

1 PLACE: Judge Hamilton H. Hobgood Courthouse Annex
2 Louisburg, North Carolina

3 DATE: Monday, September 25, 2023

4 TIME: 7:00 p.m. to 8:34 p.m.

5 DOCKETS: W-1146, Sub 13

6 W-1328, Sub 10

7 BEFORE: Commissioner Jeffrey A. Hughes, Presiding

8

9

10 IN THE MATTER OF:

11 Application of

12 Red Bird Utility Operating Company, LLC,

13 1650 Des Peres Road, Suite 303, St. Louis, Missouri

14 63131, and Total Environmental Solutions, Inc.,

15 Post Office Box 14056, Baton Rouge, Louisiana 70898,

16 for Authority to Transfer the Lake Royale Subdivision

17 Water and Wastewater Utility Systems and Public

18 Utility Franchise in Franklin and Nash Counties,

19 North Carolina, and for Approval of Rates

20

21 VOLUME 1

22

23

24

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NORTH CAROLINA UTILITIES COMMISSION

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P R O C E E D I N G S

1
2 COMMISSIONER HUGHES: Good evening. Let us
3 come to order and go on the record, please. I am Jeff
4 Hughes, a Commissioner with the North Carolina
5 Utilities Commission, and I will be presiding over
6 this hearing tonight.

7 I now call for hearing Dockets No. W-1146,
8 Sub 13 and W-1328, Sub 10, covering the Application by
9 Red Bird Utility Operating Company, LLC, hereafter Red
10 Bird, and Total Environmental Solutions, Inc.,
11 hereafter TESI for authority to transfer the Lake
12 Royale Subdivision water and wastewater utility
13 systems and public utility franchise in Franklin and
14 Nash Counties, North Carolina, and for approval of
15 rates.

16 Before we proceed further, as is required by
17 the State Government Ethics Act, I want to go on
18 record that I have no known conflict of interest with
19 respect to these dockets. Let the record reflect that
20 no such conflicts were identified.

21 On June 7th, 2021, Red Bird and TESI filed
22 with the Commission an Application for authority to
23 transfer the Lake Royale water and wastewater utility
24 systems and public utility franchise in Franklin and

1 Nash Counties, North Carolina, and for approval of
2 rates.

3 Red Bird filed with the Commission
4 supplemental and additional materials in support of
5 the Application on June 8th, August 6th, of 2021, and
6 January 24th, August 2nd, September 8th, and
7 August 18th.

8 The Transfer Application requests the
9 Commission approve the transfer of the water and
10 wastewater system assets, approve the transfer of the
11 public utility franchise from TESI to Red Bird, and
12 approved continuing the water and wastewater rates
13 that are currently in place. The present water and
14 wastewater utility rates for the Lake Royale
15 Subdivision were approved in Dockets Number W-1146,
16 Sub 11 and M-100, Sub 138, effective as of
17 January 1st, 2017.

18 On June 15th, 2023, Red Bird filed a letter
19 notifying the Commission that Red Bird last
20 supplemented the Transfer Application pending these
21 dockets on September 8th, 2022, and it considered the
22 Application to be complete as did Public Staff.

23 On June 19th of 2023, the Public Staff
24 presented this matter at the Commission Staff

1 Conference indicating that the Application was
2 considered complete and requesting an Order
3 delineating procedural guidelines for the efficient
4 resolution of the matter.

5 On July 11th, 2023, the Commission issued an
6 Order Scheduling Hearings, Establishing Discovery
7 Guidelines, and Requiring Customer Public Notice. The
8 Order scheduled the public witness hearing to be held
9 today, Monday, September 25th, 2023, at this time and
10 place, as well as an expert witness hearing to begin
11 Monday, October 23rd, 2023, at 2:00 p.m. at the Dobbs
12 Building, Utilities Commission Hearing Room 2115, in
13 Raleigh, North Carolina.

14 On July 26th, 2023 Red Bird and TESI filed a
15 Certificate of Service stating that the notice to
16 customers was mailed or hand delivered to all affected
17 customers by the date specified in the Scheduling
18 Order on July 11th, 2023.

19 On July 31st, 2023, the Commission issued a
20 Notice of Complete Application.

21 On August 18th, 2023, Red Bird filed an
22 amendment to the Application to transfer.

23 On August 30th, 2023, Red Bird filed the
24 confidential and redacted versions of the direct

1 testimony of Witness Josiah Cox. In addition, Red
2 Bird filed objections and responses to the Public
3 Staff's 13th set of Data Requests.

4 Also, on January 11th, 2023 (sic), the Lake
5 Royale Property Owners Association, hereafter Lake
6 Royale POA filed a Petition to Intervene and
7 approximately 65 consumer statements of positions from
8 TESI customers in the Lake Royale Subdivision. The
9 Lake Royale POA also requested that the customer
10 hearing scheduled for today be held.

11 On September 12th, 2023, the Commission
12 granted the Petition to Intervene.

13 On September 19th, 2023, the Public Staff
14 filed the direct testimony of John R. Hinton, and the
15 confidential and redacted, public, direct testimony of
16 Evan H. Houser and Lynn Feasel.

17 The intervention and participation of the
18 Public Staff in this proceeding is recognized pursuant
19 to North Carolina General Statute § 62-15(d) and
20 Commission Rule R1-19(e). The Public Staff represents
21 you, the Using and Consuming Public, and the Public
22 Staff will assist you in providing your testimony
23 tonight.

24 Let me explain to the witnesses how the

1 hearing will be conducted.

2 Right to my left, the testimony -- this is
3 our witness stand and you will come forward and you
4 will give sworn testimony. You will be subject to
5 questions from the Applicant's attorney and the Public
6 Staff's attorney. I also may ask you some questions.
7 This testimony will be taken under oath and will be
8 transcribed by our court reporter, because the
9 Commission is required by North Carolina law to base
10 its on evidence taken under oath.

11 After being sworn in, each witness will be
12 asked by the Public Staff attorney to identify
13 themselves and provide their address for the record.
14 After the witness has made their statement, counsel
15 for the parties and I will be given an opportunity to
16 ask questions. It is important that the Commission
17 records are clear as the records will be used as a
18 basis for the Commission's decision on this matter.
19 You will not be allowed to ask questions from the
20 stand; however, you may talk to be the Public Staff or
21 the Company after the hearing concludes.

22 This is a judicial hearing and it will be
23 conducted in an orderly manner. Each person who
24 wishes to speak will be given an opportunity to do so,

1 but only one person will speak at a time. When your
2 name is called, please come forward to the witness
3 stand. I will swear you in and you may then provide
4 your statement.

5 In order for all customers to be provided
6 with an opportunity to give statements tonight, each
7 witness will have three minutes to speak. To best use
8 your time, please refrain as much as possible from
9 duplicative or repetitive statements. If you have a
10 written statement you can ask that be entered into the
11 record as well. And when you're up here, you will see
12 a big timer with big red numbers and you can follow as
13 you talk. And if you keep talking after three
14 minutes, I will politely remind you that your time is
15 up.

16 I now call upon counsel for the parties to
17 announce their appearance for the record, beginning
18 Red Bird, TESI, and the Public Staff.

19 MR. HIGGINS: Commissioner Hughes, good
20 evening. Dan Higgins with Burns Day and Presnell,
21 appearing for Red Bird.

22 MR. FINLEY: May it please the
23 Commission, my name is Edward Finley, appearing on
24 behalf of Total Environmental Solutions, Inc.

1 MS. JOST: Good evening. Megan Jost with
2 the Public Staff, appearing on behalf of the Using and
3 Consuming Public.

4 MR. DROOZ: David Drooz representing the
5 Lake Royale Property Owners Association, and I would
6 ask to be allowed to ask questions of the witnesses to
7 clarify in addition to the other counsel. I
8 think that was skipped over earlier.

9 COMMISSIONER HUGHES: Yes, and I am -- I
10 apologize. They are an Intervenor and we're glad
11 you're here. Thank you, Mr. Drooz.

12 I'll now ask you to bring on the witnesses.

13 MS. JOST: The first witness is Grace
14 Noonan.

15 COMMISSIONER HUGHES: Good evening,
16 Ms. Noonan. Do you prefer to be sworn or take an
17 oath?

18 MS. NOONAN: Be sworn.

19 COMMISSIONER HUGHES: Would you please place
20 your left hand on the Bible and raise your right.

21 GRACE NOONAN;

22 having been duly sworn,

23 testified as follows:

24 COMMISSIONER HUGHES: Please proceed.

1 MS. JOST: Let me just ask a couple of
2 questions --

3 COMMISSIONER HUGHES: I'm sorry.

4 MS. JOST: -- to illicit your testimony.

5 DIRECT EXAMINATION BY MS. JOST:

6 Q Could you begin by stating your name for the
7 record, please?

8 A It's Grace Noonan.

9 Q And your address?

10 A My address is 154 Black Cloud.

11 Q Are you appearing on behalf of --

12 A On behalf of the Association.

13 Q Thank you.

14 A I am a General Manager for the Association.

15 Q Thank you. And is the Association a water and
16 wastewater customer?

17 A Yes.

18 Q And that's with TESI; is that correct?

19 A Yes, it is.

20 Q And do you have a statement you'd like to make
21 this evening?

22 A Yes, I do.

23 Q Please go ahead.

24 A Before I speak, I was going to speak specifically

1 about TESI and the level of service that was
2 provided, specifically about repairs, repairs to
3 our roads or the lack of repairs to our roads.
4 We've had roads that are being prepared for years
5 that haven't been repaired. We've had roads that
6 were repaired but then we had to repair them
7 again because they weren't properly repaired.

