# OFFICIAL COPY

#### **INFORMATION SHEET**

PRESIDING: Chairman Finley, Commissioners Brown-Bland, Patterson and Gray

PLACE: New Hanover County Courthouse, Wilmington, NC

DATE: August 23, 2017 TIME: 7:00 p.m. – 8:45 p.m. DOCKET NO.: W-354, Sub 356

COMPANY: Carolina Water Service, Inc. of NC

DESCRIPTION: Application for Authority to Adjust and Increase Rates for Water and Sewer Utility Service in All of Its Service Areas in North Carolina, Except Corolla Light and Monteray Shores Service

Area and Elk River Development

**VOLUME: 5** 

**APPEARANCES** 

FILED

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

SEP 0 5 2017

Clerk's Office N.C. Utilities Commission

FOR THE USING AND CONSUMING PUBLIC: William E. Grantmyre, Esq.

WITNESSES

Frances Carroll Edward Worrell

Randall Woodruff
Danny Conner

Diana Woolley Ferrell Drewry

Earnest Chance

**Thomas Mathis** 

Mandy Ware

**EXHIBITS** 

√Carroll Exhibits 1 – 3 (!)

Conner Exhibit 1 (I)

✓Drewry Exhibit 1 (I)

Mathis Exhibit 1 (I)

✓Ware Exhibit 1 (I)

**JUDICIAL NOTICE** 

COPIES ORDERED: Sanford - email

REPORTED BY: Kim Mitchell

TRANSCRIBED BY: Kim Mitchell

DATE TRANSCRIBED: August 29, 2017

TRANSCRIPT PAGES: 95

PREFILED PAGES:

TOTAL:

95

### NORTH CAROLINA UTILITIES COMMISSION APPEARANCE SLIP

DATE 8-23-17				
DOCKET #: W-35	4 Sub 35	6		
NAME OF ATTORNEY	Do anne d	Sanford		
TITLE	0	0		
FIRM NAME Sar	ford Law Of	fice PLIC		
ADDRESS P.O.	Box 28085			
	Calargh, NC			
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APPEARING FOR:	2WSNC			
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### NORTH CAROLINA UTILITIES COMMISSION PUBLIC STAFF - APPEARANCE SLIP

DATE08/23/17 DOCKET #s: <u>W-354</u> , Sub 356
PUBLIC STAFF MEMBER William E. Grantmyre, Staff Attorney
ORDER FOR TRANSCRIPT OF TESTIMONY TO BE <b>EMAILED</b> TO THE PUBLIC STAFF - PLEASE INDICATE YOUR DIVISION AS WELL AS YOUR EMAIL ADDRESS BELOW:
TOUR EMAIL ADDRESS DELOW.
ACCOUNTING
WATER
COMMUNICATIONS
ELECTRIC
GAS
TRANSPORTATIONECONOMICS
LEGAL william.grantmyre@psncuc.nc.gov
CONSUMER SERVICES
PLEASE NOTE: Electronic Copies of the regular
transcript can be obtained from the NCUC web site at
HTTP://NCUC.commerce.state.nc.us/docksrch.html under the respective docket number.
the respective docket number.
Number of copies of Confidential portion of
regular transcript (assuming a confidentiality
agreement has been signed). Confidential pages will
still be received in paper copies.
***PLEASE INDICATE BELOW WHO HAS SIGNED A
CONFIDENTIALITY AGREEMENT. IF YOU DO NOT SIGN, YOU
WILL NOT RECEIVE THE CONFIDENTIAL PORTIONS!!!!
All Public Staff personnel working on case.

Signature of Public Staff Member

### NORTH CAROLINA UTILITIES COMMISSION

Carolina Water Service, Inc. of North Carolina
Date

W-354, Sub 356 Company Name 08/23/17 Docket #

### **PUBLIC HEARING**

	PUBLIC REARING		
Customer Name	Address	Subdivision Name	Do you wish to make a statement?
1. FRANK CARROW	1065 BELLEDORE DR HAPTEAD	Barbook	108
2. RANDELL WOODRUFF		PENDER CU.	455
3. DIANA WOOLLEY	348 FRIDAY DR WILM	NOZTH-HILS	- yes
4. Ed WERREll	166 North Hills DR.	North Hills	405
5. DRNNY CONNER	231 Long John Silver	t 1	yes
6. Ferrell Drewn		Beloedere	yes
7. EARNEST CHANGE C	122 TEERSUUR ISLAND WAS	THEASUNE	VC3
8. JOM MATHIS	105 ROBT. Stephenson Dr.	THABUTE Cove	YES
9. Mandy wave	2909 Country Club Dr.	Coordy Chilo DV.	Yes
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20.			

Carroll Exhibit 1

#### Belvedere Plantation Water Issues Meeting Results Utilities, Inc. (Carolina Water Service) 8/23/17

FRANK CARROLL
1065 BEZVEDERE DR
W/MSTEAD NC 28443
631-681-8737
fcarrollsregmail.com

Belvedere Plantation is supplied with water from Utilities, Inc. (Carolina Water Service of North Carolina). The ratepayers had a Public Meeting in Hampstead on August 15. Over 120 of our local residents attended.

