
23		
24		

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

E X A M I N A T I O N S Cont'd:

ROBERT ERICKSON

Direct Examination by Mr. Creech..... 54

E X H I B I T S

IDENTIFIED / ADMITTED

Sorensen Exhibit 1..... 19/19

Bloch Exhibit 1..... 31/31

Erickson Exhibit 1..... 56/56

P R O C E E D I N G S

1
2 COMMISSIONER DUFFLEY: Good evening. Let's
3 come to order, please, and go on the record. I am
4 Kimberly W. Duffley, and with me are Chair Charlotte
5 A. Mitchell; and Commissioners ToNola D. Brown-Bland,
6 Lyons Gray, Daniel G. Clodfelter, Jeffrey A. Hughes,
7 Floyd B. McKissick.

8 I now call for hearing Docket Number W-1305,
9 Sub 12, In the Matter of the Application of Pluris
10 Hampstead, LLC, 5950 Berkshire Lane, Suite 800,
11 Dallas, Texas 75225, for Authority to Adjust and
12 Increase Rates for Sewer Utility Service in All
13 Service Areas in Pender County, North Carolina.

14 Pluris Hampstead, which I'll also refer to
15 tonight as Pluris, filed an Application with the
16 Commission seeking authority to increase its rates for
17 providing sewer utility service in all of its service
18 areas in Pender County, North Carolina. Pluris serves
19 approximately 524 residential flat rate sewer
20 customers and 58 metered commercial sewer customers in
21 Pender County, North Carolina.

22 On November 1st, 2019, Pluris filed a 30-day
23 Notice of Intent to file a rate case. And on January
24 22nd, 2020, Pluris filed an Application for a rate

1 increase that contained confidential information.

2 On February 7th, 2020, the Public Staff
3 filed a letter requesting missing information to be
4 filed in order to complete the filing under Commission
5 Rules.

6 On February 10th, 2020, Pluris filed the
7 missing information completing its Application.

8 On February 17th, 2020, the Commission
9 issued its Order Establishing General Rate Case and
10 Suspending Rates.

11 On March 18th, 2020, the Commission issued
12 its Order Scheduling Hearings, Establishing Discovery
13 Guidelines and Requiring Customer Notice.

14 On April 15th, 2020, Pluris filed an Update
15 to the Application for operating expenses and rate
16 base.

17 On June 2nd, 2020, the Commission issued an
18 Order Canceling the Public Witness Hearing.

19 On July 1st, 2020, the Commission issued an
20 Order to reschedule the expert witness hearing and to
21 schedule a remote hearing for the purpose of receiving
22 public witness testimony.

23 On July 14th, 2020, the Public Staff filed
24 the direct testimony and exhibits for Gina Y.

1 Casselberry and Jenny Li, and direct testimony for
2 Calvin C. Craig, III.

3 On July 29th, 2020, Pluris and the Public
4 Staff filed a Joint Motion requesting that the date
5 for rebuttal testimony be extended to Friday
6 August 21st, 2020.

7 On July 31st, 2020, the Commission issued an
8 order granting an extension of time to file rebuttal
9 testimony until Wednesday, August 19th, 2020.

10 On August 7th, 2020, the Commission issued
11 an Order scheduling the expert witness hearing to be
12 held by remote means.

13 Numerous statements of position have been
14 received and filed in this docket. And this brings us
15 up to our -- to the hearing here tonight before us.

16 In compliance with the State Ethics Act, I
17 remind all members of the Commission of our duty to
18 avoid conflicts of interest, and inquire if any member
19 has a known conflict of interest with respect to the
20 matter before us this evening?

21 (No response)

22 Please let the reflect that no such
23 conflicts were identified.

24 I now call on the parties to announce their

1 appearances, beginning with the Applicant.

2 MR. HIGGINS: Good evening, Commissioners.
3 Dan Higgins with Burns, Day and Presnell in Raleigh
4 for the Applicant, Pluris Hampstead, LLC.

5 COMMISSIONER DUFFLEY: Good evening,
6 Mr. Higgins.

7 For the Public Staff.

8 MR. CREECH: Presiding Chair Duffley, this
9 is William Creech, Zeke Creech, with the Public Staff,
10 an attorney with the Public Staff, and I'm joined this
11 evening by Gina Casselberry of the Water and Sewer
12 Division of the Public Staff.

13 COMMISSIONER DUFFLEY: And are there any
14 preliminary matters before we begin tonight?

15 MR. HIGGINS: I don't believe so.

16 MR. CREECH: I agree.

17 COMMISSIONER DUFFLEY: And do either of you
18 have an opening statement that you would like to
19 provide before we begin?

20 MR. HIGGINS: I do not.

21 COMMISSIONER DUFFLEY: So before we begin,
22 I'd like to say a few words on the process we will use
23 tonight. We appreciate you calling in and your views
24 are very important to us, and we do welcome your

1 testimony.

2 Because the Commission functions as a court,
3 we cannot respond to your questions but rather we're
4 here tonight to hear from you in the form of your
5 testimony. If you have questions please speak with
6 the Public Staff. They are the party in the case
7 representing you, the Using and Consuming Public.

8 With respect to as far as logistics go, when
9 the Public Staff calls your name you will be unmuted
10 and then I will affirm you, give you that oath of
11 affirmation.

12 This proceeding is taken down, being taken
13 down by a court reporter so please be sure to speak
14 slowly and clearly. When you complete your testimony,
15 the attorneys for the parties as well as us
16 Commissioners will have the opportunity to ask you
17 questions, and this is not meant to challenge you or
18 embarrass you, we just want to make sure everyone
19 understands what you've come here to tell us. You'll
20 each have three minutes to give your testimony which
21 will begin when you actually start making your
22 statement, not during the affirmation or giving your
23 name and address. And I will let you know when your
24 time is up.

1 And so with that, Mr. Creech, would you like
2 to call your first witness, please.

3 MR. CREECH: Thank you, Presiding
4 Commissioner Duffley. If I may say again, this is
5 William Creech with the Public Staff and I just
6 appreciate everyone being here tonight, all of our
7 witnesses. The first witness that we have who's
8 registered is Sarah Sorensen.

9 Sarah, are you on the line?

10 And, Mr. McCoy, if you could unmute her.
11 The 952 number, Dan.

12 MS. SORENSEN: Yes, I am, I'm here.

13 COMMISSIONER DUFFLEY: Hello, Ms. Sorensen.

14 MS. SORENSEN: Yes, I am here.

15 COMMISSIONER DUFFLEY: Wonderful. Thank
16 you.

17 SARAH SORENSEN;

18 having been duly affirmed,

19 testified as follows:

20 DIRECT EXAMINATION BY MR. CREECH:

21 Q Ms. Sorensen, good evening. Could you please
22 state and spell your name for the record, please,
23 and then also give your physical address, please?

24 A Sure. My name is Sarah, S-A-R-A-H, last name is

1 Sorensen, S-O-R-E-N-S-E-N. I live at 192 Collins
2 Way, C-O-L-L-I-N-S, in Hampstead 28443. And I'm
3 is the Villages at Olde Point Subdivision.