8 We have invoiced TESI just recently
9 \$16,000 for repairs that we've had to make. But
10 last week we experienced a number of water leaks
11 in the community and it resulted in a Boil Water
12 Advisory and it was from 9/19 through Friday,
13 9/22. And what happened is while the POA
14 reported the leaks, we were not -- no one
15 followed up with us to provide any kind of
16 status. We ended up finding out about the Boil
17 Water Advisory on social media. And I reached
18 out to the VP of Operations and he told me it was
19 specific streets within the community. Well,
20 customer support was telling the owners that it
21 was a Boil Water Advisory for the entire
22 community. So I reached back out and I said your
23 customer support is telling everybody that it's
24 the whole community. I need to know specifically

1 what the BWA is -- what streets are being
2 affected. And he sent me a list of streets. I
3 said let me blast to the community to let them
4 know which streets. Customer support continued
5 to let the homeowners know that it was the entire
6 community. This caused so many emails. So many
7 phone calls. There was a lot of mistrust. There
8 was a lot of confusion. The homeowners didn't
9 know who to believe. And my concern is customers
10 -- and this is Red Bird. This is not TESI. This
11 is Red Bird who we're reaching out to.

12 We want to make sure that the
13 information that we get is accurate. It's
14 timely. We have senior citizens, we have
15 children, we have people with compromised immune
16 systems, so they need to be able to trust that
17 the water is safe. So I have a major concern
18 about the customer support and how we get
19 correct, timely information that we can share
20 with our owners.

21 We also have a number of owners who are
22 on fixed incomes. And I guess what I want to do
23 is make sure that our owners aren't paying Red
24 Bird for the money they paid for TESI. And we

1 want to make sure that those monies that the Lake
2 Royale owners paid is not using that money to
3 subsidize other Red Bird affiliates.

4 Q I do have --

5 COMMISSIONER HUGHES: Ms. Noonan, is that
6 it?

7 THE WITNESS: That's it.

8 COMMISSIONER HUGHES: Any questions?

9 MS. JOST: Just a couple.

10 BY MS. JOST:

11 Q So you indicated that you learned through social
12 media of the Boil Water Advisory.

13 A Advisory, yes.

14 Q And whose social media was that?

15 A Facebook.

16 Q So --

17 A It was just owners.

18 Q I see.

19 A Yes.

20 Q And then you indicated that someone spoke with
21 the Vice President of Operations, for what entity
22 was that?

23 A His name is Dana Hill. He's with, who is it,
24 ClearWater.

1 Q Okay.

2 A And he -- I was told that he would be my contact
3 for specific information about any leaks, any
4 repairs, any updates.

5 Q Those are all my questions. Thank you.

6 A Thank you.

7 MR. DROOZ: Just to follow up on that last
8 one.

9 CROSS EXAMINATION BY MR. DROOZ:

10 Q Is Dana Hill working on behalf of Red Bird or
11 TESI?

12 A That's my understanding.

13 Q Okay. Thank you. You had mentioned road repairs
14 in the beginning, what's the connection between
15 road repairs and the water and sewer utility?

16 A Well, when we had major water line breaks, I
17 mean, we've had geysers, and it leaks for a long
18 time. It's destroying the infrastructure of the
19 roads. It's taking -- when I came on board, I
20 think there were three people there with TESI
21 that did repairs. Just a couple of months ago,
22 it was down to one person. Those three people
23 couldn't handle the repairs so a lot of things
24 didn't get done. And even the repairs that were

1 done were so shotty that it didn't any time at
2 all. And like I said, we just invoiced TESI two
3 months of \$16,000 for road repairs.

4 Q And are you saying those road repairs were
5 caused --

6 A Yes.

7 Q -- by problems with the water lines breaking, and
8 the utility company has not properly repaired the
9 road --

10 A Absolutely.

11 Q -- as a result? Do you know how long Red Bird
12 has been doing the operations and maintenance for
13 the systems?

14 A I don't, I'm sorry.

15 Q Thank you.

16 MR. DROOZ: That's all my questions.

17 COMMISSIONER HUGHES: Any questions?

18 MR. HIGGINS: Yes.

19 CROSS EXAMINATION BY MR. HIGGINS:

20 Q Good evening, Ms. Noonan. How long have you been
21 a General Manager of the POA?

22 A Unofficially, since January the 2nd; officially,
23 June 1st.

24 Q And do you live in the community as well?

1 A I do.

2 Q And how long have you been a resident?

3 A Since June 1st.

4 Q Since June 1st of this year?

5 A Uh-huh (yes).

6 Q Okay. And how many -- you said there have been a
7 number of water leaks. How many have there been
8 to your knowledge since June 1st?

9 A Since June 1st, probably at least eight, at
10 least.

11 Q Okay. And when you say "water leak", are you
12 talking about water --

13 A Yes.

14 Q -- coming out of the ground?

15 A Yes. A lot of water.

16 Q A lot.

17 A A lot.

18 Q Thank you.

19 COMMISSIONER HUGHES: Okay. Well, thank you
20 very much for your time. I have no questions.

21 THE WITNESS: Thank you.

22 MS. JOST: Our next witness is Steve
23 Regaglia.

24 COMMISSIONER HUGHES: Good evening.

1 MR. REGAGLIA: How are you doing?

2 COMMISSIONER HUGHES: Good. Swearing or --

3 MR. REGAGLIA: I'll take the oath.

4 STEVE RAGAGLIA;

5 having been duly affirmed,

6 testified as follows:

7 DIRECT EXAMINATION BY MS. JOST:

8 Q Good evening. Can you please state your name for
9 the record?

10 A Steve Regaglia.

11 Q And are you appearing on your own behalf or on
12 behalf of --

13 A I'm appearing on behalf of the Association. I'm
14 the Vice President of the Board of Directors.

15 Q Thank you. And what's your address?

16 A 110 Moccasin Drive.

17 Q And is your water provider TESI?

18 A Yes, it is.

19 Q And do you have a statement you'd like to give
20 this evening?

21 A Yes, I do.

22 Q Go ahead.

23 A I had to write it down. I'll narrow it to three
24 minutes.

1 The first point is there's three basic
2 sustainable needs for life: Oxygen, food, and
3 water. The human body can't do without water
4 greater than three days. Our quality of water is
5 poor and the consumption is dangerous.

6 An example: We pay a \$40 to \$50 water
7 bill per month. My wife has to buy about \$75
8 worth of bottled water for us to be able to feed
9 our animals and for us to be able to consume. So
10 this makes our water bill almost as expensive as
11 our electric bill.

12 The other thing is when it comes to the
13 Board of Directors, there's a list of our
14 fiduciary duty, and our main job is to make sure
15 that they maintain the amenities of the lake in
16 order to keep our property values up. And this
17 is very difficult to do when social media
18 complains about water problems and it has caused
19 our real estate companies as well as people have
20 moved out due to water conditions and people have
21 refused to buy because of the water conditions.
22 So this is very difficult for us to follow our
23 fiduciary duty when we can't control this
24 particular thing.

1 The major concern that I have is that
2 we trade one devil for the other. We have heard
3 already that the price rates are going to go up.
4 We have no guarantee on the repairs that are
5 going to be done. Are we just going to be
6 trading one company for another that's going to
7 still give us poor quality of work? As
8 Ms. Noonan said, we have had leaks at the lake
9 that literally flow down the roads for six months
10 at a time before they're fixed. I also feel like
11 the -- you know, we feel like the Utilities
12 Commission could have stepped in. I know the
13 Board has directed in the past for them -- that
14 we represented at the lake and we wanted
15 something done, and there was no fines, nothing
16 done to force them to do anything. This has
17 caused a big problem in your infrastructure.
18 It's not just our roads; our culverts, our road
19 sides have washed out, and it's caused continuous
20 problems. And the leaks get ignored or the
21 get -- you know, shotty repairs are done to them,
22 and then they just go to the next weakest link is
23 what they do.

24 But the Board, the Board as I speak

1 for, we're concerned because our residents have
2 brought this up for multiple things. We don't
3 feel like we've been kept in the loop. We feel
4 like most of the negotiations have been done
5 behind us. We are 47 percent of Franklin
6 County's income. We're the highest taxed area in
7 Franklin County. And we feel that we deserve --
8 we deserve an explanation of what's going on in
9 our Association, especially when it comes to a
10 resource that we have to have to live. That's
11 what I have to say.

12 COMMISSIONER HUGHES: Questions for the
13 witness?

14 MS. JOST: No questions. Thank you.

15 MR. DROOZ: Briefly.

16 CROSS EXAMINATION BY MR. DROOZ:

17 Q Did you get the customer notice of the projected
18 transfer.

19 A No, I haven't seen it. My wife may have got it.

20 Q Okay. Did you see any information about how much
21 Red Bird anticipated it might be raising rates in
22 the future?

23 A Yeah, I did. I heard that through other people,
24 through the social media, through the Board that

1 within three years our rates are going to at a
2 minimum double. And the first year, that there's
3 not going to be any rate increase. The second
4 year increases. And then the third year it goes
5 up again. I'm not exactly sure if I'm accurate
6 on that, but I just know that the rates are going
7 to go up significantly, and my concern is what
8 are we getting for the rate increase.

9 Q And as a member of the Board that represents that
10 community, are there customer concerns about that
11 level of rate increase in that amount of time?

12 A Oh, I'm sure there is. We have multiple people
13 on fixed incomes at the lake, and this has been a
14 Board issue -- I've been on the Board for my
15 fourth year, and this has been a concern for the
16 board and the people and are residents for a long
17 period of time of, you know, the quality of water
18 that we have and, you know, what health problems
19 it may cause down the road.

