

STATE OF NORTH CAROLINA
UTILITIES COMMISSION

RALEIGH

DOCKET NO. W-354 SUB 400

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of)	
Application by Carolina Water Service,)	REBUTTAL TESTIMONY OF
Inc. of North Carolina for Authority to)	TONY J. KONSUL ON BEHALF
Adjust and Increase Rates and Charges)	OF CAROLINA WATER
for Water and Sewer Utility Service in)	SERVICE, INC. OF NORTH
All Service Areas of North Carolina and)	CAROLINA
Approval of a Three-Year Water and)	
Sewer Investment Plan)	

November 10, 2022

1 **Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.**

2 A. My name is Tony J. Konsul and my business address is 5821 Fairview
3 Road, Charlotte, North Carolina 28209.

4 **Q. WHERE ARE YOU EMPLOYED AND IN WHAT CAPACITY?**

5 A. I am Director, State Operations for Carolina Water Service, Inc. of North
6 Carolina ("CWSNC" or "Company").

7 **Q. ARE YOU THE SAME TONY J. KONSUL WHO ADOPTED CASE-IN-
8 CHIEF TESTIMONY FILED BY DANA HILL ON BEHALF OF CWSNC IN
9 THIS PROCEEDING?**

10 A. Yes, I am.

11 **Q. WHAT IS THE PURPOSE OF YOUR REBUTTAL TESTIMONY?**

12 A. The purpose of my testimony is to respond to positions of the Public Staff
13 in its direct testimony filed in this Docket, particularly as they relate to the
14 customer benefits of AMI meters, the Pinnacle Shores water main relocation
15 project, The Point secondary interconnect project, and the tariff revision
16 associated with the proposed Sewer Use Rule.

17 **Q. WHAT IS PUBLIC STAFF'S RECOMMENDATION WITH RESPECT TO
18 AMR AND AMI METERS?**

19 A. Public Staff witness Lindsay Darden asserts that CWSNC's plan to invest
20 approximately \$2.57 million in AMI replacement projects within WSIP Years

1 1 and 2 would be an unreasonable cost because the current AMR and AMI
2 meters provide little to no realized benefit to customers. Public Staff
3 recommends CWSNC first implement the process to allow customers to
4 directly access their AMI data, without having to contact a Company
5 employee. The Public Staff also recommends CWSNC modify its
6 notification letter to communicate the ability for customers to access their
7 personal data and otherwise make them aware of the technology and
8 benefits that could be available to them.

9 **Q. HOW DO YOU RESPOND TO THE ASSERTION THAT THE COMPANY'S**
10 **CURRENT AMR OR AMI METERS DO NOT PROVIDE BENEFITS TO**
11 **CUSTOMERS?**

12 A. I disagree. The Company believes advanced technologies such as AMR
13 and AMI do provide numerous benefits to customers, and that these
14 benefits will be amplified when AMI meters are rolled out and installed
15 across the state. While it is accurate that CWSNC does not currently provide
16 customers with immediate access to their AMR or AMI data, CWSNC does
17 provide AMR or AMI data directly to customers upon their request. CWSNC
18 is working to allow customers to more directly access their AMI data. It
19 should be noted that only one initial system in North Carolina (Mountain Air)
20 has AMI meters partially installed, but the plans are for many more systems
21 to have AMI meters installed over the coming years. Once all meters are
22 installed in Mountain Air, customers will be able to access their data through

1 the company's interfaced module called My Utility Connect, and will be able
2 to view many customer benefits. For example, customers will be able to
3 view their hourly, daily, and monthly consumption. In addition, customers
4 will have an opt-in choice to sign up for leak detection alerts which would
5 allow them to take nearly immediate action if needed in the case of a water
6 service line rupture or broken pipe inside the home. This leak detection
7 feature will benefit all customers but especially those seasonal customers.
8 Customers will also be able to view a weather overlay which would include
9 the ambient air temperature; this may be useful in colder climates and used
10 in conjunction with leak detection alerts. Customers will also be able to see
11 their billing period average usage, projected usage, and highest usage of
12 the year.

13 My Utility Connect currently has built in integration for AMI meters,
14 specifically in two of its Georgia systems. As AMI meters are rolled out
15 through North Carolina, CWSNC anticipates minimal integration time prior
16 to customers being able to receive their AMI data.

17 **Q. HOW DOES THE COMPANY RESPOND TO PUBLIC STAFF'S**
18 **RECOMMENDATION AS TO NOTIFYING AND EDUCATING**
19 **CUSTOMERS ABOUT THE BENEFITS OF AMI METERS?**

20 **A.** CWSNC plans to provide better customer noticing going forward, listing
21 customer benefits of AMI technology in a more comprehensive manner.

