

OFFICIAL COPY

INFORMATION SHEET

PRESIDING: Chairman Finley and Commissioners Brown-Bland, Dockham, Patterson, Gray, Clodfelter and Mitchell
PLACE: Dobbs Building, Raleigh, NC
DATE: October 8, 2018
TIME: 7:00 p.m. – 7:28 p.m.
DOCKET NO.: W-354, Sub 360
COMPANY: Carolina Water Service, Inc. of North Carolina
DESCRIPTION: 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, Except Corolla Light and Monteray Shores Service Area
VOLUME: 6

APPEARANCES

FOR CAROLINA WATER SERVICE, INC. OF NORTH CAROLINA:
Jo Anne Sanford, Esq.

FOR THE USING AND CONSUMING PUBLIC:
Margaret A. Force, Esq. – AG's Office

John Little, Esq. – Public Staff - NCUC

WITNESSES

William Stanley Glance
Vicki Smith

Vincent Roy
Benjamin Farmer

Judith Bassett

EXHIBITS

Roy Exhibit 1 (I/A)

EMAIL COPIES ORDERED: E-mail: Sanford – 1; Force – 1; Little - 1

PRINTED COPIES ORDERED: 0

REPORTED BY: Kim Mitchell

TRANSCRIPT PAGES: 30

TRANSCRIBED BY: Kim Mitchell

PREFILED PAGES:

DATE TRANSCRIBED: October 15, 2018

TOTAL PAGES: 30

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Clerk's Office
N.C. Utilities Commission

NORTH CAROLINA UTILITIES COMMISSION
APPEARANCE SLIP

DATE _____
DOCKET #: W-354 Sub 360
NAME OF ATTORNEY Jo Anne Sanford
TITLE Attorney
FIRM NAME Sanford Law Office, PLLC
ADDRESS P.O. Box 28085
CITY RALEIGH NC
ZIP 27611-8085

APPEARING FOR: CWS NC

APPLICANT COMPLAINANT _____ INTERVENOR _____
PROTESTANT _____ RESPONDENT _____ DEFENDANT _____

PLEASE NOTE: Electronic Copies of the regular transcript can be obtained from the NCUC website at [HTTP://NCUC.commerce.state.nc.us/docksr_ch.html](http://NCUC.commerce.state.nc.us/docksr_ch.html) under the respective docket number.

There will be a charge of \$5.00 for each emailed copy of transcript.

Please check for an electronic copy of the transcript.

1 # of Copies

Email: sanford@sanfordlawoffice.com
(Required for distribution)

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____ # of Copies

Signature: Jo Anne Sanford
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NORTH CAROLINA UTILITIES COMMISSION
APPEARANCE SLIP

DATE W-354 Sub 360₂ October 8, 2018
DOCKET #: _____
NAME OF ATTORNEY Margaret A. Fox
TITLE Asst. Attorney General
FIRM NAME NC Department of Justice
ADDRESS P.O. Box 629
CITY Raleigh, NC
ZIP 27602

APPEARING FOR: _____

APPLICANT _____ COMPLAINANT _____ INTERVENOR
PROTESTANT _____ RESPONDENT _____ DEFENDANT _____

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NORTH CAROLINA UTILITIES COMMISSION
PUBLIC STAFF - APPEARANCE SLIP

DATE October 8, 2018 DOCKET #: E-22, Subs 556, 557 & 558

PUBLIC STAFF MEMBER John Little

ORDER FOR TRANSCRIPT OF TESTIMONY TO BE **E-MAILED** TO THE PUBLIC STAFF - PLEASE INDICATE YOUR DIVISION AS WELL AS YOUR E-MAIL ADDRESS BELOW:

ACCOUNTING _____
WATER _____
COMMUNICATIONS _____
ELECTRIC _____
GAS _____
TRANSPORTATION _____
ECONOMICS _____
LEGAL john.little@psncuc.nc.gov _____
CONSUMER SERVICES _____

PLEASE NOTE: Electronic Copies of the regular transcript can be obtained from the NCUC web site at <https://starw1.ncuc.net/NCUC/page/Dockets/portal.aspx> under the respective docket number.

1 Number of copies of confidential portion of regular transcript (assuming a confidentiality agreement has been signed). Confidential pages will still be received in paper copies.

*****PLEASE INDICATE BELOW WHO HAS SIGNED A CONFIDENTIALITY AGREEMENT. IF YOU DO NOT SIGN, YOU WILL NOT RECEIVE THE CONFIDENTIAL PORTIONS!!!!**

John D. Little
Signature of Public Staff Member

Roy- Ex-1
I/A

Presentation to the NCUC
Regarding
CWSNC 2018 Water/Sewer Rate Increase
By Vincent Roy, Carolina Trace
October 8, 2018

CTA representation: Vince Roy is the Carolina Trace Utilities representative. The following information has been received from the POA Directors for presentation on behalf of the 4,000 residents in Carolina Trace.

Recusal: CTA respectfully requests that NCUC Chairman Finley and Public Staff Director Chris Ayers recuse themselves from any CWSNC water/sewer rate increase negotiations.

Customer Relations: I am pleased to report that I and the residents of Carolina Trace have a very good relationship with the CWSNC employees on site. Their response to emergencies and my and customer requests are always immediate and satisfactory.

However, we do not have that same success when dealing with the CWSNC HQ. For example, (1) 'Boil Water' notifications are typically, late or erroneous. (2) Their refusal to grant the seven residential swimming pool owners the same 'water discharge' benefit as they do our POA pools is unacceptable. Especially since the HQ has responded to my personal calls in this matter by saying that "...it takes too much effort" to allow this, (3) The GPS mapping of manholes is still not completed.

Uniform Rate Program: We do not feel the Uniform Rate program is working effectively for the customer. We understand that it is more economical for CWSNC to combine multiple communities together. However, the current collection of 'disparate' communities into a single

entity is not representative and beneficial to the customers. We recommend that CWSNC be required to make an effort to reorganize these “uniform rate” communities into smaller, more similar groups.

Secondly, In its rate increase request, CWSNC states that they are requesting authority to implement a “consumption band water and waste water rate adjustment mechanism” which they have not been able to explain, at least not to CTA.

Base Rate vs Conservation: We understand that CWSNC is prohibited from making any additives to the ‘pass thru’ water rate at which they purchase water for its customer. However, the decision to make this rule has completely disregarded the element of conservation. Customers faced with extremely high base rates and small utilization rates are no longer are compelled to conserve water. This is a dysfunctional approach and not in the best interest of the state of North Carolina.

Lastly, by increasing the base rate, the NCUC has ‘guaranteed’ CWSNC a net profit regardless of their performance.

We recommend that the NCUC reconsider their decision to disallow cost additives to the utilization rate and return to the previous pricing method which lowers the base rate and emphasizes conservation. CWSNC should be required to earn their profit, as other corporations do, and not have it guaranteed.

Recommendation: We at Carolina Trace feel that CWSNC, by coming forth with a second request for a rate increase in less than a year, has abused the good will presented to them by the NCUC in granting them the opportunity to employ the Uniform Rate program. Carolina Trace residents strongly recommend that the Public Staff and the NCUC reject this CWSNC request for a water/sewer rate increase.