Top officials (including company President Mathew Klein and VP of Operations Bruce Mendenhall)) from Utilities, Inc. were there as well as County Commissioner Williams and part of his staff.

UI attempted to answer our questions and concerns. Most of their answers began with "I'm sorry" or "I apologize".

We have a petition which is signed by 166 residents of the Belvedere Plantation Community asking that a rate increase not be approved.

Legitimate concerns of our community included the following topics:

#### 1. Hard Water

- a) Black and or brown rings in toilets
- b) Water stains on shower doors and on washed cars that are extremely difficult to remove.
- c) Clothes that do not come clean even when bleach is used.
- d) Our system contains only the most basic treatment sand filtration and injection of orthophosphate (for sequestration of iron) and chlorination (for disinfection).
- e) In the past, residents of a neighboring community in Olde Point complained about the water quality and UI, which operates that system also, put a filtration/softener system on the pump location that supplies the water to their neighborhood.
- f) UI knew at that time that our system had the same problems but chose to do nothing.

Is there something that Utilities, Inc. can do to eliminate the hard water, or must each resident be required to add water softeners and filter systems to our homes?

Result - UI promised to improve system to bring hardness/cleanliness to acceptable level – timeframe complete within 6 months.

#### 2. High Chlorine Levels

- a) Many of or residents have experienced high chlorine smell in the water supply.
- b) One resident had a water company representative test and the answer was "It's a bit high, we will adjust the level". Not sure what "a bit high" means.
- c) Another resident was told that they were close to the beginning of the system and levels need to be maintained at the end of the system. Are they supposed to live with this high chlorine smell?
- d) I have lived in six different states and never experienced high chlorine smell, even in a large system that distributed water to a million customers.
- e) The annual water report showed higher than allowable levels of Haloacetic acids (HHA5) at 74.2 ppb (over 60 ppb). Since compliance is based on a 4 quarter average, the system was not technically in violation. UI states that they are flushing the system regularly to help lower the level of HHA5's and will continue quarterly sampling. The report states that this chemical is likely a byproduct of drinking water disinfection (chlorination).

Chlorine is used by UI to disinfect our water – is too much chlorine the cause of the contamination?

Since this chemical is a carcinogen, is quarterly sampling enough and has UI been able to identify the actual cause of the HHA5's?

What can Carolina Water do to regulate the chlorine levels properly?

Result - UI promised to improve the system to manage chlorine levels including automatic flushing and multiple chlorine injection points throughout the distribution system – timeframe complete within 6 months from now. They DID NOT agree to more frequent testing.

#### 3. Gen X -

- a) We understand that our system does not draw water from the Cape Fear River, but does get water from the Castle Hayne Aquifer which runs under the Cape Fear.
- b) GenX will eventually wash out of the Cape Fear River, but if it does permeate the Castle Hayne Aquifer, it may be there forever.

Does our water have any levels of GenX? Is there any possibility that GenX can get into the aquifer? If it does, what are the contingency plans?

Result - UI will be sampling and testing next week of 8/20. If levels of GenX are found, they will work with government officials to remediate the effect.

4. Service Outages – We have had numerous service outages and low pressure incidents leading to "boil water" alerts. Many residents are now routinely purchasing bottled water, boiling water even when there are no "boil water" alerts, looking for home water delivery services and investigating installing or reactivating their private wells. Reliability appears to be a problem.

#### **UI Comment?**

#### Result - UI has promised better communications and service.

#### 5. Recent "brown water" incident:

- a) Incident was apparently due to a pump failure and switching over to a well that was shut down for repair.
- b) We were told that the water was safe to drink, but not good enough to wash clothes.
- c) A report indicated that the "brown" color was from dissolved solids. Normally dissolved solids are just that minerals that are dissolved in water and not seen. I believe we had "suspended" solids and not "dissolved" solids. The solids in our brown water settle to the bottom of the container.
- d) From the same report With one well down, "The system operator plans on performing a comprehensive flushing program once both wells are placed back in operation, but have expressed concern about over flushing the lines with only one well operational."
- e) It is good engineering practice to provide 100% redundancy. There appears to be less than the needed 100% redundancy.

#### Is our system marginal for serving our community?

Result – UI stated that they could have opened a valve from the Pender County system rather than start the other well. They stated that they did not do this because they did not want to flood our system with GenX. Was this the reason or would they have had to pay for the Pender County water?

Our water system is currently experiencing water which is dark gray in color. No notifications from UI, although this has been happening for over 24 hours. They indicate that the main water tank on US 17 has been flooded with this gray water but they do not at this time know why. At 2:15 today, we received call from UI advising not to wash clothes; they are sampling for bacteria and flushing system; no mention if the water is safe to drink or any boil water alert. A water company employee stated today that the pump that was replaced less than a month ago is not the most appropriate for that well.

#### 6. Expansion:

- a) There are several development projects in the works which will be adding many new homes to the area.
- b) There is a concern that these developments will be hooked up to our already overburdened system.
- c) With 2 wells rated at 500 GPM each, a fire in the area will need more than the 1000 GPM available.

### What are Carolina Water's plans to deal with system expansion?

Result - UI stated that developers install system expansion as part of the cost of development. If system cannot handle the development, the developer pays for and installs the capital improvements, then turns the system over to the water company.