1 **Q. DO YOU AGREE WITH PUBLIC STAFF'S RECOMENDATIONS**
2 **RELATED TO COST ESTIMATES RECEIVED FROM ENGINEERS?**

3 A. No. Public Staff witness Lucas recommends that CWSNC require more
4 detailed cost estimates from its engineering consultants. In support of its
5 recommendation, witness Lucas pointed to an engineering consultant's
6 estimate for relocating a water line for the Pinnacle Shores system. That
7 particular cost estimate did not provide separate estimates for each line item
8 but instead reflected a total lump-sum estimate for the project.

9 On the Pinnacle Shores project, the engineering is being conducted
10 by the North Carolina Department of Transportation ("NCDOT") engineers,
11 and not CWSNC. As such, the cost estimate that was provided is the cost
12 estimate that NCDOT engineers provided to CWSNC. Typically, cost
13 estimates obtained by CWSNC do include additional detail. The Pinnacle
14 Shores cost estimate is fairly characterized as a one-off and not
15 representative of cost estimates received by CWSNC. Therefore, basing
16 recommendations on the Pinnacle Shores cost estimate would be
17 inappropriate.

18 **Q. HAS THE PUBLIC STAFF MADE AN ADJUSTMENT TO REFLECT**
19 **RETIREMENT RELATED TO THE INTERCONNECT PROJECT AT THE**
20 **POINT?**

21 A. Yes. In its Joint Testimony, Public Staff calculated and incorporated a
22 retirement estimate of \$424,515 due to its understanding that The Pointe's

1 interconnection with Town of Mooresville project resulted in the
2 replacement and retirement of the existing 8-inch water main. Because the
3 existing 8-inch water main interconnection with the Town of Mooresville was
4 placed in service in 2013 and the \$471,683 capital cost was incorporated
5 into rates as part of the Sub 336 rate case, Public Staff recommended an
6 associated retirement amount.

7 **Q. DOES THE COMPANY AGREE WITH THIS RETIREMENT**
8 **ADJUSTMENT?**

9 A. No, because the existing 8-inch water main is still and will remain in use –
10 it is not being retired or replaced. This ongoing project consists of
11 constructing a 12” water main as an additional interconnect, as shown on
12 Rebuttal Exhibit TJK-1. The new extension will connect to the 12” water
13 main located within the Brawley School Road right-of-way, which is under
14 construction as part of the Forest Lake Townhome project. The new 12-inch
15 main, working in tandem with the 8-inch main, will allow CWSNC to
16 purchase additional water supply from the Town of Mooresville.

17 **Q. WHAT IS PUBLIC STAFF’S POSITION ON THE PROPOSED SEWER**
18 **USE RULE?**

19 A. Public Staff witness Darden states the Public Staff’s agreement with
20 implementation of CWSNC’s proposed Sewer Use Rule, but recommends
21 additional detail and clarification be added to the Uniform and BF/FH/TC

1 sewer tariffs as to customers subject to the terms of the Sewer Use Tariff.
2 This language is found on page 38, lines 11-29 of the Direct Testimony of
3 Lindsay Q. Darden, filed on October 26, 2022.

4 **Q. DOES THE COMPANY AGREE WITH THIS PROPOSED LANGAUGE?**

5 A. For the most part, yes. The sole modification the Company would propose
6 is to clarify that the Company may require installation and/or proper
7 operation of grease traps or other pre-treatment devices on commercial
8 facilities. The phrase “or other pre-treatment devices” is not included in
9 Public Staff’s recommended language, but it would provide the Company
10 with additional flexibility to ensure the appropriate device would be required,
11 depending on the commercial facility at issue.

12 **Q. IS THIS TESTIMONY TRUE AND ACCURATE TO THE BEST OF YOUR**
13 **KNOWLEDGE, INFORMATION, AND BELIEF?**

14 A. Yes.

15 **Q. DOES THIS CONCLUDE YOUR TESTIMONY?**

16 A. Yes, it does. However, I reserve the right to update or amend this testimony
17 upon receipt of additional relevant data or other information that may
18 become available.



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- VT Vault
- 12" New Interconnect
- 8" Current Interconnect
- Water Main



The Point - Mooresville Interconnect Brawley School Road Extension



****PROPRIETARY INFORMATION****
DISCLAIMER: This map is not a survey. CWSNC makes no guarantee, implicit or implied, about the accuracy of this data.

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