20 Q Thank you.

21 MR. DROOZ: That's all my questions.

22 COMMISSIONER HUGHES: Questions?

23 MR. HIGGINS: Yes, thank you.

24 CROSS EXAMINATION BY MR. HIGGINS:

1 Q Mr. Regaglia, do you -- what's your understanding
2 of what's causing the water leaks? What's the
3 problem that's --

4 A I'm sure it's because of the age of the piping.
5 And they go in there and they go in with clasps
6 or clamps that aren't put in properly. And when
7 they do put it in there, if the snap is still
8 leaking and they do stop it, it just goes back
9 down to the next weakest link.

10 Q And how long have you lived in that community?

11 A I bought in 2018. I've been on the Board since
12 2020.

13 Q Do you know how the -- have you been told how the
14 infrastructure is?

15 A Now, I know that at the north end of the lake
16 is -- I guess it would be the west side of the
17 lake -- is the newer section. The older section
18 is the north side of the -- the west side of the
19 lake. The east side of the lake is the newer
20 section. I want to say I've been told about 30
21 years.

22 Q For the older?

23 A For the older section. I'm not sure what the age
24 is.

1 Q With regard to the rates, do you understand that
2 Red Bird proposes to adopt the existing rates
3 that have been approved for TESI?

4 A I understand they are going to adopt them the
5 first year, is it what my understanding is.

6 Q Do you understand that any increase in rates in
7 the future above the current rates would have to
8 be approved by the Commission?

9 A I do understand that.

10 Q All right, sir.

11 MR. HIGGINS: I don't have any other
12 questions.

13 MR. FINLEY: Mr. Ragaglia, will you spell
14 your last name for me? I've got to make a report.

15 THE WITNESS: Yes, sir. It's
16 R-A-G-A-G-L-I-A.

17 MR. FINLEY: Thank you. That's all.

18 COMMISSIONER HUGHES: I don't have any
19 questions. Thank you very much for coming this
20 evening and you may step down.

21 THE WITNESS: Thank you.

22 MS. JOST: Missy Atkins.

23 COMMISSIONER HUGHES: Good evening.

24 MS. ATKINS: Good evening.

1 COMMISSIONER HUGHES: A preference of
2 swearing or taking an oath?

3 MS. ATKINS: This one.

4 COMMISSIONER HUGHES: Please place your left
5 hand on the Bible and raise your right.

6 MISSY ATKINS;
7 having been duly sworn,
8 testified as follows:

9 DIRECT EXAMINATION BY MS. JOST:

10 Q Good evening. Can you please state your name for
11 the record?

12 A Missy Atkins.

13 Q And are you also appearing on behalf of the POA?

14 A Yes, ma'am. I'm the secretary.

15 Q What's your address, please?

16 A 112 Fox Drive.

17 Q And am I correct that you're a TESI customer?

18 A Yes.

19 Q Do you have a statement you would like to
20 provide?

21 A Yes.

22 Q Please go ahead.

23 A Good evening. My name is Missy Atkins and I've
24 been a property owner of Lake Royale since 2006.

1 I just want to start off by saying water is the
2 number one thing that everybody needs in life to
3 live, and a safe supply of water would be even
4 better.

5 Since living at Lake Royale I have had
6 to pay TESI between \$25 to \$35 back in 2006, and
7 now 2023 is about \$55 to \$65 every month, and I'm
8 buying water that is not safe for my family.
9 Most months, there -- whoops, I lost it. Most
10 months, there is a letter that's in the bill that
11 says "Boil Advisory". The water isn't safe to
12 drink, to bathe.

13 Back in 2006, I received my second bill
14 and received another letter from TESI saying the
15 same thing about the Boil Advisory. So I called
16 TESI and told them about my concerns and the
17 timeframe of letting the customers know and even
18 making it aware of the Boil Advisory, I got a
19 very rude person on the other end. And I don't
20 remember what was said since it was back in 2006
21 but I just remember her being very rude.

22 So then I called the Public Utility
23 Commission and I feel that also fell on deaf
24 ears. Nothing against you. Nothing was ever

1 done. And I still continue to get Boil Advisory
2 letters. I know I'm not the only taxpayer or
3 property owner who has called TESI or the Public
4 Utility Commission about the TESI at Lake Royale.
5 I feel like the Utility Commission could have
6 fined TESI and showed them there are consequences
7 for not taking care of the water issues at Lake
8 Royale. I also feel that the water -- the Public
9 Utility Commission has let the tax-paying
10 property owners down.

11 I don't have one of the letters that --
12 I threw them away. And I don't have the times
13 that I called the Utility Commission. Sorry.

14 Red Bird bought TESI site unseen and
15 their plan is to come into Lake Royale to repair,
16 replace and refurbish the water utility and
17 wastewater systems, and increase our water bills.
18 The Utility Commission should have held TESI
19 responsible for not taking actions on the water
20 issues but yet they still were allowed to raise
21 our rates. Our water bills are already going up
22 a significant amount over the last several years.
23 When Red Bird bought TESI -- no, that's not
24 right -- when Red Bird bought into Lake Royale,

1 it was like buying a used car. They bought it
2 as-is. And they should fix anything that is
3 wrong without pushing the costs onto the property
4 owners at Lake Royale. And just to say as people
5 have already said, the property owners, a lot of
6 them are on fixed incomes.

7 I've got one quick --

8 In closing, this is a chance for the
9 Public Utility Commission to make it right for
10 the tax paying, taxpayers, property owners of
11 Lake Royale, and do not allow Red Bird to come
12 and raise our bills for the lemon that they
13 bought site unseen. Respectfully, Missy Atkins,
14 Secretary, Board of Directors, Lake Royale POA.

15 COMMISSIONER HUGHES: Let's see if there's
16 questions for you.

17 MS. JOST: No questions. Thank you.

18 THE WITNESS: Thank you.

19 MR. DROOZ: No questions.

20 THE WITNESS: Thank you.

21 MR. HIGGINS: No questions. Thank you.

22 THE WITNESS: Thank you.

23 MR. FINLEY: (Shakes head).

24 THE WITNESS: Whew --

1 COMMISSIONER HUGHES: I have one.

2 THE WITNESS: Oh!

3 COMMISSIONER HUGHES: Sorry.

4 (Audience Laughter)

5 EXAMINATION BY COMMISSIONER HUGHES:

6 Q I know you anticipated the question about not
7 saying that you knew the dates that you received
8 the -- but do you roughly remember when there was
9 an insert, a last insert that was in your bill?

10 A The last one, yes, it was just like -- I would
11 say it was in June. I feel like it was in June.
12 Look, I got a yes back there. Yes.

13 Q Thank you. That's fine.

14 COMMISSIONER HUGHES: Thank you very much.

15 THE WITNESS: Thank you.

16 COMMISSIONER HUGHES: Thank you for coming
17 out.

18 MS. JOST: Our next witness is Elaine
19 Sammon.

20 MR. FINLEY: Mr. Chairman, if you would ask
21 the witnesses to spell their names, please --
22 we've got to make a report -- when they get on the
23 stand.

24 COMMISSIONER HUGHES: (Nods head).

1 MS. SAMMON: Good evening.

2 COMMISSIONER HUGHES: Would you like to be
3 sworn in or take on oath?

4 MS. SAMMON: To be sworn, please.

5 COMMISSIONER HUGHES: Please place your left
6 hand on the Bible and raise your right hand.

7 ELAINE SAMMON;

8 having been duly sworn,

9 testified as follows:

10 COMMISSIONER HUGHES: And when you do answer
11 the question about your name, could you go ahead and
12 spell it?

13 THE WITNESS: Yes. My name is Elaine
14 Sammon, E-L-A-I-N-E S-A-M-M-O-N. I'm a property
15 owner at 88 Black Cloud Drive in Louisburg, and I'd
16 like to begin by saying very specifically, I may be
17 talking about wrong doing by TESI a lot, but we're
18 relying on the Utility Commission to make sure that
19 Red Bird does not commit the same faults. So that
20 should be not necessary to repeat, please.

21 DIRECT STATEMENT BY THE WITNESS:

22 On August 27th of 2023, we received a
23 months-late contamination notice from TESI in the
24 mail, and I would like to submit that as an exhibit,

1 please, to the record. As I said, we got that on
2 August 22nd, but it was talking about a month and a
3 half of questionable water quality from April 1 until
4 May 13th. That's a month and a half where we were
5 exposed potentially to disinfection by-products. They
6 couldn't say if they failed to monitor or that they
7 did not complete well monitoring. They hedged their
8 bets and said both.

9 It took another month and a half for TESI to
10 become aware of their failure to test. That was from
11 May 15th until June 29th. All of this is set forth in
12 the document on its face.

13 It took another two months for TESI to get
14 the notice to us, its customers. That was from
15 June 29th to August 27 when it came into the mail.

16 It is my understanding that Red Bird will
17 employ the same person as TESI did, perhaps with
18 another local contractor for repairs and testing,
19 passing on those charges to us, the consumers, with
20 the addition of Red Bird's charges to monitor that
21 local work.

22 I urge the Utility Commission to require Red
23 Bird to assign Red Bird's own staff member to serve
24 Lake Royale's testing and repair needs if that would

1 result in lower charges to the consumers.

2 I would also like to submit a document that
3 sets forth in 10 pages, the trials and tribulations
4 that homeowners have gone through when we went through
5 more than 12 hours of water --

6 COMMISSIONER HUGHES: Excuse me just a
7 second. Could you make sure that that is entered into
8 the record?

9 THE WITNESS: Yes.

10 COMMISSIONER HUGHES: And the first letter
11 as well.

12 THE WITNESS: More than 12 hours of water
13 outage on April 30th, 2022. Furthermore, some water
14 line breaks waited weeks and months before they were
15 repaired. I have two examples. One at 137 Geronimo
16 and the other at 402 Shawnee. At Geronimo, the broken
17 water line was issuing water continuously into the
18 culvert for more than a month. At Shawnee, water was
19 seeping continuously through a crack in the road
20 surface. The second was not fixed ever. The first
21 was fixed after I reported it on May 16th to the UC.