7. Timely and inadequate repairs – the cul-de-sac at the end of Greenview Court had a water main leak that was repaired and the road patched, although the patch was not done properly. When this leak was reported it was on a Friday; UI indicated that the weekend was coming, so they could not (and did not) respond until the following Monday. Neighbor reported that by Monday, the whole road surface was like "jello".

Shortly thereafter, another section of the water main was again leaking. A repair was made and the "crew" through their garbage in the hole, filled it in and left. One of the residents complained to Carolina Water and nothing was done. The road took over 2 months to be repayed.

#### **UI Comment?**

Result - UI promised to be more responsive to repairs in the future.

#### 8. Cost of water:

- a) Average cost of water in nation is \$1.50/1000 gal
- b) In this area, it is approximately \$3-\$4/1000 gal
- c) My latest water bill from Utilities Inc. had a usage charge of \$6.40/1000 gal. This is already the highest rate in this area.
- d) The bill also had a 25 cent charge for "water system improvement". When I emailed UI about this charge, I received the following response from Customer Service Representative Paul W.:

Thank you for contacting Utilities Inc. I don't mean to sound rude by saying this, but it's literally as it states. It's a charge for Water system improvement. It's for the water system that delivers the water to the customers. It's a charge to improve that system. I hope this helps. If there is anything else we can do for you, please let us know. Thank you, and have a great day!

If this is the only charge necessary for "system Improvements" then the rest of the UI fees must only be to cover O&M.

- e) It is strange when my monthly water bills have exceeded monthly electric bills, and I only have 2 people living at my residence.
- f) Just because Utilities, Inc. is a private company "backed by a private equity owner with extensive capital to fuel the company's continued growth", does not mean you should get a premium for your service.
- g) According to Clean Water for North Carolina, privatization of local water systems only leads to higher rates and poor service.
- h) If anything, our rates should be rolled back to be more in line with other water suppliers.

#### What can Carolina Water do to make our water affordable?

Result – No real answer except that they said my investigation of costs was probably public and not private utilities. I have them a list of area costs and the highest was range was \$3-6/1000 gal.

Maple Hill	5.00	Onslow	2.80
Rocky Point/Topsail	6.00	Jacksonville	<4.00
Scott's Hill	6.00	Leland	<4.00
<b>Brunswick County</b>	3.05	Topsail Beach	5.00
Cape Fear	3.67	Burgaw	4.63 (first 1000 gal free)
Carolina Beach	4.34	-	

Source - https://efc.sog.unc.edu/project/north-carolina-water-and-wastewater-rates-and-rate-structures#ratesheets

Carroll : 72

Belvedere Plantation Water Issues
Meeting Agenda
Utilities, Inc. (Carolina Water Service)

8/16/17

Belvedere Plantation has a local website called "Nextdoor" where residents can express concerns about local issues. To date we have had 390+ comments about the poor Quality of our water supply and the problems with it.

This meeting is a result of the neighbors' concerns.

Without getting too involved in minor details, the following are legitimate concerns of our community:

#### 1. Hard Water

- a) Black and or brown rings in toilets
- b) Water stains on shower doors and on washed cars that are extremely difficult to remove.
- c) Clothes that do not come clean even when bleach is used
- d) Our system contains only the most basic treatment sand filtration and injection of orthophosphate (for sequestration of iron) and chlorination (for disinfection).
- e) In a statement from one of our neighbors:

"According to an acquaintance in Olde Point, their problems with the water from Utilities Inc. were solved with they complained loudly enough that the Company put a filtrations/softener system on the pump location that supplies the water to their neighborhood. That system is attached to the pump station located beside the Olde Point Country Club parking lot. Maybe, Belvedere neighbors should band together to insist that the same be done for our Community. We do not live in a third world country and should insist that we receive clean safe water."

Is there something that Utilities, Inc. can do to eliminate the hard water, or must each resident be required to add water softeners and filter systems to our homes?

#### 2. Annual Water Report

The annual water report showed higher than allowable levels of Haloacetic acids (HHA5) at 74.2 ppb (over 60 ppb). Since compliance is based on a 4 quarter average, the system was not technically in violation. UI states that they are flushing the system regularly to help lower the level of HHA5's and will continue quarterly sampling. The report states that this chemical is likely a byproduct of drinking water disinfection.

Chlorine is used by UI to disinfect our water – is too much chlorine the cause of the contamination?

Since this chemical is a carcinogen, is quarterly sampling enough and has UI been able to identify the actual cause of the HHA5's?

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- d) I have lived in six different states and never experienced high chlorine smell, even in a large system that distributed water to a million customers.

#### What can Carolina Water do to regulate the chlorine levels properly?

#### 4. Gen X -

- a) We understand that our system does not draw water from the Cape Fear River, but does get water from the Castle Hayne Aquifer which runs under the Cape Fear.
- b) GenX will eventually wash out of the Cape Fear River, but if it does permeate the Castle Hayne Aquifer, it may be there forever.

Does our water have any levels of GenX? Is there any possibility that GenX can get into the aquifer? If it does, what are the contingency plans?

5. Service Outages – We have had numerous service outages and low pressure incidents leading to "boil water" alerts. Many residents are now routinely purchasing bottled water, boiling water even when there are no "boil water" alerts, looking for home water delivery services and investigating installing or reactivating their private wells. Reliability appears to be a problem.

