## STATE OF NORTH CAROLINA

### **UTILITIES COMMISSION**

#### RALEIGH

## **DOCKET NO. W-354, SUB 384**

### BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of
Application by Carolina Water Service,
Inc. of North Carolina, 4944 Parkway
Plaza Boulevard, Suite 375, Charlotte,
North Carolina 28217, for Authority to
Adjust and Increase Rates for Water
and Sewer Utility Service in All of Its
Service Areas in North Carolina

CWSNC REPLY TO PUBLIC
STAFF'S SECOND
SUPPLEMENTAL
TESTIMONY

NOW COMES Carolina Water Service, Inc. of North Carolina ("CWSNC" or "Company") and files this report in response to Public Staff Engineer Lindsay Q. Darden's Second Supplemental Testimony, filed on November 24, 2021, as follows:

- 1. Ms. Darden testified that "...with the exception of a few isolated service issues, which the Company has addressed or is in the process of resolving, the overall quality of service is adequate..." and that the Public Staff understands "....that water quality generally meets the standards set forth by the Safe Drinking Water Act and is satisfactory." Darden Supp. Test., at p. 13. Thus, the Company submits that the statutory standard for adequacy of service is met (G.S. 62-131).
- 2. Ms. Darden also recommended: (a) additional customer outreach to customers on the Danby system about how they can address and manage water hardness in their homes; (b) that CWSNC share the results of the evaluations from its iron sequestering agent supplier for the Belvedere and Brandywine Bay

systems; and (c) that CWSNC continue to update the Public Staff on the progress addressing those systems' water quality issues. Consistent with prior conversations, the Public Staff would like for CWSNC to consider converting flat rate sewer customers to metered rates.

- 3. Though the Company differs with the Public Staff with respect to the conversion of certain customers from flat rate to metered, it is pleased to report that it has already reached out to the Danby customers concerning water hardness and that it is sharing the results from its iron sequestering agent supplier for Belvedere and Brandywine Bay with the Public Staff. Additionally, CWSNC will continue to update the Public Staff on progress in addressing those systems' water quality issues.
- 4. Finally, consistent with the Company's commitment to follow up on all of the customers' concerns -- as expressed in CWSNC's Response to Customer Concerns, filed on November 15, 2021 -- CWSNC reports that:
  - The iron sequestering evaluation for Belvedere and Brandywine is scheduled for December 14-15, 2021. The Area Manager has requested that Fairfield Harbour be evaluated as well, and CWSNC will report to the Public Staff on the results as well as any adjustments that are made;
  - The speakers from Belvedere and Brandywine Bay who expressed quality concerns were contacted personally by CWSNC staff during the week after the November 1, 2021 public hearing;

- As indicated, the Company has reached out to the Danby customers concerning water hardness, and in October 2021, it posted a link to an article on hardness on the Company website;
- CWSNC will continue to update the Public Staff on progress in addressing the various systems' water quality issues; and
- Finally, the Company continues its efforts to contact all customers who testified to service issues at the public hearing.

Respectfully submitted, this the 1st day of December, 2021.

SANFORD LAW OFFICE, PLLC

## **Electronically Submitted**

/s/Jo Anne Sanford

State Bar No. 6831 Post Office Box 28085 Raleigh, North Carolina 27611

T: 919-210-4900

e-mail: sanford@sanfordlawoffice.com

# /s/ Kay Pashos, pro hac vice /s/ Mark Alson, pro hac vice

Ice Miller LLP

One American Square, Ste. 2900 Indianapolis, Indiana 46282-0200 Pashos Telephone: 317-236-2208 e-mail: kay.pashos@icemiller.com Alson Telephone: 317-236-2263 e-mail: mark.alson@icemiller.com

ATTORNEYS FOR CAROLINA WATER SERVICE, INC. OF NORTH CAROLINA

#### VERIFICATION

Philip J. Drennan, being duly sworn, deposes and says that he is the Regional Director of Financial Planning and Analysis Manager for Carolina Water Service, Inc. of North Carolina; that he is familiar with the facts set out in this **REPLY TO PUBLIC STAFF'S SECOND SUPPLEMENTAL TESTIMONY**, filed in Docket No. W-354, Sub 384; 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.

Philip J. Drennan

Sworn to and subscribed before me this the 1st day of December, 2021.

Notary Public

FABIOLA ARROYO Official Seal Notary Public - State of Illinois My Commission Expires Feb 21, 2023

#### **CERTIFICATE OF SERVICE**

I hereby certify that on this the 1<sup>st</sup> day of December, 2021, a copy of the foregoing **REPLY TO PUBLIC STAFF'S SECOND SUPPLEMENTAL TESTIMONY**, filed by Carolina Water Service, Inc. of North Carolina in Docket No. W-354, Sub 384, has been duly served upon all parties of record by electronic service, as follows:

John Little Staff Attorney, Legal Division North Carolina Utilities Commission – Public Staff john.little@psncuc.nc.gov

Munashe Magarira Staff Attorney, Legal Division North Carolina Utilities Commission – Public Staff Munashe.magarira@psncuc.nc.gov

## **Electronically Submitted**

/s/Jo Anne Sanford

State Bar No. 6831 SANFORD LAW OFFICE, PLLC Post Office Box 28085 Raleigh, North Carolina 27611-8085 Tel: (919) 210-4900 sanford@sanfordlawoffice.com