4 Q Thank you, Ms. Sorensen. And, Ms. Sorensen, what
5 do you care to share with the Commission, the
6 Public Staff, and the parties tonight?

7 A I'm just speaking on behalf of my subdivision,
8 that we're all opposed to the 32 percent rate
9 increase requested by Pluris. I want to first
10 just note that the -- I reviewed as much as I
11 could of the Application, the declarations, and
12 also the declaration submitted by the Commission
13 members, and they were all very difficult to
14 understand.

15 I'm actually an attorney myself.

16 I'm not licensed in North Carolina, but I'm
17 licensed in California and Minnesota, and I would
18 think that I would be able to interpret or at
19 least try to understand much of the documentation
20 submitted in support of this increase, but I
21 wasn't able to, and I can't imagine somebody with
22 lesser education than me being able to
23 understand. So it's kind of difficult for me to
24 substantively attack the formula needed to

1 determine the rate increase. All I can really do
2 is tell you that now is not the time to request
3 this large of a rate increase.

4 The Commission Attorney, or I
5 think he's the financial analyst, Craig -- Calvin
6 Craig, he touched on this in his declaration
7 about how the coronavirus pandemic has wreaked
8 some hard economic conditions on residents, and
9 it's true. I mean, in this community lots of
10 people have lost their jobs, they've been
11 furloughed, neighbors of mine have been
12 furloughed. A \$63.95 flat rate fee is already
13 very high and a \$32 or a 32 percent increase,
14 over a \$20 increase, does have a significant
15 impact for families who already are having
16 trouble making their ends meet.

17 Another point that I want to bring
18 up is that our neighborhood circulated a petition
19 and we have over 40 of our residents who signed
20 in the last few days. So this is pretty
21 universal in our neighborhood that this is
22 opposed.

23 The last thing I just want to
24 touch on is that in the paperwork submitted by

1 Pluris and the response by the Commission is that
2 there wasn't really any sort of questioning of
3 Pluris' numbers that they submitted. There was
4 some maybe tinkering over their rates by maybe a
5 fraction of percentage, but there's certain
6 expenses that were listed in their balance sheet
7 that are questionable such as corporate
8 management fees of over \$124,000. There was also
9 a consulting fee of \$22,500 for 2019, and they
10 spent \$221 on consulting fees in 2018. There's
11 also \$4,000, over \$4,000 in travel, over \$9,000
12 in bank charges, almost \$12,000 in auto expenses,
13 \$9,000 in general admin. These things are all
14 very vague to me. I'm not sure how much these
15 expenses mean in the formula, but I think that
16 the Commission needs to at least do a little bit
17 more digging into how Pluris is managing its
18 financing.

19 Pluris also stated that there was
20 a neighborhood that is in litigation that they
21 were expecting revenue from a 1200-home
22 development and they are not receiving revenue
23 from that that they had expected. And I'm almost
24 done. I know that's my timer. And I don't think

1 it's fair for other residents to have to pony up
2 if they're not getting their expected revenue.
3 We're not responsible for any sort of unfortunate
4 business decision that they made.

5 So those are just a few reasons
6 why me along with the other residents in my
7 neighborhood are opposed to the increase. Thank
8 you.

9 COMMISSIONER DUFFLEY: Thank you for that
10 testimony.

11 Are there questions for this witness?

12 MR. HIGGINS: I don't have any questions for
13 Ms. Sorensen.

14 BY MR. CREECH:

15 Q Ms. Sorensen, this is William Creech, Zeke Creech
16 with the Public Staff again. A couple of things,
17 I did want to note that Gina Casselberry with the
18 Water and Sewer Division is on and we can
19 continue to be in conversation. You mentioned a
20 petition. Have you shared that petition with
21 anyone, with the Public Staff or --

22 A No. And I just received a message as I was
23 speaking from my neighbor reminding me of this.
24 She had posted it on the page I think on Friday

1 and I'm happy to send you the petition showing
2 you the signatures on it.

3 Q That would be -- that would be helpful. You
4 mentioned the economic impact. Now,
5 Ms. Sorensen, how will have you lived in that
6 community?

7 A I moved in May of 2019, so about 15 months.

8 Q Okay. And how has the service that's been
9 provided to you by the Company been during that
10 period?

11 A I haven't noted how any issues. But I will say
12 that I was shocked to see how high the rate
13 already was, and it was a flat rate not a per-use
14 rate.

15 Q Were there any other comments that you care to
16 share this evening about service in particular?

17 A No.

18 Q Okay. Thank you, Ms. Sorensen.

19 A Thank you. Am I required to stay on til the end?

20 COMMISSIONER DUFFLEY: Yes. So now we're
21 going to turn to the Commissioners and see if the
22 Commissioners have any questions for you,
23 Ms. Sorensen.

24 THE WITNESS: Oh, I see. I thought that was

1 the conclusion of my testimony. I apologize.

2 COMMISSIONER DUFFLEY: So do any of the
3 Commissioners have any questions? Commissioner
4 Hughes.

5 COMMISSIONER HUGHES: Yes.

6 EXAMINATION BY COMMISSIONER HUGHES:

7 Q Thank you for your testimony. Do you happen to
8 have a rough idea of what your water bill is?
9 I'm just trying to understand the financial
10 impact of you -- to you and your neighbors and
11 who provides that water service.

12 A Sure. I get my water through the County which I
13 think everybody else does. My house water runs
14 anywhere between \$40 and \$50 a month. But my
15 husband and I are extremely mindful how we use
16 our water. When we heat up our showers we put
17 buckets underneath the shower so we can use it to
18 water our plants.

19 We also have irrigation which is a
20 flat meter fee every month, I just think \$30.
21 And when we use the water I think our bill is
22 anywhere between \$90 and \$110 a month, when we
23 use the irrigation system. And the big expense
24 this year was the meter fee to have it installed;

1 it was close to \$3,000. So that was a huge fee
2 that we had to pay this year to have irrigation,
3 because it was illegal for us to have our
4 irrigation system hooked up to the house water,
5 and so we didn't want to be noncompliant with the
6 law so we had to pay \$3000 for that.

7 Q Thank you very much.

8 COMMISSIONER HUGHES: That's all for me.

9 COMMISSIONER DUFFLEY: Commissioner
10 Brown-Bland.

11 EXAMINATION BY COMMISSIONER BROWN-BLAND:

12 Q Ms. Sorensen, you indicated that you were
13 testifying on behalf of your subdivision. Is
14 that in any official capacity?

15 A No. I just announced on our Facebook page that I
16 would be -- that I was going to be testifying,
17 and I asked if they had any comments that they
18 wanted me to share and so they shared their
19 comments. So nobody else I guess had the time or
20 the interest in actually testifying, or maybe
21 they are nervous.