22 Red Bird should not be granted an
23 acquisition premium that would be passed onto the
24 customers. This would be a disservice. All Lake

1 Royale owners have already had to suffer poor service
2 by TESI.

3 Payments book -- the payment of book value
4 by Red Bird to TESI should be more than sufficient.
5 Like so many owners, my husband and I are retired on a
6 fixed income. We request that rate shock be avoided
7 for all owners at Lake Royale by the Utility
8 Commission's requirement that costs of improvements be
9 gradually phased into our rates.

10 Grace Noonan mentioned only 30 streets
11 involved in the most recent Boil Water Advisory. So
12 many streets are turned off to repair breaks in our
13 water lines that I request that Red Bird be required
14 to explore installing additional valves to make
15 isolated breaks or repairs so that we minimize the
16 number of customers affected. Thank you.

17 COMMISSIONER HUGHES: Thank you very much.
18 Questions for the witness?

19 MS. JOST: Yes.

20 EXAMINATION BY MS. JOST:

21 Q So, I have two documents here. I want to make
22 sure that they are marked correctly. The first
23 appears to be a written copy of the testimony you
24 delivered.

1 A Yes.

2 Q If this is exactly what you've read into the
3 record, then it's not necessary.

4 A It is not necessary. Well, the record will most
5 correctly portray what I've said. I've had to --
6 to meet the time limit, I had to fudge my own a
7 little bit.

8 Q All right. And then there's an additional
9 exhibit which reads, "Documented 12 Hour Water
10 Outage." Is that your only exhibit?

11 A No. I would also like to -- and I thank you for
12 this opportunity. I would also like to submit
13 the actual notice of contamination that I
14 referred to specifically and that is this one.

15 Q Thank you.

16 A And I also would like to submit that which Grace
17 and I both referred to which is the email that
18 said -- from Red Bird -- that the entire
19 community was going to give that -- was affected
20 by the Boiled Water Alert, and then the email
21 from Grace which is attached that lists the 30
22 streets that were only affected. That being an
23 enormous part of our community. Thank you.

24 COMMISSIONER HUGHES: They will all be

1 entered into the record.

2 MS. JOST: If I may, I will go ahead and
3 identify each one.

4 COMMISSIONER HUGHES: Please do.

5 MS. JOST: I would like identified as Sammon
6 Exhibit 1, the Notice, and this is -- it doesn't
7 really have a date, but it's "Notice to the Public"
8 regarding important information about drinking water.

9 I would like Sammon Exhibit -- identified as
10 Sammon Exhibit 2, the document entitled "Documented 12
11 Hour Water Outage On April 30th, 2022. Second Outage
12 in a Month."

13 And I would request that the "Customer
14 Service Unplanned Service Outage W/Boil - Red Bird
15 09/18/2023" document be identified as Sammon Exhibit
16 3. And I would request that all three of those
17 exhibits be entered into the record.

18 COMMISSIONER HUGHES: So marked and entered
19 into the record.

20 MS. JOST: Thank you.

21 (WHEREUPON, Sammon Exhibits
22 1 - 3 are identified and
23 received into evidence.)

24 COMMISSIONER HUGHES: Other questions for

1 the witness?

2 MR. DROOZ: Yes, thank you.

3 EXAMINATION BY MR. DROOZ:

4 Q You spoke to some outages and water quality
5 issues under TESI. Since Red Bird has been
6 operating the system, have you seen improvements
7 or are there still problems?

8 A Well, that's interesting because we had the
9 outage under Red Bird, the most recent one,
10 September 19, 18/19, and we got the Boil Water
11 Alert out, and then limited to those 30 streets,
12 but mine was not one of those. Although, during
13 that period, my water was out and I reported it
14 to Red Bird.

15 My experience is that when water goes
16 out in your dwelling, you must go on a Boil Water
17 Alert until it's lifted. My street, Black Cloud,
18 to my knowledge both from Ms. Noonan's email and
19 from the site has never been listed in that rate
20 status, so I would say that Red Bird got failing
21 marks for that.

22 MR. DROOZ: That's all my questions. Thank
23 you.

24 THE WITNESS: Thank you.

1 COMMISSIONER HUGHES: Questions for the
2 witness?

3 MR. HIGGINS: No, ma'am. No, thanks.

4 COMMISSIONER HUGHES: You may step down.
5 Thank you for coming out tonight.

6 THE WITNESS: Thank you.

7 MS. JOST: The next witness is Richard
8 Wainwright.

9 COMMISSIONER HUGHES: Would you like to be
10 sworn in or take an oath?

11 MR. WAINWRIGHT: (Response inaudible).

12 COMMISSIONER HUGHES: Please place your left
13 hand on the Bible and raise your right.

14 RICHARD WAINWRIGHT;
15 having been duly sworn,
16 testified as follows:

17 DIRECT EXAMINATION BY MS. JOST:

18 Q And could you please state and spell your last
19 name for the record?

20 A Richard Wainwright W-A-I-N-W-R-I-G-H-T.

21 Q Thank you.

22 A 945 Sagamore Drive.

23 Q Thank you. And are you a TESI customer?

24 A I have been for 30 years.

1 Q Do you have a statement you would like to
2 provide?

3 A I do.

4 Q Please go ahead.

5 A I would love to have water that doesn't clog up
6 the strainers on all of my faucets, and going
7 through my hot water heater with black gunk, and
8 staining my toilets which we've had for many
9 years. Years ago, we received a temporal
10 analysis from TESI so we had an idea of how safe
11 or unsafe our water was. I haven't seen that
12 statement in years. But looking it up on the NC
13 DENR, NC Water Supply site, I would have to be a
14 chemical engineer to figure that out. It's
15 totally confusing.

16 I haven't drank TESI water in many
17 years, and I fear that -- we have to buy drinking
18 water to keep us safe and the worst part is what
19 the plastic bottles of the drinking water does to
20 our environment.

21 I'm also concerned about them removing
22 the water tower because at least when our
23 electric goes out, which happens pretty often, at
24 least the water is up in the tower and slowly

1 comes down. I'm understanding that they're
2 supposed to be putting in a generator. I hope
3 so.

4 Lastly, why are prices going to rise by
5 60 percent of the second year, 71 percent of the
6 third through fifth years? Does that mean that
7 we'll be getting water that safe to drink and
8 doesn't cause black gunk? Does it also mean that
9 we will not keep losing our water pressure? That
10 we have to boil our water for many days before
11 it's tested which happened twice within two weeks
12 this month.

13 I had to boil water for 10 days out of
14 I think 27, which is absurd. Each time it
15 happens we all get red clay and possibly
16 contaminants into our hot water heaters and have
17 a very hard time washing our dishes and bodies
18 because cuts do allow bacteria in them. If so,
19 I'm probably in the minority -- if we're going to
20 get better water, I'm probably in the minority
21 but I would be happy to pay a 71 percent increase
22 to save our lives, in time and in Butner, if the
23 government's Utilities Commission will keep a
24 strict eye on all of these issues. However, when

1 I called the Utilities Commission in the past, I
2 was told well, there's not much we can do. And I
3 called them when we had all of those water main
4 breaks for a long period of time, and TESI said,
5 well, it's because Louisburg increased the water
6 pressure. And I called -- and I said to TESI, I
7 said, "well, can't you put a degreaser in there
8 so you'll stop blowing these water mains". And
9 they said, "no". And I called the Utilities
10 Commission and they said, "well, we don't have
11 any ability to tell anybody how much pressure" --
12 "water pressure".

13 So I feel like we're not -- we're not
14 being represented. And I would really like to
15 know if that's true that the Utilities Commission
16 doesn't have any power.

17 Are we just suppose to fend for
18 ourselves while we give them the okay to raise
19 our rates by 71 percent and hope for the best?

20 I have pictures of my faucets with all
21 of the black gunk that I have to clean, I have to
22 take apart and clean with a toothbrush every
23 month or two, and they are disgusting. And I
24 clean them and they're nice and clean. They

1 MS. JOST: The next witness is Yvette
2 Williams.

3 COMMISSIONER HUGHES: Please place your left
4 hand on the Bible and raise your right.

5 YVETTE WILLIAMS;
6 having been duly sworn,
7 testified as follows:

8 DIRECT EXAMINATION BY MS. JOST:

9 Q Good evening. Can you please state your name and
10 spell your first name for the record?

11 A My first name is Cheryl, C-H-E-R-Y-L. I go by my
12 middle name which is Yvette, Y-V-E-T-T-E. Last
13 name is Williams, W-I-L-L-I-A-M-S.

14 I live at Lake Royale on the golf
15 course side, 228 Sacred Fire Road in Louisburg.
16 I have been living in my house for 15 months and
17 I've listening to these conversations. In the 15
18 months I have here I have yet to get a Boil
19 Water. I have not received one.

20 I got upset -- let's see, I'm a little
21 upset now because I've been listening and we --
22 I'm having a problem with the lack of
23 communication from either Red whoever and TESI.

24 I went to the HOA department or office

1 Friday because all of a sudden my water has been
2 smelling and I've been having a problem with it.
3 So, supposedly, the issue was not on the golf
4 course side, it was on the lake side. But
5 apparently it's on the golf course side as well
6 because when I called Red people they had stated
7 that I was supposed to be a Boiled Water Alert.
8 I never received it. She sent me an email that
9 same day stating this is what you're supposed to
10 do. I mean, I've been there 15 months and
11 haven't seen, heard nothing about boiling no
12 water. So I'm not happy at all.

