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June 28, 2015

State of North Carolina Utilities Commission
4325 Mail Service Center
Raleigh, North Carolina 27699

FILED

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ATTN: Chief Clerk

Clerk's Office
N.C. Utilities Commission

Dear Commissioners:

W-354 SUB 344

I am writing to you regarding the request by Carolina Water Service, Inc. of North Carolina to increase the sewer rates for all of its service areas excluding Nags Head (Docket No. W-354, Sub 344). I was unable to attend the public hearing on June 24, 2015 in Currituck County and will likewise be unable to attend the upcoming public hearing in Raleigh on October 5, 2015.

At the outset, I strongly object to your decision to have the Currituck hearing at a site that is 40 miles from the nearest consumer being serviced by Carolina Water. There are many Outer Banks locations in both Currituck and Dare counties that could have accommodated the hearing where ready access would have been available to Carolina Water customers. One is left with the feeling that the site-selection was made intentionally to limit the opposition testimony! Additionally, I received the meeting notice only two weeks prior to the meeting date, which is extremely short notice! Accordingly, I officially request that the Commission's stated decision not to receive written statements unless the statement is presented at the hearing be vacated and the record remain open for all written statements.

Carolina Water has unjustly enriched its coffers for years by virtue of its authorization to tie sewage flow rates to water flow rates on a one-to-one basis. Many users on the Outer Banks use water for plant irrigation and vehicle and exterior house cleaning (in my case, about 20-25% of total water usage), which water enters the ground and never sees the sewage plant, yet I pay for it to be "processed" by Carolina Water. Carolina Water has both monthly usage rates for both water and sewage and could readily be required to provide a usage ratio for a specific sewage plant and adjust the sewage bills for customers of that plant accordingly. I implore the Commission to make that a future requirement for the Corporation's sewage bills.

I am also appalled that such a request would be made to, and seriously considered by, the Commission in view of the mockery that Carolina Water has made of such processes before the Commission in the past. For many years, while Carolina Water was providing both water and sewer service to our communities, that organization time-and-time again totally ignored the orders of the Commission and the requirements to provide progress reports on the expansion of the water and sewer plants. Their lack of compliance eventually led to several years of a building moratorium in the communities serviced by the Monteray Shores plants, which had a devastating financial effect on the property owners, the building trades and Currituck County. In my opinion, you shouldn't be considering a rate increase request, but you should deliberate over the decertification of Carolina Water to operate any public utilities in the State of North Carolina! The fact that they still operate in North Carolina in spite of their past flagrant disregard for the orders of the Commission leaves me, and a substantial number of my neighbors, wondering if there truly exists a legally-required arm's-length relationship between members of the Commission and the principals of Carolina Water.

Carolina Water's mockery of the Commission notwithstanding, at the current sewer rate my combined monthly bill for water and sewer service is rapidly approaching my monthly cost for electricity. I live in a house powered by electricity and electric heat pumps – is there something wrong with this picture? Many of the residents of the communities served by Carolina Water are

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retirees living on a fixed income perhaps supplemented by some seasonal minimum-wage income.

Accordingly, I implore the Commission to totally deny Carolina Water's current rate increase request and to eliminate the company's long-standing windfall profits by requiring them to adjust the individual user's sewage "use rates" to a fraction of water use rates as previously noted above.

Sincerely,



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cc: Governor Pat McCrory
Mr. Dan Scanlon, Currituck County Manager
The Currituck County Board of Commissioners
Ms. Karen Galganski, General Manager, Monteray Shores HOA