STATE OF NORTH CAROLINA UTILITIES COMMISSION RALEIGH

DOCKET NO. W-1318, SUB 1

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of
Application by HH Water, LLC, for
Authority to Adjust and Increase Rates
for Water Utility Service in High
Hampton Service Areas in Jackson
County, North Carolina

PUBLIC STAFF'S VERIFIED
RESPONSE TO HH WATER'S
REPORT ON CUSTOMER
TESTIMONY FROM PUBLIC
WITNESS HEARING HELD
JUNE 4, 2024

NOW COMES THE PUBLIC STAFF – North Carolina Utilities Commission (Public Staff), by and through its Executive Director, Christopher J. Ayers, and pursuant to the Commission's Order Rescheduling Public Witness Hearing, Revising Dates for Filing Reports, and Requiring Customer Notice issued April 22, 2024, submits its verified response to the Report of Owen Schultz for HH Water, LLC on Customer Testimony filed June 18, 2024 (HH Water's Report).

The Public Staff has reviewed HH Water's Report and is of the opinion that it accurately recounts the testimony of the two customers who testified at the public hearing. There were no customer service or service quality complaints expressed during the public witness hearing. Both customers testified at length regarding the magnitude of the proposed increase, the recent improvements made to the water utility system, and the propriety of the newly installed wells and booster pumps and the planned storage tank., Both customers testified that they considered these recent and planned additions as unnecessary to adequately serve the existing customers. In the HH Water Report, Mr. Schultz asserts that the additions and

renovations are necessary for several reasons, including maintaining "fire flow" and mitigating against running out of water in future droughts. The Public Staff addresses in its pre-filed direct testimony the various additions and renovations by HH Water, and to what extent the related expenses should be included in this general rate case.

Respectfully submitted, this the 1st day of July, 2024.

PUBLIC STAFF Christopher J. Ayers Executive Director

Lucy E. Edmondson Chief Counsel

/s/ James Bernier, Jr.
Staff Attorney
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VERIFICATION

STATE OF NORTH CAROLINA)
)
COUNTY OF WAKE)

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

That she is a Public Utilities Engineer with the Water, Sewer, and Telephone Division of the Public Staff – North Carolina Utilities Commission; that she is familiar with the facts set out in the foregoing Public Staff's Verified Response to HH Water's Report on Customer Testimony from Public Witness Hearing held June 4, 2024; that she has read the foregoing response and knows the contents thereof; and that the same are true of her own knowledge except as to matters stated therein on information and belief, and as to those matters she believes them to be true.



Shashi M. Bhatta

Sworn to and subscribed before me

This 1st day of July 2024.

Notary Public

My Commission Expires: February 13, 2026

CERTIFICATE OF SERVICE

I certify that a copy of this Public Staff's Verified Response to HH Water's Report on Customer Testimony from Public Witness Hearing held June 4, 2024 has been served on all parties of record or their attorneys, or both, in accordance with Commission Rule R1-39, by United States mail, first class or better; by hand delivery; or by means of facsimile or electronic delivery upon agreement of the receiving party.

This the 1st day of July, 2024.

Electronically submitted /s/ James Bernier, Jr.