13 I just turned 60. I do an annual exam.
14 This year my exam stated that my white blood cell
15 count is low. I'm starting to wonder does this
16 have anything to do with the freaking water. So
17 now I have to go back and say well this is what I
18 found out. Do we need to check into this because
19 I have not been notified? And I am really upset
20 and getting ready to cry. Because this
21 contamination, what has this done to me, if
22 anything? And you not telling me what's going on
23 is a problem. And then you're going to raise my
24 rent, I mean, my stuff. No. No. You're not

1 supposed to do that. You're going to make me
2 sick and then make me pay you more money? No.
3 That's not acceptable.

4 COMMISSIONER HUGHES: Questions for the
5 witness?

6 MS. JOST: Thank you. No questions.

7 MR. DROOZ: Just briefly.

8 CROSS EXAMINATION BY MR. DROOZ:

9 Q You stated you have not received the Boil Water
10 Notice. Do they have -- have they been sending
11 you bills for your water?

12 A I got my first bill from Red --

13 Q Red Bird.

14 A -- today. I got my first bill from them today.
15 So my thing is you can send me a bill, you can
16 send me a something to let me know the water is
17 not safe for me to drink, and boil my water. So,
18 no.

19 Q Thank you.

20 COMMISSIONER HUGHES: Any questions?

21 CROSS EXAMINATION BY MR. HIGGINS:

22 Q Ms. Williams, do you know how long Red Bird has
23 been acting as the contract operator --

24 A No.

1 Q -- of the system?

2 A I'm sorry. I didn't hear the last part.

3 Q Of the system at Lake Royale.

4 A I don't know offhand. I did get a letter stating
5 that they were going to change from TESI to Red
6 Bird, but that's about all I know. And I do know
7 I read that you're going to increase my rates but
8 I didn't even understand how you could
9 systematically go from, you know, 5 percent,
10 50 percent, 70 percent, you know, but I figure
11 that would be something I would take up with the
12 Association when that time came.

13 Q Just to be clear, Ms. Williams, Red Bird doesn't
14 own the system yet. They haven't acquired it.

15 A I understood that.

16 Q Okay.

17 A I may have not said it correctly but I understood
18 it.

19 Q Okay. Thank you.

20 COMMISSIONER HUGHES: Just one quick
21 question.

22 EXAMINATION BY COMMISSIONER HUGHES:

23 Q When -- you said that you were contacted via
24 email, did you give your email over the phone --

1 A No, I didn't get contacted by email. I called to
2 find out why my water was smelling and why it
3 tasted funny and then I gave her my email address
4 and she sent it to me.

5 Q Okay. They didn't have your email.

6 A Well, she said she didn't but she found it in her
7 system as well. And then I had talked to other
8 neighbors, you know, and they didn't have a clue
9 what I was talking about.

10 Q Okay.

11 A I mean, I knew their name but -- and a number,
12 but that's about all I've got.

13 Q No, no, that's fine. You answered my question.

14 COMMISSIONER HUGHES: I think you may step
15 down. Thank you very much for coming out tonight.

16 THE WITNESS: Thank you.

17 MS. JOST: The next witness is Larry Nida.

18 COMMISSIONER HUGHES: Please place your left
19 hand on the Bible and raise your right.

20 LARRY NIDA;

21 having been duly sworn,

22 testified as follows:

23 DIRECT EXAMINATION BY MS. JOST:

24 Q Good evening. Could you please state your name

1 and spell your last name for the record?

2 A Sure. Larry Nida, N-I-D-A. My address is 1004
3 Sagamore, Louisburg.

4 Q And do you have a statement you'd like to
5 provide?

6 A Yes. First of all, thank you for allowing me to
7 present my comments for Red Bird's acquisition of
8 TESI and the Lake Royale Property Owners
9 Association. From the visible condition of what
10 we can see as residents of the water quality in
11 other areas, there appears to be little or no
12 maintenance -- or low or no funds used for
13 maintenance of these ground, these items,
14 maintenance of the water tower or anything else
15 it's to go on.

16 Water main leaks are routinely
17 encountered and lasting for lengthy period of
18 times. Most everybody has talked about in here,
19 six months, nine months; it doesn't seem to be
20 out of the norm for these people.

21 Those repairs made by TESI to damage
22 done by digging up the roads to repair of the
23 system, we're poor at best. It crumbled due to
24 lack of proper preparation of the road surfaces

1 and they just start sinking and then we've got
2 potholes and then it just goes over and over
3 again.

4 My question is where in the hell is all
5 the money collected by TESI for -- if we have the
6 ability to have that information, maintenance of
7 the physical plant not accounted for -- where are
8 any monies accrued? Were any monies accrued for
9 maintenance by TESI? And, if so, will these
10 funds be transferred to Red Bird? Just as a
11 guess, we're looking at, it probably needs to be
12 a seven-digit figure. It's miles and miles of
13 roads and infrastructure that is just falling
14 apart due to lack of maintenance. Are these
15 funds going to be sufficient enough to maintain
16 the plant going forward and all of the equipment
17 that's in the neighborhood? Does Red Bird
18 anticipate a special assessment to come to Lake
19 Royale POA owners for the maintenance of the
20 system, plant, and everything else?

21 They've already noticed -- gave us
22 notice that they are going to raise the rates for
23 their meter, an increase for a 20-year period of
24 the large system which is -- which should have

1 been performed by TESI. A lot of this
2 maintenance just wasn't done by them. How will
3 Red Bird address other issues that clearly are
4 TESI for lack of insufficient maintenance of the
5 physical plant which Red Bird is purchasing and
6 that the Lake Royale customers have already paid
7 for in their monthly billing? What regulatory
8 provisions will be put in place on the Red Bird
9 or TESI to prevent Lake Royale POA customers from
10 duplicate maintenance costs? Thank you.

11 COMMISSIONER HUGHES: Are there questions?

12 MS. JOST: No questions.

13 MR. DROOZ: No questions.

14 MR. HIGGINS: No questions of Mr. Nida.

15 MR. FINLEY: (Shakes head).

16 THE WITNESS: Thank you.

17 COMMISSIONER HUGHES: You may step down.

18 Thank you for coming out.

19 MS. JOST: The next witness is Richard Dyer.

20 COMMISSIONER HUGHES: Please place your left
21 hand on the Bible and raise your right.

22 RICHARD DYER;

23 having been duly sworn,

24 testified as follows:

1 DIRECT EXAMINATION BY MS. JOST:

2 Q Can you please state your name and spell your
3 last name for the record?

4 A My great handwriting. Richard Dyer, D-Y-E-R.

5 Q And what's your address?

6 A 533 Sagamore Drive.

7 Q And are you a TESI customer?

8 A I am a TESI customer. I'm also currently serving
9 as Treasurer on the Lake Royale Board.

10 Q And do you have a statement that you would like
11 to provide?

12 A I do. I've actually got a copy of it to put in
13 the record if you'd like to. So --

14 COMMISSIONER HUGHES: Is it the same as what
15 you're going to --

16 THE WITNESS: I'm sorry.

17 COMMISSIONER HUGHES: Is what you have just
18 submitted the same exact --

19 THE WITNESS: It's going to be what I'm
20 going to talk to.

21 COMMISSIONER HUGHES: Okay. So as long as
22 you read the same thing we don't have to --

23 THE WITNESS: Okay, that's fine. So we
24 first purchased out here in 2009, moved out here full

1 time in 2015. We've been concerned about the water
2 quality really since day one. So we initially bought
3 bottled water and did that for a number of years and
4 then we finally installed a whole home water
5 filtration system in 2015. Given the more frequent
6 water line breaks and some of those very close to our
7 house, we actually added a UV purification system to
8 our whole home system earlier this year. Obviously,
9 we spent thousands of dollars personally trying to
10 address these water quality issues, and we have a lot
11 of ongoing costs associated with filters, et cetera.

12 So I would like to talk about the water line
13 breaks, consistent water line breaks, sewage
14 treatment, water pressure fluctuations, inoperable
15 fire hydrants, and the cost increases.

16 In terms of water line breaks, again, we
17 talked about the number -- if their number is
18 substantial, just to give you three examples. Near
19 517 Sagamore, despite the water line break being
20 reported to TESI numerous times, and the Utility
21 commission at least once, the break was not addressed
22 for basically a year. It started in 2020 and went all
23 the way through most of 2021. The break lasted long
24 enough that there was visible erosion on the side of

1 the road. My wife and I actually quit driving on that
2 section of Sagamore because we were fearful that the
3 road would collapse underneath our vehicle. That was
4 finally repaired.

5 Now, just the breaks I'm personally aware of
6 from walking through the neighborhood, there are
7 three. There are two that are very similar to the
8 ones at 517 where there's just a steady stream of
9 water. One of those is located at 512 Sagamore,
10 another is located at 667 Sagamore. There was a water
11 line break at 532 Sagamore, and while the leak has
12 been repaired, the road has not. So you see gravel in
13 the road where the asphalt should be.

14 Sewage treatment. TESI at least on one
15 occasion, I think multiple occasions discharged
16 partially treated sewage into the water on the Tar
17 River side of the spillway. So this contaminated not
18 only a popular fishing area but ultimately
19 contaminated the Tar River. I don't believe TESI was
20 ever held accountable for that.

21 Water pressure fluctuations. So again, when
22 we first bought we were concerned about the water
23 pressure fluctuations so we actually added two
24 pressure regulators. We've owned two different

1 houses, added a pressure regulator on both of our
2 houses to prevent pipe damage and water leaks in our
3 house.

4 Inoperable fire hydrants. Now, while I
5 don't have any personal knowledge, I've been told from
6 a number of folks that the fire hydrants do not work.
7 That could be a real tragedy, not only causing loss of
8 property but also causing loss of life. Such tragedy
9 could be easily mitigated by ensuring that the fire
10 hydrants are tested and repaired.

11 Cost increases. These are substantial both
12 to the POA as well as to residents. So the residents,
13 we've talked about a 71 percent price increase or cost
14 increase. Now, we have a significant number of
15 residents that are on a fixed income such as my mother
16 who also lives at the lake. She lives at 620
17 Sagamore. Rate increases of this magnitude place a
18 burden on those that can least afford it.