22 Q All right.

23 A It's not anything official, but I just
24 volunteered.

1 Q All right. Thank you.

2 COMMISSIONER DUFFLEY: Any other
3 Commissioner questions? Chair Mitchell.

4 CHAIR MITCHELL: Thank you, Commissioner
5 Duffley.

6 EXAMINATION BY CHAIR MITCHELL:

7 Q I do have a question, Ms. Sorensen. I just want
8 to make sure I understand your testimony. Do you
9 have any concerns or have you had any experience
10 or can you tell us about your experience with the
11 quality of the service provided by the Company?

12 A I have not had any sewer problems.

13 Q Okay.

14 A The only thing, and I don't know if -- the only
15 thing I can think of, I don't think this is
16 necessarily the sewer but there's sometimes when
17 we've used the toilet and everything or even
18 our -- yeah, when we use the toilet, if it hasn't
19 been used in a while it smells but I don't think
20 that's a sewer problem.

21 Q Okay. Thank you very much.

22 A Yep.

23 COMMISSIONER DUFFLEY: Any other
24 Commissioner questions?

1 (No response)

2 Mr. Creech, the petition for -- the petition
3 that Ms. Sorensen mentioned, do you want to label that
4 as Ms. Sorensen's Exhibit 1? And we can have that
5 introduced subject to counsel, Mr. Higgins' approval.

6 MR. CREECH: Yes, please. In fact, we've
7 just received that by email and I forwarded it on just
8 now to Mr. Higgins as well as to Heather Fennell on
9 the Commission staff. So I would like to do that,
10 please. I'd offer that.

11 COMMISSIONER DUFFLEY: Okay. So moved and
12 accepted.

13 (WHEREUPON, Sorensen Exhibit 1 was
14 marked for identification and
15 received into evidence.)

16 COMMISSIONER DUFFLEY: And if there's
17 nothing further, Ms. Sorensen, thank you for coming
18 out tonight. You are excused. And we thank you again
19 for calling in.

20 THE WITNESS: Thank you very much for your
21 time tonight.

22 (The witness is excused)

23 MR. CREECH: Madam Chair, the next witness
24 is Miriam Bloch (sounds like block) or Bloch (sounds

1 like bloke).

2 Miriam, are you on the line?

3 MS. BLOCH: Yes, I am.

4 COMMISSIONER DUFFLEY: And do you go by
5 Ms. Bloch (sounds like block) or Ms. Bloch (sounds
6 like bloke)?

7 MS. BLOCH: It's Bloch (sounds like block).
8 You had it pronounced right.

9 COMMISSIONER DUFFLEY: Bloch (sounds like
10 bloke)?

11 MS. BLOCH: Bloch (sounds like block). No,
12 like a block of wood. Bloch.

13 COMMISSIONER DUFFLEY: Okay.

14 MS. BLOCH: But it's spelled with an "H".

15 COMMISSIONER DUFFLEY: Thank you.

16 MIRIAM BLOCH;

17 having been duly affirmed,

18 testified as follows:

19 COMMISSIONER DUFFLEY: Mr. Creech.

20 DIRECT EXAMINATION BY MR. CREECH:

21 Q Ms. Bloch, thank you again for being here this
22 evening and for calling in.

23 Can you please state and spell
24 your name for the record as well as your physical

1 address and subdivision?

2 A My name is Miriam M-I-R-I-A-M, last name is Bloch
3 B- as in boy, L-O-C-H- as in Harry. I live at 32
4 Parkwood Trail in Hampstead, and I live in the
5 Coastal Plantation Subdivision, which is
6 currently owned by Sun Communities.

7 Q Thank you, Ms. Bloch. And did you have a
8 statement you cared to share with the Commission
9 this evening?

10 A Yes, I do. Okay. I am the President of our
11 activity club, and the members have asked me to
12 speak for them. I have a stack of letters here
13 from 102 residents of our community, some are
14 couples so it's not necessarily homes, that are
15 opposed to this increase. These letters have
16 also attached copies of their water bills showing
17 the water usage each month. And, if necessary, I
18 will be happy to mail you all the letters and the
19 water bills to show you the usage.

20 As a 55+ community here, we are --
21 the majority of our residents are retired and on
22 fixed incomes. A huge increase as you're
23 proposing will make many of us have to make a
24 major decision as to where that money will come

1 from. Do we not fill that prescription the
2 doctor ordered? Do you not go to the doctor? Do
3 you not buy groceries? I mean, it's really tough
4 when you're fixed on a -- when you're on a
5 very -- a fixed income and you have to budget
6 your money and you don't have somewhere else to
7 get that money from.

8 Another thing that we feel very
9 strongly about is that because Pluris has all of
10 Hampstead, which includes Coastal Plantation, on
11 the same monthly charge. It doesn't seem fair
12 that we have to pay the same amount as families
13 that might have anywhere from three to six people
14 residing in their home. Their water usage would
15 be much much more than ours.

16 And I'm a single person and my
17 water bill averages around \$34 a month. And the
18 majority of the people here, their bills run from
19 as low as \$27 to the \$52 range. Very few people
20 have bills any higher than that. And we're
21 seniors. And we grew up in a time where our
22 parents remember the depression and we were
23 taught not to waste water, to turn off the faucet
24 when brushing our teeth, et cetera, and we're a

1 whole group of people that are very conservative
2 in our usage. In addition, we turn off lights.
3 And it's not just the water we don't waste, we
4 don't waste anything.

5 So we really would appreciate if
6 Pluris would reconsider this increase at this
7 time so that we don't have to worry about filling
8 that next prescription and especially -- you
9 know, this is just not the right time to give us
10 an increase. Everything else around us is very
11 difficult now. And, you know, the COVID has made
12 a major impact in your lives. And, you know,
13 it's just a frightening time for all of us, and
14 we don't need an additional shift of a major
15 increase that we can't figure out how we're going
16 to pay. Hello.

17 COMMISSIONER DUFFLEY: Yes, thank you,
18 Ms. Bloch. Do we have questions for Ms. Bloch?

19 MR. HIGGINS: This is Dan Higgins. I do
20 not.

21 COMMISSIONER DUFFLEY: Thank you,
22 Mr. Higgins.

23 BY MR. CREECH:

24 Q Ms. Bloch, I have some questions for you. If you

1 could -- and this is Mr. Creech with the Public
2 Staff again.

3 You mentioned a hundred and --
4 were there 102 of your neighbors who have
5 letters --

6 A I have letters from what -- some are husband and
7 wife, but it's 102 people that have asked me to
8 speak about this for them.

9 Q Okay. And so you conferred with them and -- or
10 do you have a -- one of the other witnesses had a
11 petition --

12 A Well, it wasn't part -- it wasn't part -- it
13 wasn't part of the petition. A letter was sent
14 around to them to ask them if they were -- you
15 know, basically the letter was sent around to --
16 and saying that we were protesting the increase
17 in our sewer bill. I can read you the letter
18 that we sent out to everybody that they signed
19 and returned to me, if that would help you.
20 Because the number of people -- you know, they
21 say 102 people signed the letter.