#### **UI Comment?**

#### 6. Recent "brown water" incident:

- a) Incident was apparently due to a pump failure and switching over to a well that was shut down for repair.
- b) We were told that the water was safe to drink, but not good enough to wash clothes.
- c) A report indicated that the "brown" color was from dissolved solids. Normally dissolved solids are just that minerals that are dissolved in water and not seen. I believe we had "suspended" solids and not "dissolved" solids. The solids in our brown water settle to the bottom of the container..
- d) From the same report With one well down, "The system operator plans on performing a comprehensive flushing program once both wells are placed back in operation, but have expressed concern about over flushing the lines with only one well operational."
- e) It is good engineering practice to provide 100% redundancy. There appears to be less than the needed 100% redundancy.

Is our system marginal for serving our community?

#### 7. Expansion:

- a) There are several development projects in the works which will be adding many new homes to the area.
- b) There is a concern that these developments will be hooked up to our already overburdened system.
- c) With 2 wells rated at 500 GPM each, a fire in the area will need more than the 1000 GPM available.

#### What are Carolina Water's plans to deal with system expansion?

8. Timely and inadequate repairs – the cul-de-sac at the end of Greenview Court had a water main leak that was repaired and the road patched, although the [patch was not done properly. Shortly thereafter, another section of the water main was again leaking. A repair was made and the "crew" through their garbage in the hole, filled it in and left. One of the residents complained to Carolina Water and nothing was done. The road took 2 months to be repaved. I did notice that the tank area on US 17 that resembled a garbage dump has now been cleaned up. Was this the result of this meeting or just a coincidence?

#### **UI Comment?**

#### 9. Cost of water:

- a) Average cost of water in nation is \$1.50/1000 gal
- b) In this area, it is approximately \$3-\$4/1000 gal
- c) My latest water bill from Utilities Inc. had a usage charge of \$6.40/1000 gal. This is already the highest rate in this area.
- d) The bill also had a 25 cent charge for "water system improvement". When I emailed UI about this charge, I received the following response from Customer Service Representative Paul W.:

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If this is the only charge necessary for "system Improvements" then the rest of the UI fees must only be to cover O&M.

- e) It is strange when my monthly water bills have exceeded monthly electric bills, and I only have 2 people living at my residence.
- f) Just because Utilities, Inc. is a private company "backed by a private equity owner with extensive capital to fuel the company's continued growth", does not mean you should get a premium for your service.
- g) According to Clean Water for North Carolina, privatization of local water systems only leads to higher rates and poor service.
- h) If anything, our rates should be rolled back to be more in line with other water suppliers.

#### What can Carolina Water do to make our water affordable?

#### Carolina Water Service (Utilities, Inc.) MISSION STATEMENT:

"At Carolina Water Service, Inc. of North Carolina, we are committed to providing safe, reliable and cost effective service to our customers, a safe, challenging and enjoyable work environment for our employees, and a fair return for our shareholders; all with the underlying commitment to act with integrity, protect the environment and enhance the communities we serve."

- Safe Service "Questionable"
- Reliable Service "Questionable"
- Cost Effective "Very questionable"
- Challenging and enjoyable work environment for our employees "definitely challenging"
- Fair return for our shareholders Yes, but "At the expense of the ratepayers"
- Enhance the communities we serve "Only when the complaints are overwhelming"

Thank Commissioner Williams and Representative Millis for their support in the community's effort.

#### Open the floor for comments

Maple Hill	5.00
Rocky Point/Topsail	6.00
Scott's Hill	6.00
<b>Brunswick County</b>	3.05
Burgaw	4.63 (first 1000 gal free)
Cape Fear	3.67
Carolina Beach	4.34
Onslow	2.80
Jacksonville	<4.00
Leland	<4.00
Topsail Beach	5.00

Carrel Exhibits

## PETITION TO DENY RATE INCREASE To Utilities, Inc. (Carolina Water Services, Inc. of North Carolina)

We understand that Utilities, Inc. (Carolina Water Service, Inc. of North Carolina) has requested a rate increase for the Belvedere Plantation Water supply system in Hampstead, NC.

We are the customers of this water system and we have been plagued with problems over the recent past which have included:

- discolored (brown) water that we were told was safe to drink but not good enough to wash clothes
- hard water stains (black and brown)
- high chlorine levels
- service outages
- "boil water" alerts
- extremely high water rates
- clogged home filters
- system repairs that were inadequate and not done on a timely basis
- concern over expansion of our already marginal system

These concerns should be properly addressed and solved before any rate increase is granted.

### Carolina Water Service's "MISSION STATEMENT" says:

"At Carolina Water Service, Inc. of North Carolina, we are committed to providing safe, reliable and cost effective service to our customers, a safe, challenging and enjoyable work environment for our employees, and a fair return for our shareholders; all with the underlying commitment to act with integrity, protect the environment and enhance the communities we serve."

Based on their performance, we do not believe that our system is safe and certainly not reliable or cost effective considering the already exorbitant rate of \$6.40/1000 gallons. This rate appears to be one sided in favor of their shareholders and not their customers.