19 In terms of the POA, the POA will be charged
20 \$80,000 per year for 25 years or \$2 million. That's
21 also substantial. And quite frankly, the POA has no
22 choice but to pass those costs onto our residents.

23 So I would respectfully request that the
24 Commission review the following:

1 One, confirm that the rate increases are
2 necessary to ensure substantial and sustained improved
3 water quality performance.

4 Two, identify a way to tie rate increases to
5 improved performance in the timeliness of water line
6 breaks, road repair, fire hydrant testing and repair,
7 planned water line infrastructure replacement, water
8 pressure management, and sewage treatment.

9 Three, the Utility Commission take an active
10 role to ensure Red Bird's performance improves
11 substantially. Thank you.

12 MS. JOST: No questions. Thank you.

13 MR. DROOZ: Thank you. No questions.

14 MR. HIGGINS: No questions.

15 COMMISSIONER HUGHES: You may step down.
16 Thanks for coming out.

17 THE WITNESS: Thank you.

18 MS. JOST: The next witness is Lorraine
19 Ryan.

20 COMMISSIONER HUGHES: Please place your left
21 hand on the Bible and raise your right.

22 LORRAINE RYAN;

23 having been duly sworn,

24 testified as follows:

1 DIRECT EXAMINATION BY MS. JOST:

2 Q Good evening. Would you please state and spell
3 your name for the record?

4 A Certainly. Lorraine Ryan, L-O-R-R-A-I-N-E
5 R-Y-A-N.

6 Q And what is your address?

7 A 100 Inca Drive.

8 Q And that's Louisburg; is that correct?

9 A Yes, at the lake.

10 Q And are you a TESI customer?

11 A Yes, unfortunately.

12 Q Do you have a statement you'd like to provide
13 this evening?

14 A Yes, I do.

15 Q Please go ahead.

16 A I've already sent my issues to our general
17 manager who also gave them to the Utilities
18 Commission, but I have to let you know about the
19 water break that happened on the 19th. I work
20 and so during the day, work day, I don't read my
21 emails, I don't look on Facebook or Nextdoor, and
22 when I came back home that evening, the 19th, at
23 midnight because I was at a County Commissioners'
24 meeting that lasted until 11:20 that evening, I

1 came across Sequoia Drive and there was a big --
2 half the road was blocked off. And I know why it
3 was blocked off until I rode a little bit further
4 and I saw a big green pipe and I know what green
5 pipes are. They are water pipes. And obviously,
6 we had had a water main break that I didn't know
7 anything about.

8 That's the problem with TESI is that
9 they don't notify you when you have a water main
10 break. And what the problem is, is when I come
11 home if I don't know about it, I turn on my
12 faucet. Air is in the faucet, red clay is in the
13 faucet, in my water heater. I then have to go --
14 if I had known ahead of time I would have gone
15 outside to my water faucets as most people know
16 and you open up the water faucets outside and it
17 cleans out everything. You don't have to worry
18 about maybe getting the water heater fixed
19 because of the deposits that are in it. Instead,
20 I have to open up seven faucets in my house and
21 let it run to get the water out of it, get the
22 red clay out of it, increase my water supply that
23 I'm using because of TESI's break and not letting
24 me know.

1 I also want to let people know about
2 the -- as far as the pressure. Out of eight
3 people that spoke already only two mentioned the
4 water pressure. I've noticed a huge decrease in
5 water pressure. I also live by the lake on the
6 east side of the lake which is a newer section,
7 very close to the water tower actually which
8 doesn't mean anything really, and the water -- if
9 I didn't have a little faucet that gave a little
10 aeration to my water, it would take forever to
11 fill up a pot to cook my spaghetti. I have that
12 and it at least fills is up a little quicker but
13 it's been terrible since the new homes have been
14 built. There's an increase in all of the usage
15 of it and it's actually terrible.

16 Luckily, I was one of the people that
17 received one of these welcome postcards from Red
18 Bird. There are four people that I work with
19 that live at the lake. Of those, three people,
20 three of them live on the west side. None of
21 them received any information about TESI. I told
22 them, I said, "what, you didn't hear about it".
23 You didn't -- and I called up TESI when I got
24 this about having it hooked up to my checking

1 account. And I gave this to all three of them.
2 All three of them made copies of it and are going
3 to call them up. Because one of them was so
4 concerned she goes: Are they going to shut off
5 my water because I never called them? I never
6 got a bill. I never got anything.

7 So I have the three names of the people
8 and where they live that I would like to submit
9 because they are also concerned about the low
10 water pressure. And one of them which Rich Dyer
11 just spoke about lives at 519 Sagamore where this
12 hole was for a year, and everybody goes around it
13 onto the traffic on a curve no less.

14 So, that's about it. I would like to
15 submit this for the people that would like to get
16 one of these cards even though I made a copy of
17 it at my work.

18 COMMISSIONER HUGHES: Thank you very much.
19 Would you like to submit the card as well?

20 THE WITNESS: Well, no, because I have
21 information on it. Sorry.

22 COMMISSIONER HUGHES: That's fine.

23 THE WITNESS: I could write it down I guess.
24 Just the information on the three people.

1 COMMISSIONER HUGHES: I just want to be
2 clear.

3 THE WITNESS: That's okay. Thank you for
4 asking.

5 COMMISSIONER HUGHES: Let's go ahead and get
6 that, the names.

7 THE WITNESS: Thank you.

8 MS. JOST: I would like this to be
9 identified as Ryan Exhibit 1 and entered into the
10 record.

11 COMMISSIONER HUGHES: So identified and
12 entered into the record.

13 (WHEREUPON, Ryan Exhibit 1
14 was identified and received
15 into evidence.)

16 COMMISSIONER HUGHES: Any questions?

17 MS. JOST: I do have one question.

18 BY MS. JOST:

19 Q So you indicated that, I believe, the most recent
20 water break was on the 19th. Is that the 19th of
21 September 2023?

22 A Yes. And as I said, it happened at Sequoia which
23 is a street that you take to get to my home.

24 MS. JOST: Okay. That's my only question.

1 Thank you.

2 CROSS EXAMINATION BY MR. DROOZ:

3 Q And you had held up a card that is a water notice
4 that was left at your residence. Can you tell us
5 what the substance of that message is? Was that
6 notifying of a change?

7 A Red Bird has taken over temporarily, is what it
8 says on here, not for real in other words, of
9 final management of the water services on behalf
10 of TESI. And it's just saying they are excited
11 to make me a customer, gave a phone number and
12 what hours you could call them. And it says
13 there will be different options for billing.

14 And when I did call them, I have to
15 admit, I hate to say this out loud but Barb was
16 extremely nice. She told me at least that I had
17 to have my lot number, my section number, my ID,
18 and my account number, which she gave me all of
19 that. I had some of that myself, but she gave it
20 all to me. And when I asked her about putting on
21 my checking account, she said I could not do that
22 right away. I would have to at least get my
23 first bill and then I could go online and do it
24 that way. So, one nice thing about Red Bird --

1 I'm sorry -- people.

2 Q And is there an effective date stated on there?

3 A On this it does not, no. The date on the card is
4 August 1st, but no date -- it just says that Red
5 Bird is committing to safe, reliable water, but
6 we all know that might not be completely true.

7 MR. DROOZ: Thank you. That's all.

8 MR. HIGGINS: No questions.

9 COMMISSIONER HUGHES: You may step down.

10 Thank you so much for coming out.

11 THE WITNESS: Thank you.

12 MS. JOST: The next witness is Cheryl Van
13 Graafeiland.

14 COMMISSIONER HUGHES: Please place your left
15 hand on the Bible and raise your right.

16 CHERYL VAN GRAAFEILAND;

17 having been duly sworn,

18 testified as follows:

19 THE WITNESS: My name is Cheryl Van

20 Graafeiland, C-H-E-R-Y-L V-A-N

21 G-R-A-A-F-E-I-L-A-N-D, and I live at 549 Sagamore,

22 Louisburg; TESI customer.

23 MS. JOST: Thank you. Do you have a

24 statement you'd like to provide?

1 THE WITNESS: Just a couple of comments.

2 DIRECT STATEMENT BY THE WITNESS:

3 I'd like to ditto everybody else, what
4 they've said. One thing that was my main concern is
5 the community was built back in the '70's and we had
6 well water. There were many different pumps that
7 pumped the well water around the community, and I
8 don't think that anything has really been done since
9 that and now we're getting water from Louisburg, and
10 it's coming in at a much bigger force. And our lines
11 have never been cleaned. The fire hydrants have never
12 used at all even to flush out the lines. And that's
13 about it.

14 MS. JOST: No questions. Thank you.

15 MR. DROOZ: No questions. Thanks.

16 MR. HIGGINS: No questions, Ms. Van
17 Graafeiland.

18 THE WITNESS: Thank you.

19 COMMISSIONER HUGHES: I have just one
20 question.

21 EXAMINATION BY COMMISSIONER HUGHES:

22 Q The second person that mentioned fire hydrants,
23 are they labeled or covered in anyway to give you
24 the opinion that they could not be used or are

1 they just --

2 A They used to be read and then they went around, I
3 don't know, 10 years ago, and they painted some
4 of them black designating that they were not used
5 for safety. They're small. There's one little
6 fire hydrant that's only about that big
7 (indicating) on Sagamore meaning that it's
8 useless. I don't know what they use them for.