22 As residents of Coastal Plantation
23 we're ready to put -- we're ready to protest the
24 proposed increase in our sewer bill. We are a

1 community of 55+ residents. I'm saying -- I
2 think it's the same thing I just said, but this
3 is what my letter -- the letter I sent out to my
4 neighbors and 102 of them sent it back to me
5 signed, back to me.

6 Q Would you be willing to share that with the
7 Commission as well?

8 A Sure. Sure. I've got a whole stack here on my
9 desk.

10 Q Okay. We want to arrange to see if that's --
11 I'll come back to that here momentarily if we
12 can.

13 A Sure.

14 Q Let's talk a little bit more on you mentioned the
15 impact that the rate increase will have on people
16 with conservative views --

17 A Right.

18 Q -- and older customers perhaps on fixed incomes
19 like you said. Can you talk a little bit about
20 what your experience has been in terms of
21 service, service quality from the Company. How
22 have they -- have you had any issues with the
23 service that they've provided, the sewer service,
24 customer service?

1 A No. We've only had sewer service with them
2 probably under three years. Again, I don't
3 exactly recall the date -- yeah, it was just
4 about three years. I know exactly. It was just
5 about three years ago when they switched us over
6 from septic to sewer. And so we haven't had it
7 long enough I don't think to really have had any
8 problems come up. I mean, you know, with
9 everything it should be new and working. I mean,
10 you know, other than a few of my neighbors that
11 have the big thing in their backyard that makes a
12 lot of noise, you know, everything should be
13 okay. It's basically okay. I don't think -- I
14 have not heard of any issues with the sewer
15 itself.

16 Q Would you prefer a scenario where there was not a
17 flat rate but instead --

18 A Yes.

19 Q -- based upon usage?

20 A Yes, most definitely. It's like we do with our
21 electric company. It's -- you know, and our
22 water company. It makes, to me, much more sense
23 to pay for what we use as opposed to a flat rate
24 because, like I say, there's families, you know

1 some of these new houses, they have six people
2 living in them, four kids and two adults. They
3 go through a heck of a lot more water than I
4 would use.

5 Q And then back to your -- the letter that was
6 signed --

7 A Uh-huh (yes).

8 MR. CREECH: I would, Presiding Chair
9 Duffley, and subject to comment from Attorney Higgins,
10 would like to propose that that could be submitted and
11 marked as Bloch Exhibit 1.

12 THE WITNESS: Sure. And you want me to mail
13 all of these to you with the attached water bills,
14 because I have all of their water bills attached to
15 them, too?

16 BY MR. CREECH:

17 Q Well, I don't know about all the water bills.
18 That might contain some personal information.
19 But we would be interested perhaps, at least the
20 Public Staff I think would be interested in
21 particular in the letters.

22 A Okay. I can -- I can detach -- I can detach it
23 and send it to you. And on the letter they are
24 all stating the number of gallons of water that

1 they use on their water bill. So, you know, that
2 would give you enough information.

3 Q Provided it's not a great expense to you or maybe
4 we can figure out another way to do that.

5 A I mean, it's -- it's probably about I don't know
6 at least 75 letters here. I didn't count them
7 individually because I know that a lot of them
8 are couples, you know, more than one person.

9 COMMISSIONER DUFFLEY: And, Mr. Creech, as I
10 understand these letters they may be in the form of a
11 consumer statement of position; do you agree with
12 that?

13 MR. CREECH: I do agree.

14 COMMISSIONER DUFFLEY: So it may be that we
15 want to receive those letters and file them as a
16 consumer statement of position in the docket.

17 MR. CREECH: Yeah, that sounds good. Yes.

18 COMMISSIONER DUFFLEY: Okay.

19 THE WITNESS: Do you want to give me an
20 address to mail them to?

21 MR. CREECH: I certainly do.

22 THE WITNESS: I can mail them to you at the
23 address of 4326 Mail Service Center in Raleigh.

24 MR. CREECH: Right.

1 THE WITNESS: Is that where you want me to
2 mail them?

3 MR. CREECH: Please.

4 THE WITNESS: Okay.

5 MR. CREECH: Mail it to the Public Staff.

6 THE WITNESS: Public Staff. Well, that's --
7 basically that is what my letter is actually, it says
8 it's addressed to. It's to -- I put it to Ms. Dianna
9 Downey, Chief Counsel, Public Staff, North Carolina --

10 MR. CREECH: Right. Correct.

11 THE WITNESS: That was who the letter was --
12 that I had everybody sign. So it is addressed to you
13 properly so that's perfect. Okay. Yeah, I'll stick
14 them in an envelop. I'll mail them out to that
15 address. No problem. I'd like to have that on there.
16 Good.

17 COMMISSIONER DUFFLEY: Thank you, Ms. Bloch.

18 And do we have any -- and, Mr. Creech, are
19 you finished with your questioning?

20 MR. CREECH: Yes.

21 COMMISSIONER DUFFLEY: Any Commissioner
22 questions? Commissioner McKissick.

23 EXAMINATION BY COMMISSIONER MCKISSICK:

24 Q Yes, Ms. Bloch, earlier in your testimony you

1 stated the range of water bills for people in
2 your subdivision. Could you restate those
3 numbers --

4 A Yes.

5 Q -- so I can --

6 A Sure, I mean --

7 Q -- capture them more clearer.

8 A I mean the -- actually the lowest one that
9 somebody had was like \$27 and then the highest
10 was in the, I think \$58 or \$60, but on the
11 average, in the \$34 range I would guess, \$33,
12 \$35. And the ones that were higher, actually a
13 lot of them, was because they were billed on a
14 33-day cycle and the cycle that I got the letters
15 from were on a 25-day cycle.

16 So, I mean the billing on the
17 water company is never the same number of cyc- --
18 days in their cycle which makes it confusing and
19 their amounts get crazy.

20 Q Okay. Now, let me just ask you this, the Coastal
21 Plantation Subdivision, are most of the people
22 who reside there are they year-round
23 homeowners --

24 A Yes.

1 Q -- or is this a place where it's seasonal in
2 nature?

3 A Nope. This is year-round residents. We maybe
4 have about two or three that are part-time, but
5 the majority of the people here are year-round.

6 Q And I think you said many of them are senior
7 citizens like yourself; is that correct?

8 A Well, it's a 55+ community so everybody is
9 technically a senior.

10 Q Perfect. Well that clarifies that. Thank you.

11 A You're very welcome.

12 COMMISSIONER DUFFLEY: Any other
13 Commissioner questions for Ms. Bloch?

14 (No response)

15 Okay. Mr. Creech, I am going to change my
16 ruling, since we had a Commissioner question on these
17 filings and we had testimony on the consumer statement
18 of positions that she has accumulated, let's go ahead
19 and mark that as Ms. Bloch Exhibit Number 1 and be
20 introduced.

21 (WHEREUPON, Bloch Exhibit 1 was
22 marked for identification and
23 received into evidence.)

24 THE WITNESS: Now, when I send this to you

1 do I -- should I put anything, a cover letter, so that
2 you all will know what it is or should I -- do I have
3 to identify it as Exhibit 1 or anything like that?

