

confusion caused by certain specific language contained on his utility bill.¹ Mr. Campbell, who resides at 156 White Oak Boulevard in Jacksonville, raised no service-related complaints or issues in his testimony.

CWSNC Response: The Company met with Mr. Campbell after the hearing and responded to his questions and concerns. CWSNC also provided a more in-depth clarification and explanation regarding Mr. Campbell's billing questions by letter dated July 2, 2015. A copy of the Company's July 2nd letter to Mr. Campbell is attached hereto as part of this report.

Respectfully submitted, this the 16th day of July, 2015.

SANFORD LAW OFFICE, PLLC

Electronically Submitted

/s/Jo Anne Sanford

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**ATTORNEY FOR CAROLINA WATER
SERVICE, INC. OF NORTH CAROLINA**

¹ CWSNC has a billing arrangement with Mr. Campbell's water provider (ONWASA) whereby ONWASA bills and collects for sewer utility service provided by CWSNC to its customers, such as Mr. Campbell. ONWASA then remits those sewer service revenues to CWSNC.



July 2, 2015

Mr. Larry Campbell
156 White Oak Boulevard
Jacksonville, NC 28546

Re: Carolina Water Service, Inc. of North Carolina
Rate Increase Request Public Hearing, Jacksonville NC
W-354, Sub 344

Dear Mr. Campbell,

It was a pleasure to meet you last Tuesday night, June 23rd in Jacksonville, at the public hearing held before the North Carolina Utilities Commission ("NCUC" or "Commission") concerning our request for rate relief. In your testimony, you expressed concern about the utility rates that you were being charged and I wanted to write to provide better clarity. As we discussed after the hearing, Carolina Water Service has a billing arrangement with your water provider, ONWASA. ONWASA includes a line item on their bill abbreviated as "Car water" which is short for Carolina Water Service and shows the NCUC's approved flat rate for sewer service. ONWASA collects Carolina Water Service's approved sewer rate on our behalf and forwards the amounts collected from our customers, such as you, to the Company. Carolina Water Service entered into this billing arrangement with ONWASA because we believe it is better and more efficient to have both utilities utilize one bill.

In our last rate relief request in NCUC Docket W-354, Sub 336, a series of orders were issued by the Commission in 2014, which allowed for adjustment of the rates to our customers.

Effective Date of Rates

02/10/2011 - \$40.14 (rate case W-354, Sub 324)

03/10/2014 - \$56.45 (rate case W-354, Sub 336)

Adjusted Rate as part of Refund Plan – 03/10/2014 – 06/30/2014 - \$47.38

07/01/2014 - \$44.70 final rate (this rate is still in effect)

ONWASA Billing

January – June 2014 – Billed \$40.14 (3/10/14 NCUC-approved new rate of \$56.45 was not implemented due to lack of notice to ONWASA from Carolina Water Service)

July 2014 – Billed \$44.70

August 2014 – Billed \$71.56 (\$44.70 rate plus adjusted amount of \$26.86 for under-billing described below**))

September 2014 to current – Billed \$44.70

**In August 2014, ONWASA back billed on our behalf based on an adjustment file we provided them. Since the approved 3/10/14 rate of \$56.45 was not implemented, the August adjustment was based on the "adjusted" Refund Plan rate of \$47.38.

03/10/2014 – 03/31/2014 – Prorated on 22 days = **\$5.14**

04/01/2014 – 04/30/2014 – Difference of \$47.38 - \$40.14 = **\$7.24**

A Utilities, Inc. company Carolina Water Service, Inc. of North Carolina

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5701 Westpark Dr., Suite 101 • Charlotte, NC 28217 • www.uiwater.com

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July 2, 2015

05/01/2014 – 05/31/2014 – Difference of \$47.38 - \$40.14 = **\$7.24**

06/01/2014 – 06/30/2014 – Difference of \$47.38 - \$40.14 = **\$7.24**

Total Adjustment = **\$26.86**

From looking at the utility invoices you shared with me at the public hearing, the ONWASA billing explained above matches what you were billed and I would appreciate if you would review your invoices and make sure the line items were appropriate for the periods shown.

I realize this billing scenario is very confusing due to the above-described multiple changes in rates which occurred in the Company's last rate case. The billing situation was further complicated because of the delay in notifying ONWASA of the rate changes, which then resulted in a need to make the billing adjustment in August 2014. We sincerely apologize for the confusion created by this situation and understand your frustration and need to seek clarification of your bill.

If we can be of any further assistance, please do not hesitate to contact our Customer Service Department at 1-800-525-7990.

Thank you again for taking time to speak at the hearing; your comments are appreciated.

Sincerely,



Martin Lashua

Vice President of Operations

Cc: Customer Service
Danny Lassiter
Eddie Baldwin

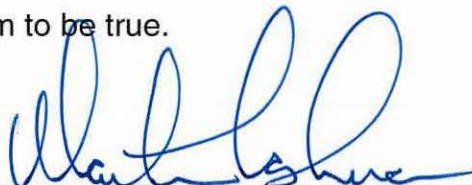
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VERIFICATION

Martin J. Lashua, being duly sworn, deposes and says:

That he is the Vice-President of Operations for Carolina Water Service, Inc. of North Carolina; that he is familiar with the facts set out in the attached **Report On Customer Service Quality Issues from Public Hearing in Jacksonville, North Carolina** filed in Docket No. W-354, Sub 344; that he has read the foregoing Report and knows the contents thereof; and that the same is true of his knowledge except as to those matters stated therein on information and belief, and as to those he believes them to be true.



Martin J. Lashua

North Carolina

Mecklenburg County

Sworn to and subscribed before me this the 15 day of July, 2015.


Notary Public

Donna Stegall
Printed Name

My Commission Expires:

01/08/2019

Date



CERTIFICATE OF SERVICE

I hereby certify that on this the 16th day of July, 2015, a copy of the foregoing **Report On Customer Service Quality Issues from Public Hearing in Jacksonville, North Carolina** has been duly served upon all parties of record by electronic service, as follows:

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**Electronically Submitted
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