9 COMMISSIONER HUGHES: Thank you.

10 THE WITNESS: Uh-huh.

11 MS. JOST: The next witness is Holt Dale.

12 MS. DALE: And sworn in.

13 HOLT DALE;

14 having been duly sworn,

15 testified as follows:

16 DIRECT EXAMINATION BY MS. JOST:

17 Q Good evening.

18 A Hi.

19 Q Could you please state and spell your name for
20 the record?

21 A My name is Holt Dale. And Holt is H-O-L-T, and
22 Dale is D-A-L-E. And what would like to say is
23 repeating what many of the other people who are
24 here have already said, but I want to give a

1 perspective of someone who's lived at Lake Royale
2 for 20 years. And in those 20 years, I feel like
3 I've been a good community member. In fact, most
4 of the Board members probably don't even know who
5 I am, which I like.

6 (Audience laughter)

7 But I do know that I've been paying
8 annual dues and what no one has mentioned here is
9 that we paid for those roads. We paid for those
10 roads, not Franklin County, not Nash County, not
11 the State of North Carolina, we did. And when I
12 hear everyone say that the roads have not been
13 repaired when water pipes have been repaired, it
14 makes me angry because I paid for those and I
15 want those roads the way they were before work
16 began. So, don't think that somebody is going to
17 come in here and fix the roads for us, we have to
18 pay for that.

19 So I get a little angry when we talk
20 about rate increases in the future when I feel
21 like I'm already paying a pretty penny for
22 water, and it's not that great of water. And the
23 repairs are taking forever, and I know because I
24 live right next to a water leak that took days

1 before anybody came out and then when they did
2 come out to repair it, they left such a mess that
3 my husband and I had to repair the ground work.
4 It was just 8 feet of mud.

5 So again, why am I and every other
6 owner out here having to pay for Red Bird coming
7 in and possibly doing the same thing. And how do
8 I know they'll possibly do the same thing,
9 because I've called them twice. I've never
10 called TESI. I guess I was that great of just a
11 complacent customer, but I'm not complacent
12 anymore.

13 We had a question about what section we
14 were in when we were given a Boil Advisory. I
15 don't know what section I live in. I know my
16 address but I don't know what section. So I
17 called Red Bird, based on that little card we got
18 in the mail, and we called on a Friday afternoon,
19 and the girl was very polite and she said, "I
20 don't know the answer to your question but we'll
21 get back to you". Well, I don't know where she
22 is but I haven't heard a word from her and that
23 was three weeks ago.

24 (Audience laughter)

1 And then today we got our first bill
2 from Red Bird. It said it had a reading date of,
3 I forgot, September 14th, and the usage from the
4 last month was like 7000 gallons from last month
5 and we usually use four to 5000. So we called
6 today to find out. Well, I didn't see you come
7 read the meter. Did you really read the meter?
8 And we spoke to a gentleman who was polite but
9 English is his second language. And it was very
10 hard to talk with him. And I know I'm southern,
11 born and raised here in North Carolina, but he did
12 not talk well enough to be a customer service
13 representative. And that's my second impression
14 of Red Bird.

15 So no, I'm not really excited about the
16 idea of having the rates go up when we're getting
17 pretty much what we've got. I almost feel like
18 they should turn around and write me a check for
19 just being a good customer. That's all I have to
20 say.

21 COMMISSIONER HUGHES: Thank you. Questions?

22 MS. JOST: No questions. Thank you.

23 MR. DROOZ: No questions. Thank you.

24 MR. HIGGINS: No questions.

1 COMMISSIONER HUGHES: Thank you very much
2 for coming out.

3 MS. JOST: The next witness is Phil Ackler,
4 I believe.

5 MR. ACKLER: I saved my position.

6 MS. JOST: Okay. Just to make sure I'm
7 clear, you don't wish to speak.

8 MR. ACKLER: I don't wish to speak.

9 MS. JOST: Thank you.

10 MR. ACKLER: I don't want to be redundant.

11 MS. JOST: All right. The next witness, in
12 that case, is Clifford Revoir.

13 MR. REVOIR: I'll swear.

14 CLIFFORD REVOIR;

15 having been duly sworn,

16 testified as follows:

17 THE WITNESS: I'm Clifford Revoir, 329
18 Sagamore Drive.

19 DIRECT EXAMINATION BY MS. JOST:

20 Q And could you spell your last name for the
21 record?

22 A R-E-V-O-I-R.

23 Q Thank you. Do you have a statement you would
24 like to provide this evening?

1 A Yes. People have talked about water quality --
2 I'm 82 and my wife is not very far behind and I
3 know there's a lot of people in our community who
4 are also older, and we do have concerns, serious
5 concerns with water quality, and particularly at
6 our age where immune deficiencies start to fill
7 up, and also the attitude that hopefully Red Bird
8 is not going to have, but the safety attitude
9 that TESI had.

10 Just an example, I've got a manhole
11 cover, probably about a 24-inch manhole cover,
12 right at my -- six inches away from my driveway
13 at the corner of the street and I've brought that
14 to their attention multiple times, that it is
15 deformed. And I'm very concerned, I wouldn't
16 step on it, but I'm concerned that somebody
17 walking down the road would step on it and go in
18 and break a leg or something. And the attitude
19 was, well, we'll look at it and get back with
20 you. And nothing ever happens. That's just the
21 example of the way they approach -- or the way I
22 feel that they've approached maintenance at the
23 lake. That's it.

24 COMMISSIONER HUGHES: Thank you very much.

1 Any questions?

2 THE WITNESS: Also, rate increase are very
3 concerning.

4 MS. JOST: Thank you.

5 COMMISSIONER HUGHES: Questions?

6 MS. JOST: No questions from me. Thank you.

7 MR. DROOZ: No questions.

8 THE WITNESS: Thank you.

9 COMMISSIONER HUGHES: You may step down.
10 Thank you for coming out.

11 MS. JOST: The next is Blake Clift.

12 MR. CLIFT: I'll withdraw my request. Thank
13 you.

14 MS. JOST: Okay. Mike Calloway.

15 MR. CALLOWAY: Sworn, please.

16 MIKE CALLOWAY;

17 having been duly sworn,

18 testified as follows:

19 DIRECT EXAMINATION BY MS. JOST:

20 Q Good evening. Could you please state your name
21 and spell your last name for the record?

22 A Mike Calloway, C-A-L-L-O-W-A-Y, 1417 Sagamore.

23 Q And are you a TESI customer?

24 A Yes.

1 Q Do you have a statement you'd like to provide?

2 A Yes.

3 Q Please go ahead.

4 A Basically, I have the same concerns as most of
5 the people who have testified here today but, in
6 addition, something that specifically happened
7 back three years ago during Covid. I had a
8 situation where I got a very substantial bill and
9 this lasted over a period of seven months that I
10 closely monitored my water usage by taking
11 pictures on almost a daily basis and I submitted
12 my findings to TESI. They did remedy the
13 situation after seven months. But it reminded me
14 of dollar-cost averaging in the sense that --
15 excuse me -- this is my question to Red Bird.
16 And Ms. Noonan mentioned it a minute ago about
17 personnel on site, the number of people that it
18 takes to read all of those meters on a monthly
19 basis is very, very substantial.

20 Back in the summer I happened to be at
21 home and I saw a golf cart sitting out in my
22 yard. I went out there and it was the gentleman
23 that works for TESI and his golf cart had broken
24 down. So I talked to him for about 45 minutes

1 until we got his golf cart fixed. And he was
2 borrowing his mother or mother-in-law's golf cart
3 to go around and read meters.

4 So my concern with Red Bird is are they
5 going to have enough personnel on site in Lake
6 Royale to satisfy its customers. Because I think
7 the situation that happened to me back during
8 Covid when I was on home on a regular basis
9 working from home, and I have evidence right her
10 to prove it, that I was using around 43, 38, 57,
11 36 gallons a day and on one occasion that I
12 received a bill I went up astronomically to
13 503 gallons. And basically using common sense, I
14 think basically what happened was is they were
15 not getting around to read the meter on a regular
16 monthly basis and he was guesstimating. And that
17 is my wordage there. And they were making it up
18 on a day in the future that he came by and read
19 it.

20 So, although I do share the same
21 concerns as all these other people, my specific
22 scenario is I want to know if Red Bird is going
23 to have enough people on staff that they can give
24 us good service and on a consistent basis give us

1 good readings on our meters. That is all. I'll
2 be glad to submit this.

3 Q If you would like to I will --

4 A I will.

5 MS. JOST: I would request that the
6 three-page document showing meter readings and bills
7 be identified as Calloway Exhibit 1 and entered into
8 evidence.

9 COMMISSIONER HUGHES: Identified and
10 entered.

11 (WHEREUPON, Calloway
12 Exhibit 1 was identified
13 and received into
14 evidence.)

15 BY MS. JOST:

16 Q I do have a question. Some of the other
17 witnesses testified that they received bills from
18 Red Bird as recently as today. Have you received
19 a bill from Red Bird?

20 A I maintain an off-property P.O. Box in Knightdale
21 and, ironically, I did go by my mailbox today and
22 it was in there.

23 Q Okay. And do you have a sense of whether that
24 seems consistent with previous bills?

1 A It was pretty consistent with what -- it was \$38
2 which was very reasonable.

3 Q Those are all my questions. Thank you.

4 A You're welcome.

5 COMMISSIONER HUGHES: Questions?

6 MR. DROOZ: (Shakes head).

7 COMMISSIONER HUGHES: You may step down.

8 Thank you for coming out.

9 MS. JOST: The last witness who signed up to
10 testify is John Bell.

11 COMMISSIONER HUGHES: Is swearing okay?

12 JOHN BELL;

13 having been duly sworn,

14 testified as follows:

15 DIRECT EXAMINATION BY MS. JOST:

16 Q Would you please state your name for the record?

17 A John Bell.

18 Q And could you please state your address for the
19 record?

20 A 122 Black Cloud Drive.

21 Q And are you a TESI customer?

22 A No.

23 Q Okay. Do you have a statement you would like to
24 provide?

1 A I do. I'm a member of the Board of Directors for
2 Lake Royale. And Lake Royale has been me and my
3 family's home for my entire adult life since
4 1993, so I've seen a lot of changes in the
5 community over the years.