4 MR. CREECH: You can and I think that could
5 be helpful.

6 THE WITNESS: Okay. No problem. I'll put
7 that in my cover letter. I appreciate it.

8 MR. CREECH: Thank you, Ms. Bloch.

9 COMMISSIONER DUFFLEY: Thank you, Ms. Bloch.
10 I do not see any other questions, so you may be
11 excused, and we thank you for calling in tonight.

12 THE WITNESS: Can I just stay on the line to
13 hear other peoples' testimony just for curiosity on my
14 part?

15 COMMISSIONER DUFFLEY: Yes, you may.

16 THE WITNESS: Okay. All right, thank you.
17 I would like to do that. Thank you.

18 COMMISSIONER DUFFLEY: Thank you.

19 (The witness is excused)

20 MR. CREECH: Commissioner Duffley, I'd like
21 to call the next witness, Dennis Maurer.

22 Mr. Maurer, are you on the line?

23 MR. MAURER: I am. I hope you can hear me.

24 COMMISSIONER DUFFLEY: Yes, Mr. Maurer, we

1 can hear you.

2 DENNIS MAURER;

3 having been duly affirmed,

4 testified as follows:

5 DIRECT EXAMINATION BY MR. CREECH:

6 Q Good evening, Mr. Maurer. Thank you for being
7 on. Could you please state and spell your name
8 for the record and then provide your physical
9 address as well as your subdivision, please?

10 A Sure. It's Dennis Richard Maurer, D-E-N-N-I-S,
11 Richard R-I-C-H-A-R-D, Maurer M-A-U-R-E-R. I
12 live at 102 Bristle Cone Court in Hampstead Pines
13 which is literally next door to Colonial (sic)
14 Plantation that was the previous witness. And I
15 am the president and have been for four years,
16 four plus years now of the homeowners
17 association.

18 Q Thank you, Mr. Maurer, for being on. Do you have
19 a statement you would like to share with the
20 Commission?

21 A Sure. We are a very new customer to Pluris,
22 literally months into the mission. We were
23 approached by Pluris about connecting up to them
24 and initially we were reluctant to do so. We had

1 an operating sewage treatment plant that had --
2 was getting old and was going to -- maintenance
3 was going to go up, but we were comfortable that
4 we would be able to maintain it for many more
5 years into the future. That was in late winter
6 or early spring of 2019. And as time went on
7 we -- even though we were initially reluctant we
8 came to an agreement, a very favorable agreement
9 that we felt was a win-win both for Pluris, us
10 and a third-party that was involved. We sold
11 some real estate as part of the whole deal to a
12 third party. And we had -- we were notified
13 that -- well, when the discussions went on over
14 the first nine months the concern by the
15 homeowners was well we'll be subject to a rate
16 increase and we understood that, but we were --
17 it was pointed out that communities like Sneads
18 Ferry had been on for years and had never had a
19 rate increase and there was nothing in the
20 works as far as they knew at that time, which I
21 suspect at the time the discussion started was,
22 in fact, true. But by the time we came to a
23 completion of the deal Pluris had decided that
24 they were going to submit to the PUC for a rate

1 increase, and that in fact was in our agreement
2 with them so I can't say that it was a surprise.
3 We were aware of the possibility that they might
4 be doing that and that -- and they gave us a
5 ballpark range of what it might be, how big it
6 might be.

7 And oh by the way, the Hampstead
8 Pines Subdivision is 50, currently 58 homes, and
9 so we're not a large community but we enjoy our
10 little small community and try to keep it very
11 well-maintained. And we've had -- for the few
12 months that we've been with Pluris, the local
13 team has done a great job responding when issues
14 have occurred, not that there have been a lot,
15 but as issues have occurred as part of the
16 transition, and they were quick to respond and,
17 et cetera. We've not had any issues or concerns
18 about them and the quality of service that they
19 would deliver.

20 It's just the 33 percent or
21 32 percent, I guess it depends on how you round
22 the zeros, what the rate increase it really is,
23 it just seems awfully excessive. Not many things
24 in life get raised 33 percent at a whack. And a

1 same -- similar issue that Colonial Plantation
2 does, only it's not as extensive in the
3 community, about 30 percent of our homeowners are
4 retired, and so they're on a fixed income with --
5 you know, they don't have the ability to make
6 more money as time goes on. And we just perceive
7 that it seems to be a bit excessive in a
8 relatively short period of time.

9 And the community, Hampstead in
10 general, is growing. I mean, I'm sure the
11 Commission is well aware of building permits and
12 sewer permits and well permits going out in the
13 Hampstead area. It's a thriving community.
14 Unfortunately -- well I wouldn't say
15 unfortunately -- a lot of people know it's a very
16 nice community and a pleasant place to live and
17 people are coming in from all other the country.
18 So that new construction would seem to offer
19 Pluris an opportunity to get more customers over
20 time and -- but as that happens, as they add more
21 customers, I would be shocked if they lowered the
22 rate to correspond to the incremental revenue
23 from the additional customers. So I would just
24 ask that that be factored into the consideration

1 for the rate increase.

2 COMMISSIONER DUFFLEY: Mr. Maurer, thank you
3 for your time. Did you want to make one conclusion
4 sentence?

5 A Well, I would ask that Utility Commission
6 consider a way to mitigate it, limit it, delay it
7 in some way. I mean, it's just a 33 percent
8 increase four months after signing the agreement
9 seems -- well it won't be four months, it might
10 be as long as a year by the time it would be
11 fully implemented, but still it's a significant
12 increase in a relatively short period of time.

13 COMMISSIONER DUFFLEY: Thank you.

14 Mr. Creech, do you have further questions?

15 BY MR. CREECH:

16 Q Mr. Maurer, I just wanted to clarify whether
17 during the short period of time which you've been
18 a customer and your neighbors have been
19 customers, have you had any service-related
20 issues?

21 A No. No, sir. And if there was an issue it was
22 immediately taken care of. And I have no concern
23 about them being able or doing a quality job.
24 They're committed to delivering a good solution,

1 from what I can see. I'm not an expert. I'm a
2 consumer like everybody else. But I have a
3 responsibility for the 58 homes and they call me
4 when things aren't right, and I don't get those
5 calls as it relates to sewer.

6 Q Thank you, Mr. Maurer.

7 MR. CREECH: No more Public Staff questions
8 at this time.

9 COMMISSIONER DUFFLEY: Mr. Higgins.

10 MR. HIGGINS: No questions for Mr. Maurer.

11 COMMISSIONER DUFFLEY: Commissioner
12 questions? Commissioner McKissick.

13 EXAMINATION BY COMMISSIONER McKISSICK:

14 Q Sir, I believe you indicated that before
15 Hampstead Pines Subdivision decided to go with
16 Pluris they did discuss with you the potential
17 for a rate increase, and as I recall you
18 indicated that they discussed a potential range
19 of a rate increase. Do you recall the details
20 relating to those conversations or discussions?