### Carolina Water Service's "OPERATIONAL EXPERTISE" statement says:

"Carolina Water Service, Inc. of North Carolina is experienced in managing virtually every type of water and wastewater facility, from the most fundamental to the most advanced equipment and processes. Our state-certified managers and operating field staff ensure the quality of our services and the integrity of our systems."

It is clear that our water system contains only the "most fundamental equipment and process" at a premium price and is a system that lacks proper quality and integrity.

For these reasons, we ask that any current and future rate increases not be approved. We also ask for a thorough review of Utilities, Inc. (Carolina Water Service, Inc. of North Carolina) costs to determine if a rate "decrease" may indeed be in order.

Petition summary and background	North Carolina Utilities Commission Rate increase hearing for Utilities, Inc. (Carolina Water Services Inc. of North Carolina)
Action petitioned for	We, the undersigned, are concerned citizens who urge our leaders to act now to deny rate increases to Utilities, Inc. (Carolina Water Services Inc. of North Carolina) for Belvedere Plantation, Hampstead, NC

Printed Name	Signature	Address	Date
Faturia Bush	Cate Bush	732-415 Agalea Dr.	8/16/19
Mike Bush	Mar Borsh	732-415 angla à	8/16/10
Anndrea Carey	adlo	1165 Belvetere 28443	8/16/17
Cedr. Ck Bastel	es for	1168 Betvedere Dr 2848	8/6/17
Fred albus	ls	1/3 Wild Berry Lane 3	8/16/17
Dally albert	7		8/16/17
SACKIE HARDIN	Justie Harder	- 107 Kersey Et.	3-16-1
Bax Juna GA	1 Berlan De	207 Longleaf DR	8/16/11
Russell Go	f lusul for	5 207 Long Leaf Dr	8/16/19
	// / / /	106 Bay Tree Ciade	3/16/17
Lindsay Adams	Lindsay Adams	107 Southern Magnolia Ct.	8/16/17
	Paula AReca		8/16/17
JOHN ROBBINS	for the	900 1711100 W 11711-W STILL	8-16-17
Alesia Bond	Ilesia and	205 Longleaf Drive	8-16-17
	ents bond	205 Langlest Price	8-16-17
antlia Della	Cynthia Dalton	108 Eagle Lane	8-16-17
Pay Dalton	Fay Dalton	((	f 4
Carole Drewn	Carole Drewy	508 Azalea Dr.	8-16-17

Petition summary and background	North Carolina Utilities Commission Rate increase hearing for Utilities, Inc. (Carolina Water Services Inc. of North Carolina)
Action petitioned for	We, the undersigned, are concerned citizens who urge our leaders to act now to deny rate increases to Utilities, Inc. (Carolina Water Services Inc. of North Carolina) for Belvedere Plantation, Hampstead, NC

Printed Name	Signature	Address	Date
ANNE C. GERVAE	au C. Lewase	132 Gales Dr., Unit 407, Haysteal	8/14/17
Jon Mills	Jogmonills	1045. Belvedere Dr Hampstead	8/16/17
KANS CARROLL	MARCH W	103 Cles VITWCT 28443	8/16/17
FRINK CLERON	Find Cunt	1065 BONESONE DR MINISTAND NC	8/16/17
Rosemary Twiford	0. (1.	102 Bagey C. Hampted NC	8/14/17
Carment The ford	(Classiff	102 Bigging of shaupt the	8/14/1
Amy Delles	Amy Gelles	329 Long Leaf Dr. Hampstol	8/16/17
kyle mills	The OMB	104 5. Belvedere Dr. Hampston	18/16/17
oreg Mischel	Shogt/leseld	418 N. Belvedere Dr. 418 N. Beleveder, Dr.	8/16/17
0 1 (	Lici Mischel	Hampstead NC 2844	8-16-2017
PAT VIGGINS	. (-)-110	HAMPSTERD NC28443	116/17
MIKE SAVAILI	Mile facille	HAMPTEND NC	8/16/19
Y lacecy of	DIANE SEPSE	145 KED BIRD 28448	8/16/1
Marie Savalli	Maria Salli	158Red Budha. 28443	8/16/1
Elise Kingston	KliseKingston	123 Red Birdha, 28443	8/16/17
22.	Hong Knjets		8/16/17
James Terry	Hamer Dury	110 azalia Dr. 284 x3	8/16/17

Petition summary and background	North Carolina Utilities Commission Rate increase hearing for Utilities, Inc. (Carolina Water Services Inc. of North Carolina)
Action petitioned for	We, the undersigned, are concerned citizens who urge our leaders to act now to deny rate increases to Utilities, Inc. (Carolina Water Services Inc. of North Carolina) for Belvedere Plantation, Hampstead, NC