6 Again, to reiterate what several other
7 people have said, our infrastructure with our
8 water lines is 50 years old. Again the
9 additional water pressure coming out of Louisburg
10 is wreaking havoc on these lines. The point that
11 was made, I think is a very valid point, that we
12 need to make sure that we have enough Red Bird
13 staff on site to repair these lines in a timely
14 manner because that is currently not happening.

15 Again, communication is key. We
16 need -- in partnering with Red Bird, we need to
17 make sure that they are on the same page with our
18 front office, our general manager, so she can
19 communicate to our community in a timely and
20 clear manner so there's no discrepancies like
21 we've seen here recently.

22 I can tell you, I've lived on the lake
23 side and the golf course side and I've seen water
24 issues on both, so it's a community-wide issue.

1 When I lived on the lake side, I would have to
2 empty my hot water heater a couple of times a
3 month and shovel the sludge out the bottom and I
4 would have to replace the heating element on it a
5 lot. And I went through two or three water
6 heaters when I lived on the lake side just
7 because of the all of the sediment that would
8 build up in it. So that was quite of an expense.
9 Not to mention loads and loads of laundry that
10 got ruined - dress shirts, dress clothes, linens,
11 towels - I mean, stuff that would just get ruined
12 by the red mud and sediment in the water.

13 Again, this isn't something that's just
14 now taking place. This is something that's
15 happened over many years, and I know it's been
16 brought to the Utility Commission's attention on
17 numerous occasions.

18 Again, I don't see this issue getting
19 better. I see it getting worse. And that
20 concerns me for our community because, again,
21 we're entitled to water. Every human being is
22 entitled to clean drinking and bathing water.
23 And again, that's hit or miss in our community
24 unfortunately, and I know it creates a lot of

1 hardships on our elderly population and our
2 children. It creates a lot of issues for a lot
3 of folks. I'm hoping that moving forward we can
4 get these things addressed.

5 COMMISSIONER HUGHES: Questions for the
6 witness?

7 MS. JOST: One question.

8 BY MS. JOST:

9 Q You mentioned that the additional water pressure
10 from Louisburg has been causing problems; is that
11 correct?

12 A We were on a community well for a number of years
13 and when we converted to Franklin -- to get our
14 water through Franklin County, that did add a lot
15 of increased pressure on our lines, as Mr. Dyer
16 had mentioned earlier.

17 Q Thank you.

18 COMMISSIONER HUGHES: Questions?

19 MR. DROOZ: No questions. Thank you.

20 CROSS EXAMINATION BY MR. HIGGINS:

21 Q Mr. Bell, do you know when that transition from
22 the community wells to the Louisburg water system
23 occurred?

24 A It's been several years, but I don't know an

1 exact date. No, sir.

2 UNKNOWN SPEAKER: About 23 years.

3 A About -- it's been 23 years.

4 Q Thank you, sir.

5 MR. HIGGINS: Thank you.

6 CROSS EXAMINATION BY MR. FINLEY:

7 Q Mr. Bell, did I hear you say that you were not a
8 customer or you were a customer?

9 A No. When I moved to the river side, the golf
10 course side of the community, we were without
11 water for over a week and there was an emergency
12 Statute in the North Carolina law that stated I
13 could drill a well and I disconnected from the
14 water company altogether and I'm on my own well.

15 I will tell you that my neighbors come
16 by a lot, and I welcome them to, anybody in our
17 community that needs to just fill up jugs of
18 water for drinking, for flushing their toilets,
19 so -- you know, I usually know when people are
20 out of water before the e-blast goes out because
21 I have people knocking on my door asking if they
22 can get water, and that's unfortunate.

23 Q When did you build your own well?

24 A I put my well in, I believe it was 2000, when we

1 had that -- it was a long, long outage where we
2 had zero water.

3 Q Thank you, sir.

4 COMMISSIONER HUGHES: Well, you can step
5 down.

6 MS. JOST: If I may, I'd just like to make
7 sure that there's no one else who wanted to testify
8 who has not signed up.

9 UNKNOWN SPEAKER: I'd like to.

10 MS. JOST: Okay.

11 UNKNOWN SPEAKER: My name is Dylan.

12 COMMISSIONER HUGHES: Come on up.

13 DYLAN BUNCH;
14 having been duly sworn,
15 testified as follows:

16 DIRECT EXAMINATION BY MS. JOST:

17 Q Could you please state and spell your name for
18 the record?

19 A Yes. Dylan Bunch, D-Y-L-A-N, Bunch like a bunch
20 of bananas, B-U-N-C-H.

21 Q And what's your address?

22 A 106 Prairie Dog Drive.

23 Q And are you a TESI customer?

24 A I am and I have been for almost 20 years.

1 Q All right. Do you have a statement you would
2 like to provide?

3 A Yes. I just want to reiterate on what Elaine
4 said, that letter that she received. We, over
5 the last 20 years, probably get that letter about
6 twice a year if not more stating how terrible the
7 water is or a test that they ran that was three
8 months ago. So I just want to reiterate that
9 this is not a new thing. This has been going on
10 for at least the 20 years that I have lived
11 there.

12 And the other thing about our water,
13 anybody who plays golf in our neighborhood has
14 realized my son works at the maintenance shop,
15 there's been a leak that's been leaking for two
16 years in front of the golf shop. They had to fix
17 the road last month to the maintenance shop
18 because that leak had eroded the road down so you
19 could not get back to the maintenance shop
20 without scraping your car. So, the leaks around
21 our neighborhood have been going on for 20 years
22 and, I mean, and it's bad. I mean, you can drive
23 around, especially on the river side where the
24 roads have collapsed and have not been fixed

1 properly. The thing that scares me most is like
2 what Elaine addressed today that we've gotten
3 over the years about we don't get the results
4 until three months later, so you've already been
5 ingesting the water at that time, so.

6 COMMISSIONER HUGHES: Questions?

7 MS. JOST: No questions. Thank you.

8 CROSS EXAMINATION BY MR. DROOZ:

9 Q When you talk about the results in these letters,
10 is that a reference to contamination in the
11 water?

12 A Yes.

13 Q Thank you.

14 A That they didn't monitor it correctly.

15 COMMISSIONER HUGHES: Okay.

16 THE WITNESS: I've got one last thing. The
17 other thing that I've been concerned about, too, is
18 the sewage treatment plant that is on the site because
19 as they stated, it's been leaking raw sewage into
20 where a lot of our neighbors fish. The catfish are
21 beautiful but they are full of something. So, I just
22 want to reiterate that. And thank you.

23 COMMISSIONER HUGHES: Okay. You may step
24 down.

1 One last call.

2 MS. JOST: Come on up.

3 MR. ACKLER: I want to be the different one
4 and do the oath.

5 COMMISSIONER HUGHES: All right.

6 PHILLIP ACKLER;

7 having been duly affirmed,

8 testified as follows:

9 DIRECT EXAMINATION BY MS. JOST:

10 Q Good evening.

11 A My name is Phillip Ackler. I live at 943
12 Sagamore Drive in Lake Royale. I represent the
13 Board of Directors as the President.

14 Q I'm sorry. Before you go on, could you spell
15 your last name for us?

16 A A-C-K-L-E-R.

17 Q Thank you. And are you a TESI customer?

18 A I am.

19 Q All right.

20 A My concern is we're here to -- all of us here are
21 here hoping that the Utilities Commission will
22 look at this transfer and understand that the
23 problems we've had with TESI over the last 23
24 years we don't expect to continue in the next 23

1 years. The community looks to the Commission to
2 protect us. This is a monopoly that we are
3 required to have if we want to have water every
4 day since we are not allowed to have wells by our
5 documents.

6 So I just wanted to stop and say please
7 take the community into consideration when you
8 consider this transfer. Put stipulations if
9 necessary on Red Bird so that they will pick up
10 the pace, step up to the plate, do a better job
11 than TESI has done for us as a community and also
12 as a consumer. Thank you.

13 COMMISSIONER HUGHES: Any questions?

14 MS. JOST: No questions. Thank you.

15 MR. DROOZ: No questions.

16 MR. HIGGINS: No questions.

17 COMMISSIONER HUGHES: Thank you.

18 THE WITNESS: Thank you.

19 COMMISSIONER HUGHES: I think that brings us
20 to the end of the hearing. We'll adjourn. I did want
21 to note just for information purposes that if you're
22 interested in following the progress of this
23 proceeding, you can do it on the Commission's website:
24 www.ncuc.gov using the dockets that I said earlier,

1 W-1146, Sub 13 or W-1328, Sub 10, and those should
2 have also been listed on your customer notice.

3 UNKNOWN SPEAKER: I don't take shorthand.
4 Could you do that a little slower?

5 COMMISSIONER HUGHES: Sure. Sorry. The
6 website is www.ncuc.gov. And you'll see a place for
7 our docket system and the docket numbers that you're
8 going to want to enter are W-1146, Sub 13 and then
9 W-1328, Sub 10.

10 UNKNOWN SPEAKER: Thank you.

11 COMMISSIONER HUGHES: Sure. Well, on behalf
12 of the Commission, I'd like to thank everyone for
13 coming out. We really appreciate you taking time out
14 of the evening and sharing your thoughts with us, and
15 please have a safe drive home.

16 (The proceedings were adjourned)

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C E R T I F I C A T E

I, KIM T. MITCHELL, do hereby certify that the Proceedings in the above-captioned matter were taken before me, that I did report in stenographic shorthand the Proceedings set forth herein, and the foregoing pages are a true and correct transcription to the best of my ability.

Kim T. Mitchell_____

Kim T. Mitchell