21 A Sure. Yeah, it was stated that they were, but by
22 the time we got around to physically signing the
23 agreement, I mean, it was -- we started the
24 discussion in I want to say late March, early

1 April of 2019. We signed the agreement in
2 January of, excuse me, February of 2020,
3 January -- February 27th. We were informed that
4 they were -- officially informed that they were
5 filing for the rate increase on January 22nd of
6 2020, so -- and prior to that they had mentioned
7 that it was a possibility.

8 When we were presenting it to the
9 homeowners we had to get an approval of the
10 majority of the homeowners to complete with the
11 deal, and based on the information we had at the
12 time it was a great deal. We were basically --
13 Pluris was going to take over the operation and
14 it was -- our operating costs were approximately
15 the same. I mean, we were operating the
16 treatment plant for about what the rates were
17 going to be charged by Pluris. Now the rate
18 would be a little bit higher than what we were,
19 and I say a little bit, somewhat higher than it
20 was for us to operate our own -- a solution.

21 Q So do you recall there being any range in terms
22 of percent of increase that was --

23 A Yep.

24 Q -- discussed at that time --

1 A They mentioned -- yeah, they mentioned a dollar
2 figure, \$80 plus. In fact, I think we called
3 them out in the agreement at eighty-three and
4 change which is what they ended up. By the end
5 of February when we were -- when we finally
6 finalized the agreement that was signed by Pluris
7 and us and the third party, the rate that they
8 were going to submit was established as I think
9 as the rate that's in front of you, eighty-three
10 and change. So we're -- I can't say we weren't
11 aware of it when we made the decision, it just --
12 it just seems like an incredibly large amount in
13 a relatively short period of time.

14 Q Got it. So it wasn't a surprise because what was
15 discussed was I guess a rate in that range of
16 \$83, you just perhaps didn't expect it to come up
17 as suddenly; is that what I'm hearing?

18 A I'm sorry. Repeat the last sentence.

19 Q You didn't expect the rate increase to come up
20 this quickly? Is that what it amounts to? It
21 sounds like the number --

22 A Yeah, exactly. I didn't think it would come up
23 this quickly or that it would be submitted for as
24 much as it was.

1 Q Okay. Thank you, sir.

2 A You're welcome.

3 COMMISSIONER DUFFLEY: Any further questions
4 for Mr. Maurer?

5 MR. HIGGINS: Commissioner Duffley, I'm
6 sorry, I have a question on Commissioner McKissick's
7 question if and when the Commissioner's finish their
8 questions.

9 COMMISSIONER DUFFLEY: I will allow it.

10 MR. HIGGINS: Do you want me to ask the
11 question now or wait?

12 COMMISSIONER DUFFLEY: I believe that no
13 other Commissioners indicated they have questions.

14 MR. HIGGINS: Okay. Thank you.

15 EXAMINATION BY MR. HIGGINS:

16 Q Mr. Maurer, this is Dan Higgins. I'm an attorney
17 representing Pluris.

18 A Yes, sir.

19 Q You are the President of the Hampstead Pines
20 Homeowners Association, aren't you?

21 A Yes, sir.

22 Q And you signed the contract that you've been
23 making reference to in your testimony --

24 A Yes, sir.

1 Q -- on behalf of the homeowners association?

2 A I did.

3 Q And will you accept subject to check that section
4 7, paragraph 2 contains the following sentence,
5 *the utility has submitted a rate increase*
6 *proposal to the NCUC which is expected to set a*
7 *new rate for the utility that will be no more*
8 *than \$84.42 per month sometime in 2020.* Do you
9 recall seeing that language in the contract you
10 signed?

11 A Yeah, I do, and Randy the local manager reminded
12 me of it. I initially had forgotten that was in
13 the contract a few weeks ago, but then when Randy
14 reminded me I clearly remembered it. I knew that
15 we -- in fact, we had some discussion about it.

16 And I -- like I said, I wasn't --
17 I am not surprised that a rate increase was
18 submitted. That -- they were upfront with me,
19 Pluris was, with our association making us aware
20 that it was going to happen, so I cannot say that
21 I was surprised or that I didn't expect it to
22 happen. Clearly, I signed a document that
23 referenced it specifically of what the rate
24 increase could be. And it is what it is. Even

1 though it -- the fact that it's exorbitant
2 doesn't change by virtue of the fact that I was
3 made aware of it. And by exorbitant I mean a
4 33 percent increase. Nothing -- very few things
5 in this world get increased by 33 percent in a
6 relatively short period of time.

7 MR. HIGGINS: I don't have any other
8 questions for Mr. Maurer.

9 COMMISSIONER GRAY: Commissioner Duffley,
10 you're on mute.

11 COMMISSIONER DUFFLEY: Okay. Thank you.

12 So thank you, Mr. Maurer, for coming and
13 calling in tonight. We appreciate your testimony and
14 you are excused.

15 THE WITNESS: I appreciate you giving me the
16 opportunity to express our concerns. And have a good
17 evening and hope you're able to factor in a fair
18 resolution to this issue.

19 COMMISSIONER DUFFLEY: Thank you,
20 Mr. Maurer.

21 (The witness is excused)

22 MR. CREECH: Next we'd like to call Dan
23 Fisher. Dan, are you on the line?

24 MR. FISHER: Yes, I am on the line.

1 MR. CREECH: Great.

2 COMMISSIONER DUFFLEY: Hello, Mr. Fisher.

3 DAN FISHER;

4 having been duly affirmed,

5 testified as follows:

6 DIRECT EXAMINATION BY MR. CREECH:

7 Q Mr. Fisher, can you please state and then spell
8 your name for the record and then provide your
9 physical address as well as your subdivision,
10 please?

11 A Do you mean my legal name or what I go by? Dan
12 or Daniel?

13 Q Whichever you prefer. Dan is fine.

14 A Okay. I go by Dan, so D-A-N and my last name is
15 Fisher F-I-S-H-E-R.

16 Q And your address and subdivision please.

17 A Oh, I apologize. Yes. I live at 491 Aurora
18 Place. Aurora is A-U-R-O-R-A, Place P-L-A-C-E in
19 Hampstead, and it's in the Wyndwater Community.
20 Wyndwater is W-Y-N-D-W-A-T-E-R Community.

21 Q And thank you, Mr. Fisher. And do you have a --

22 A My pleasure.

23 Q -- statement you'd like to share with the
24 Commission this evening?

1 A Yes, sir.

2 Q Go ahead please.

3 A All right. Well, I'm actually new, I've only
4 lived in Hampstead for coming up on three months
5 now. I recently moved from Kentucky where our
6 sewer bill was calculated based on our water
7 usage. So I was confused first of all when water
8 and sewer were administered by two separate
9 organizations. In all the places I've lived in
10 Tennessee, Kentucky, Ohio, Utah, all of our water
11 bills and sewer bills were provided by the same
12 organization, but anyways, the sewer bill was a
13 flat rate and that surprised me. Additionally,
14 our average monthly sewer bill in Kentucky was
15 around -- I went back and looked for the last 12
16 months and it averaged around \$30 a month, again
17 based on usage. I was shocked at the exorbitant
18 cost for the -- of \$63.95 for the sewer-only
19 services here in Hampstead. So when I received
20 notice that Pluris was requesting an increase
21 from \$63.95 to \$84.21, a 32 percent increase I
22 was floored.