Printed Name	Signature	Address	Date
Connie Lowell	Conne Soud	123 azalea Dr. Hampstral	8-16-17
Ton howers	Va Sand	123 AZALEM Da HAPSTERAD	1
Thomass Doe	Say Deeg,	105 Bunker Court, House	ma 8/14/20
Patricia Marks	Patrice Marks	109 Current Ln Hampsteel 2844	
GEDRGE MARKS	Jeors Marks	109 CURROUT IN. HAPSTERD - 2844	3 8-16-17
barry Sutton	THE I	105 GREENVIEW CT HEMPSTER	,
Sistene Hamberg		114 Belvedere CT "	8)1617
STEVE TOMICAL	// //.	10H, GREESVIEW CT. HAPPER	2494
Inda Take -		97 Red Bud have Humpse	oal
Laky Lake		97 Reo Bien Sampit	-
,	Karrynekumon		
LABRY A. HAWKA	Panel Ish	718 ander Of Uniter Il	
Douglas Keetl	Dooplas Keets	107 Boge y Ct. Hampstead	8/16-10
March Ware	manoflowere	2909 Combuch Dr. Langs	100 8-10-i
Mary Tomth	my Sout	154 N Belveder Dr Namite	1 9118 GC
TERRY HINCKE	w THeucken	120 AZALEA Die "	8/14/17
		103 Holly Tree OF	8/6/17
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Printed Name	Signature	Address	Date
Actor wetk UKma	and Interested a	105 Greenview C+ Hampstrad	8-16-17
SHARON GALONICH	Sharin Jalarik	2147 County Club Heysted	816-17
MARK GAZOVIC	H M Galovick	2147 Country CLUB DR.	8-16-1
		2917 Country aub Dr.	2/10/17
BENEALY SHOULS		15 NIDGEON CIRCLE	8/16/17
KERMIT SHAWLIS	Som Shanh	11 ( //	
Michael Connol	& Michael Cound	la 204 N Belvedere DR	8/16/5
Joyce Diggett	1 1	103 N Belvedore Dr.	8/16/1
JAMES MOORE	Jane Moore	184 DIVOT CT.	8-16-1
Wher's Becker		479 Hysland, Dr. Hangsterd	8/16/7
JoEllenlage	Aller lagre	105 higsher of B	8161
VANCY FORD	Paney ford	104 Thrasher of A	8-16-1-
ara Distlum	Julin	-287 Hickory Lane	8-16-1
SAVEDINTAN		267 Hickory Lane	8-16-1
DIANA SIMMONS	Deana M. J	104 Mulberry Circle 28443	8-16-17
Harin Wielard	XCE Do	Sor Azaleadr.	8-16-17
Inck MzDavell	C MEDocardo	112 Cyclo Dr. Hampstood	16 Cung 17
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Bric Goods is	Brie Goolbi	204DBelsedere	8/16/1
3 www Shamod	Some Devel	117 W. Belvedere	3/10/18
		18 207 Longleaf Dr	8/16/17
/// ()	Cynche spoon	202 FAIRWAY DR	8-16-17
	Jestig Ash	106-cThrasherCt	8/16/17
Shejlafarre	(Shall tarrell	105 TANAGERSIERY	8/14/17
Tom Faster	1 1 1/	11 10 1/	81617
An Rivers		120 Holly Tree LN	8/16/17
ED CHAPMAN	1 2 2	426 WIDGGON DA	8/16/17
	Snorth 7 Bridge	435 N. Belvedner in	81101
for me Dower	Jan McDovice		8-16-19
al & Mille &	Gan Michaelowice	112 azalea Dr 123 Ens Ct	8-16.
Regry Fowler		113 Caret Ct	8/16/1
Elizabeth H	,	1255. Belvebere	
Port Douver	Ruth Scrivner	108 Regan Ct	8/16/17
my Carroll	anel Ceapl	108 Regan Ct 103 Greenview Ct Hom Pster	\$116/1
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Printed Name	Signature	Address	Date
Stephanie Ottawa	Mon	108 S Belvedere Humpstead	8/12
faula MiNOR		156 RelBirel Lane	8/16/17
Tricia Sumner	Tricia Suma	106 Mulberry Circle	8/16/1
Jany Summer		106 Mulberry Circle	81117
		1055 Belvedere	8/17
	Peroblish	506 Azalea Dr H'steed	8/17
Marge Ulcicks	Milling	102 Soundien Dr.	117
Joan Hurry	100D of her Ce	)	8/17
Hory Winks	Tang Ulintan	102 SOMDIEW	8/12
Robert Huny		100 Dolphin Cir	8 18
James Walsh	DAMES WALSH	208 Hickory LN HAMPSTEAN	8/8/17
atherine Cedans	Catherine Adams	113 Yacht Basin Landing Hampstead	8/18/17
Mary-Ann Long	Mary Censlon	732 Abalea Dr #410 Hampston	8/18/1)
Ben Daniels (	- //	120 HOLLY TREE	8-18-17
Judy Bucher	Duha	103ATRrasher OT	8-16-17
Welsout	Welver	40P Azalea Dr.	P-16-17
Jim Mc aud	ley 2/1/2	410 Azolea Dr.	8-16-17

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icky Ostmann	Viele B Ostria	2 121 Egist Cf Hampstead, NC	8/16/19
Gary HAddock	Lay Haddock	133 Holly LAME Tree HAMPS	
	Cercle Godod	133140/14 LAME Tree AAMpsless	( AIC 8/1
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Keny Mayor	/	112 Persimma DA	8/16/17
. / - /.		10) Bay Tree Cir	8-16-1
Ferrell Drawy			8/16/1-
and Heeran	Caroli Heen	Sol Azalea Dr Hampsted	8/16/1
ARY MAGISTRELLY	Any Maj stiell	216 Weathersbee Dr., Hampsterd	08/16/17
Robin Lución	Robin Lucin	402 agalow Hengele	8/14
an Gleasa	115 Egret Ct	P	SIK
Kin ZONDLO	118 LEEWARD L	V a	8/16
SPR/and	108 Hickory Cir	LOBERT PHAMMOND	8/19/17
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m Ginde Warlow	LINDA MARLOWE	400 angles Dewe	8/22/17
BRAHE RICK	3/2	200 AZALER, Haystonl	5/24/17
BriAN Gongloft	Sun Horles	202 Azalez HAMPSton	8/22/17
In Hulst	Enulas	1050 Throsper Ct Hampstood,	8/20/19
Roland Cambin	23800	112 Red Bird Lave	8.22.1
Kim Cemilin	1cm Couch	112 Red Bird Lane	8-22-1
Tim Coleman	Ch in Colywa	710 Azulea Drive #470	82V1-
Wendy aven	Wordy Juan	103 Sweet Bay Ct	8/22/
RYAN Rasiusa	For Roman	- 106 sweet Bay CT	8/22/1
MATT Queen	Some f	103 Sweet Bay (+	8/22/17
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Keran Towney	Kevin Teolog	104 Sweet Bass Ct	8-22-11
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DIANE DAYT	on Viane Payte	m 102 SPANISH MOSS CT	8-22-1
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Donna Moore X	ma Moore	104 Divot Ct Hampstead	08/16/1
Mary An Boward	31-10	306 Widgen Dr Hampster	1 8/10/
^		306 Widgen Dr Hampsher	18/20/17
PATRICIA SEMAE LA	Jenne	100 PHOEBEE CT. Lampstead	8/20/17
Laura Caporino	lego in	103 Phoeber Ct Haryster	
Stelly Hagfied	Sharped	105 Pholber Ot Hamp	8/20/17 Stead
Lynn Creech Ry	m Crack	106 Phoebee Ct. Hampstead 106 Phoebee Ct. NC 28443	8/20/17
DAVID LOCHART	/ / /////	104 PHOUBEE CT HAMISTEAD NO DETEN	
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Karen Justice K	tut	1-1111	8/20/17
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Roy Short	RShort	10/ Widgeon Cij	8/27/17
Elviz Short	Elia Shout	11	17090
Elizabeth Ho	Tiley Elf St	of 1255, Belvedere Dr	8/22/17
aren Okelley	Lever Olla	425 Vidsen DR	8/22/1-
Din Celore	dine Ce bone	703 AZ Blot Samptlen	1
Mais Rob	& Ohris Robert	E 106 Bay Tree Circle	8-29-
renda Potter	Brenda Potter	465 Andrews Rd. Hampstead NC 28483	8-22-17
Jopen lost	Geffy Post	Hompstead ne 2845	100
havon Cappiell	A Cappell	Hampstead, N	8122-
Regina Fisher	Boyena Josha	53 Thandy Way, Housetra	18/22/
vesa Rhodes	Loss Rlods	301 From Pool, Haryslead	8/22/17
Elilabo E	Doubro	HAMPS ISA)	8-24

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August 23, 2017

**NC Utilities Commission** 

Public Hearing on W-354 Sub 356

**New Hanover County Courthouse** 

Submitted by Ferrell Drewry

508 Azalea Dr., Hampstead, NC 28443

919-805-5005

fdrewry@yahoo.com

Thank you for coming to Wilmington and for allowing me to share my opinion about the water rate increase requested by Carolina Water Service, Inc. of North Carolina, a division of Utilities, Inc. in Northbrook, IL and which itself is a division of Corix Infrastructure located in Vancouver, British Columbia, Canada.

I learned from the NC Utilities Commission web site that:

"The law requires that utility companies must provide reasonably good service and must be fairly paid for doing so. In setting prices, the Commission must be fair and reasonable to both public utilities and their customers."

(from content located here: http://www.ncuc.commerce.state.nc.us/overview/ucdesc.htm)

My opinion is that Carolina Water Service is NOT providing "reasonably good service" and that Carolina Water Service is already being paid a rate comparable to public utilities providing a much better quality product and service.

I think that Carolina Water Service water quality has deteriorated significantly in the past 9 months, and during that time, Carolina Water Service has failed to consistently notify customers in a timely manner of water quality issues. There have also been water quality issues where NO notification was received

Drawny

from Carolina Water Service. As a result, residents in our area served by Carolina Water Service have had:

- increased in-home filtration costs
- the need to purchase bottled water or to boil water for human consumption
- clothing and bed linen stained due to poor water quality.

I am regularly seeing a total dissolved solids (TDS) reading of greater than 100 ppm for my water. This morning, the reading was 235 ppm. By contrast, cheap bottled water has a TDS reading of approximately 0.05 ppm and small filter systems produce water with a TDS reading of less than 0.01 ppm. This means that my water this morning from Carolina Water Service had approximately **4600** times more TDS than a gallon of "spring water" from Wal-Mart. That's about 1 gram of TDS that people are consuming for every 2 gallons of Carolina Water Service water. Clearly, Carolina Water Service is **NOT** producing a "reasonably good" product.