23 So trying to be objective I
24 decided to do some research and determine if this

1 increase was warranted or if maybe it was
2 stepping over their bounds. So I looked up the
3 Environmental Protection Agency, the water
4 affordability threshold, to see if our water
5 costs here in Hampstead were above average,
6 average, or lower than what the average cost is
7 nationwide. And I found that the EPA recommends
8 the annual cost for water and wastewater combined
9 could be no more than two percent to two and a
10 half percent of the household income.

11 So I looked up the U.S. Census
12 data. Again, I'm new to Hampstead. For 2018,
13 the most recent data I could find, and the
14 average monthly income for Pender County, North
15 Carolina where I live was \$52,989. So using
16 these figures I calculated that the EPA's
17 recommended annual cost for water and sewer
18 services combined for Pender County should be
19 between \$1059.78 and \$1324.73, which breaks down
20 to about eighty-eight dollars and some change,
21 and thirty-two cents, and \$110.39 per month for
22 both water and sewer services.

23 But again, I've only lived here
24 for a few months and my water bill for just my

1 house, I'm not counting my irrigation because if
2 you count the irrigation then my water bill would
3 be twice as much. That surprised me having two
4 separate water bills as well. But so not
5 counting irrigation, my water bill has averaged
6 about \$60 a month.

7 I have a family of six, four kids
8 and two adults, and we're very conservative. Not
9 as conservative as some of the previous people
10 have discussed, but we don't leave water running;
11 we take short showers. But anyways, when you
12 combine my home water bill with the current sewer
13 bill of \$63, it's already above the average
14 range. So I'm paying \$125 a month when the EPA
15 water affordability threshold should be in the
16 \$88 to \$110. I'm already paying \$15.00 more a
17 month than what the EPA recommends as affordable
18 water, which has a significant impact on human
19 rights, public welfare, having clean water,
20 access to clean water.

21 So increasing the fee would cause
22 the disparity to increase even more from a 13.5
23 percent above the EPA's affordability threshold
24 to 31 percent higher than the EPA's recommended

1 threshold. It will make water and sewer services
2 unaffordable in our community. So the timing is
3 horrible, as others have mentioned, with high
4 unemployment, I myself being one of them; people
5 struggling financially due to COVID.

6 So Pluris should be more
7 transparent in their financial justification for
8 raising rates, and also work with Pender County
9 Utilities to try and lower our overall bill to
10 make it more affordable for residents in this
11 community.

12 I don't have an official -- and
13 again that wasn't including irrigation. If you
14 include irrigation now we're like 50 percent
15 above the affordability threshold. So we
16 definitely have some room to improve our water
17 services. And thank you for your time.

18 COMMISSIONER DUFFLEY: Thank you,
19 Mr. Fisher.

20 Further questions, Mr. Creech?

21 MR. CREECH: I just have one clarifying
22 question.

23 BY MR. CREECH:

24 Q Mr. Fisher, thank you again and thank you for

1 sharing that, and I note that your statement has
2 been filed, a consumer statement has been filed.
3 Who is your -- who do you have your irrigation
4 system through?

5 A It's through Pender County Utilities as well. So
6 I have home and irrigation through Pender County
7 Utilities.

8 Q Very good.

9 MR. CREECH: No more questions at this time
10 from the Public Staff.

11 COMMISSIONER DUFFLEY: Thank you.
12 Mr. Higgins.

13 MR. HIGGINS: I don't have any questions for
14 this gentleman.

15 COMMISSIONER DUFFLEY: Any commissioner
16 questions?

17 (No response)

18 Well thank you, Mr. Fisher. We really
19 appreciate you calling in tonight and you are excused.

20 THE WITNESS: Thank you very much. I
21 appreciate your time.

22 (The witness is excused)

23 MR. CREECH: Next the Public Staff would
24 like to call Robert Rossi.

1 Mr. Rossi, are you on the call?

2 MR. ROSSI: Yes, I am.

3 COMMISSIONER DUFFLEY: Good evening,
4 Mr. Rossi.

5 ROBERT ROSSI;
6 having been duly affirmed,
7 testified as follows:

8 DIRECT EXAMINATION BY MR. CREECH:

9 Q Sir, can you please state and spell your name for
10 the record, and then also provide your physical
11 address as well as your subdivision?

12 A Robert R-O-B-E-R-T Rossi R-O-S-S-I. I live at 94
13 Nandina Drive in Hampstead, North Carolina 28 --
14 27 -- I forgot the zip, but anyway. Okay.

15 Q And your subdivision please.

16 A It's Subdivision 12 I think.

17 Q Okay. Is that the Coastal Plantation, just to
18 clarify?

19 A That's the Coastal Plantation. Yes, it is the
20 Coastal Plantation.

21 Q Very good. And did you have a statement you
22 wanted to share with the Commission this evening?

23 A Yes, I do.

24 Q Go ahead please.

1 A I have quite a bit to say but Ms. Bloch, Miriam
2 Bloch also from my community with all the papers
3 that we've gathered together has said
4 everything exactly the way I am. The only thing
5 I have to emphasize is that we all are seniors
6 here and out of the hundred and some odd homes
7 there's no more than, I'd say all of them in the
8 90's with two people and maybe a lot of the homes
9 with just a single person. So that --
10 (technology gibberish) -- my phone is driving me
11 nuts. But the thing that we all are here on, we
12 all are on fixed incomes and it is very -- to
13 have something over \$20 jumped on a month, it's
14 pretty high. We kind of watch everything and we
15 don't -- many people -- actually when it rains
16 you'll see most of the people actually get in
17 their car and drive it out into the driveway so
18 the rain water will wash it. So we all are
19 mindly -- minding of using water and everything.
20 And I just think that we're all at wits end about
21 everything that's going on.

22 And with all of the development in
23 Pender County, which we look around us and we see
24 thousands of homes being constructed at the

1 present time, I mean, with all these future
2 building, I mean Pluris could even out pretty
3 well from all of this. So I just wanted to
4 emphasize that Ms. Bloch said everything that I
5 wanted to say, and that's pretty important. So
6 that's about it. That's all I have to say.

7 COMMISSIONER DUFFLEY: Thank you, Mr. Rossi.

8 Mr. Creech, do you have other questions?

9 BY MR. CREECH:

10 Q Mr. Rossi, any issues with the service that's
11 been provided by the Company?

12 A No. Pluris, whenever they have an -- they have
13 an alarm system set up in the septic system here
14 where some of the original piping goes into the
15 newer pump piping that Pluris has set up for some
16 of the homes. They go off often and within a
17 phone call Pluris comes right down and resets it.
18 If there is a situation Pluris does come within a
19 few hours and resolves it.