I understand that high mineral content can be expected in ground water systems and that flushing is a common solution to alleviate the high mineral content. Due to the poor quality and outages we have experienced in the Belvedere Plantation subdivision in Hampstead, I question whether or not Carolina Water Service has maintained a proper flushing and preventive maintenance schedule to ensure a "reasonably good" and reliable product to NC residents. I also question whether or not Carolina Water Service has complied with notification requirements set forth by NCUC and the NC Department of Environmental Quality.

I have also heard that at least one home sale was terminated after the prospective buyer learned of the water quality issues in our neighborhood. The real or perceived loss of property values in our neighborhood could become a significant additional cost to customers of Carolina Water Service.

Regarding a utility "being fairly paid", my water rate is currently on par with the rate charged by Pender County. My research shows the following water rates in my area (wastewater rate not shown):

# #		Water Rates	
Company	Service Area	Base Monthly Fee	Per 1,000 Gallons
Carolina Water Service	Belvedere Plantation subdivision, Hampstead, Pender County, NC	\$22.40	\$6.40
Pender County Utilities Department	Pender County	\$27.50	\$6.50
Cape Fear Public Utility Authority (CFPUA)	New Hanover County	\$33.34	\$3.85
Aqua North Carolina Inc	The Cape subdivision, Wilmington, New Hanover County, NC	\$21.09	\$1.42

Belvedere Plantation in Hampstead and The Cape subdivision (approx. 1,000 homes) near Wilmington are similar golf course communities where the water is provided by private utilities. While the base water rate per month is comparable, Carolina Water Service is currently charging residents **over 4 times more** what Aqua is charging for water usage. It appears to me that Carolina Water Service is currently getting a more than reasonable rate or fair rate **without providing a reasonable product**.

Therefore, I respectfully request that the Commission REJECT the rate increase requested by Carolina Water Service. I also request that the Commission take steps to determine whether or not Carolina Water Service should maintain their franchise or certificate of authority versus moving the affected residents to the Pender County Utilities Department system. My understanding is that the respective water systems are interconnected for emergency needs so it seems like a simple matter to switch residents to a better system. My opinion is that Carolina Water Service has not re-invested properly into our NC community and therefore does not deserve to continue to be permitted to serve our NC community.

I also request the Commission and its counterparts in NC DEQ to conduct a thorough audit of Carolina Water Service facilities and their records provided to the respective agencies to ensure that Carolina Water Service is following the procedures required to provide safe and reliable water to our NC community.

Thank you for your time.

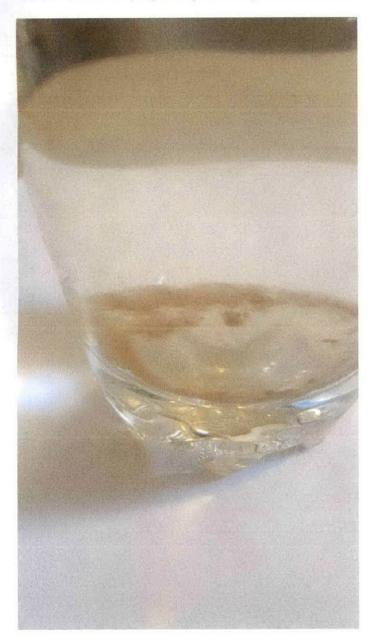
Ferrell B. Drewry

Water Sample Photos from 508 Azalea Dr, Hampstead, NC 28443 for the most recent issues. Similar issues have persisted for the past 9 months!

Picture taken on )7/12/2017 (discoloration and sediment)



Picture taken on 07/14/2017 (sediment)



#### Picture taken on 07/28/2017 (discoloration)



Picture 08/23/2017 (sediment and discoloration)



Mathis Exhibit

### Your Water Bill is about to go Up

85%

...Flat Rate from \$14.50 to \$26.95

305% !!!!!...Water Usage from \$1.90 to \$7.70

(per 1,000 gallons)

Ref: Application by Carolina Water Services to increase rates to NC Utilities Commission Docket # W-354, Sub 356

The application by CWS is unwarranted and unjustified. In addition, problems existing are:

Pressure is inconsistent

Water smells at times and does not taste good

Water stains clothes, house sidings and clogs inside plumbing fixtures

Water clogs ice maker filters and faucet screens quickly

Minerals and deposits from water clogs hot water heaters quickly

Minerals and deposits from water ruins your hair

The old meter boxes are broken, cracked, leak and were never properly installed

Many residents have had to purchase water softeners for washing clothes

Many buy ice now as ice maker filters cost \$30 to \$50 each

Can't wash our vehicles or boats without having heavy minerals deposits sticking to finish

#### CWS needs to address and fix the issues listed above before any rate increase

If you have any questions or wish to register other complaints, you can send your comments to gina.holt@psncuc.nc.gov

Please make reference to the Docket # listed above

Ms Holt is an attorney with The Public Staff who represents the residents and consumers of the CWS system.

If you want to fight this ridiculous increase as proposed, your voice must be heard. PUBLIC HEARING is Wed August 23, 2017 7pm Courthouse Courtroom #317

Look for updates on Facebook: tag group "IN THE LOOP"

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Mug. 23rQ.
Ware Ex. 1