20 Q Thank you, Mr. Rossi.

21 A Thank you for listening to me.

22 MR. CREECH: The Public Staff has no more
23 questions at this time.

24 There may be others, Mr. Rossi.

1 THE WITNESS: Fine. I'll stay here and
2 listen.

3 COMMISSIONER DUFFLEY: Mr. Higgins.

4 MR. HIGGINS: I don't have any questions for
5 Mr. Rossi.

6 COMMISSIONER DUFFLEY: Are there any
7 questions from the Commissioners?

8 (No response)

9 Seeing none, Mr. Rossi, thank you for
10 calling in tonight and you are excused.

11 THE WITNESS: Thank you for listening to me.
12 I really appreciate it. Thank you.

13 COMMISSIONER DUFFLEY: Thank you. Have a
14 good evening.

15 THE WITNESS: You, too.

16 (The witness is excused)

17 MR. CREECH: The final witness that the
18 Public Staff has received registration from is Bob
19 Erickson.

20 Mr. Erickson, are you on the line?

21 MR. ERICKSON: Yes, I am.

22 MR. CREECH: Mr. Erickson -- oh, I'm sorry.

23 MR. ERICKSON: Hello.

24 ROBERT ERICKSON;

1 having been duly affirmed,

2 testified as follows:

3 DIRECT EXAMINATION BY MR. CREECH:

4 Q Mr. Erickson, could you please -- if you'll also
5 speak up -- but if you will please state and
6 spell your name for the record and then provide
7 your physical address as well as your
8 subdivision, please?

9 A Yes, sir. It's Robert Erickson E-R-I-C-K-S-O-N.
10 And I am with the Coastal Plantation Community. I
11 am the Community Manager. The address there is
12 531 Loblolly Trail, Hampstead.

13 Q Mr. Erickson, do you have a statement that you
14 care to share with the Commission this evening?

15 A Yes, sir. Along with the statement I submitted a
16 spreadsheet that shows the gallons used in a
17 month's time that was collected by Miriam Bloch,
18 one of the residents in the community, at my
19 request. We have a total of 100 homes in the
20 community at this time. We are also expanding
21 the community an additional 138 homes. The
22 collected homes were 65. We collected water
23 bills from 65 of those homes. Out of the 65
24 homes, it was a total of 137,980 gallons, which

1 if you divide that by the 65 homes that equals
2 71 gallons per day. It was my understanding,
3 based on the sewer contract that was agreed with
4 Coastal Plantation and Pluris, that it was 300
5 plus gallons per day that they were assessing the
6 usage on. And so -- you know, as others have
7 said, the amount of water that is going to be put
8 into the system at the 55 and older community
9 with one -- possibly 1.5 average living in these
10 two and three-bedroom homes that on average it's
11 always under 100 gallons per day.

12 So I feel -- I've been at many
13 communities throughout the country, and when it
14 is tied to the water usage the bills are more
15 normally in the \$30 to \$40 a month range. When I
16 first saw the amount that we paid for sewer I was
17 pretty much blown away that it was in the
18 sixties. And now if you raise it to the eighties
19 with only 71 gallons per home being used, that
20 seems like an awful lot for that amount of water
21 that is -- and sewage that's going down the line.
22 That's all that I have.

23 Q Mr. Rossi, you -- excuse me, Mr. Erickson --

24 A Yes, sir.

1 Q -- you have emailed to the Public Staff, and I
2 have shared with counsel for the Company late
3 this afternoon, and only just now shared with
4 counsel for the Commission, an Excel spreadsheet
5 that contains water bill information.

6 A Yes, sir.

7 Q And, of course, that's water bill information for
8 various folks including telephone numbers and the
9 like. Is that something that -- is that
10 something that you have permission to and want to
11 submit as an exhibit or --

12 A That is the spreadsheet that was set up by the
13 Social Club President and submitted it to me for
14 this Commission.

15 MR. CREECH: Presiding Commissioner Duffley,
16 I would like to offer -- propose that Mr. Erickson's
17 spreadsheet be marked and identified and admitted as
18 Erickson Exhibit 1?

19 COMMISSIONER DUFFLEY: Mr. Erickson's
20 Exhibit 1 is introduced into the record.

21 (WHEREUPON, Erickson Exhibit 1 was
22 marked for identification and
23 received into evidence.)

24

1 BY MR. CREECH:

2 Q Mr. Erickson, just to clarify, you are both the
3 Community Manager but you are also a resident; is
4 that correct?

5 A No, sir. I am the Community Manager.

6 Q Are you a customer?

7 A Yes, we are customers of Pluris in our office and
8 our clubhouse as well.

9 Q Very good. And also just to clarify the formal
10 name of the customer in that instance is what?

11 A Coastal Plantation.

12 Q Very good. Mr. Erickson, one final question.
13 Would it be your preference that service be based
14 upon usage rather than a flat rate or otherwise?

15 A Yes, sir, especially if they are basing this flat
16 rate on 300 plus gallons per day per household.
17 Absolutely.

18 MR. CREECH: No more questions from the
19 Public Staff at this time.

20 COMMISSIONER DUFFLEY: Thank you.

21 Mr. Higgins, do you have questions for the
22 witness?

23 MR. HIGGINS: No, ma'am.

24 COMMISSIONER DUFFLEY: Are there any

1 Commission questions for the witness?

2 (No response)

3 Seeing none, Mr. Erickson, thank you for
4 calling in tonight and you are excused.

5 THE WITNESS: Thank you so much.

6 (The witness is excused)

7 COMMISSIONER DUFFLEY: Mr. Creech, I believe
8 that brings us to the end of your witness list.

9 MR. CREECH: Correct.

10 COMMISSIONER DUFFLEY: Is there anything
11 else that we need to address before we adjourn?

12 MR. CREECH: If I may, one thing I could
13 have said at the beginning is that members of the
14 Public Staff are available to talk with consumers as
15 well. And that Gina Casselberry is on the line as
16 well and so she's in the Water and Sewer Division.
17 The contact information for our engineers there is
18 telephone number 919-733-5610, again 919-733-5610, and
19 that's gina.casselberry@psncuc.nc.gov. Again,
20 gina.casselberry@psncuc.nc.gov. And again, I'm
21 William Creech also on the Public Staff and can be
22 reached indirectly by 919-733-5610 as well. Thank
23 you.

24 COMMISSIONER DUFFLEY: Thank you. Anything

1 else for the good of the order?

2 MR. HIGGINS: Nothing further from me.

3 COMMISSIONER DUFFLEY: Hearing nothing, we
4 have come to the conclusion and the end of our public
5 witness hearing and we will stand adjourned.

6 (The proceedings were adjourned)

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

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

C E R T I F I C A T E

I, KIM T. MITCHELL, DO HEREBY CERTIFY that
the Proceedings in the above-captioned matter were
taken before me, that I did report in stenographic
shorthand the Proceedings set forth herein, and the
foregoing pages are a true and correct transcription
to the best of my ability.

*Kim T. Mitchell*_____

Kim T. Mitchell
Court Reporter