

STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGHDOCKET NO. W-218, SUB 497
DOCKET NO. W-218, SUB 497A

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of)	AFFIDAVIT OF
Application by Aqua North Carolina,)	BERNARD F. THOMPSON,
Inc., 202 MacKenan Court, Cary North)	DIRECTOR OF PURCHASING,
Carolina 27511 for Authority to Adjust)	AQUA AMERICA, INC. -
And Increase Rates for Water and)	RESPONSE TO PUBLIC
Sewer Utility Service for all Areas)	STAFF COMMENTS
in North Carolina)	

NOW COMES Bernard F. Thompson, Director of Purchasing, Aqua America, Inc. ("Aqua America"), being duly sworn, who hereby executes this Affidavit on behalf of Aqua North Carolina, Inc. ("Aqua NC" or "Company") in Docket Nos. W-218, Subs 497 and 497A. This filing is in response to Comments filed by the Public Staff in Docket No. W-218, Sub 497 on July 26, 2019, and August 13, 2019, concerning the benefits associated with Automated Metering Reading ("AMR") technology deployment.

A. Procedural Statement

On December 18, 2018, the Commission entered an Order in Docket No. W-218, Sub 497, captioned *Order Approving Partial Settlement Agreement and Stipulation, Granting Partial Rate Increase, and Requiring Customer Notice* ("2018 Rate Case Order").

Ordering Paragraph No. 26 of the Commission's 2018 Rate Case Order, at page 186, provides as follows:

Aqua NC agrees that providing the 40-day read history is an added benefit of the AMR technology, and one the Company is actively working to facilitate. In her Affidavit, Ms. Gresehover stated that future benefits, to be realized with full deployment of AMR technology, will primarily flow from improvements and advancements in the management and analysis of the data provided by the data-logging function of the AMR technology; namely, the collection of the 40-day read history during each meter reading cycle and the tamper reporting. Aqua America currently receives this data for 49% of customers and utilizes it internally to help identify system leaks and resolve specific customer billing/usage disputes, including in North Carolina. This read history is not currently available in a format that is readily available to be shared with customers at this time; its production currently requires significant *ad hoc* handling to obtain and analyze specific premise details necessary to utilize it in a productive manner. Currently, a limited number of people in Aqua NC can perform that *ad hoc* management; however, as the data accumulation and organization proceeds, the ability to access it more readily internally and---ultimately---to make it available on a proactive basis to customers, increases.²

Ms. Gresehover further noted that Aqua America is working to expand the Company's meter data management system ("Automated Meter Reading Application" or "AMRA") to store and present daily customer consumption data, where available, for a 12-month period to improve internal use and analytics of this

² It is important to note that this incremental path to full benefits of deployment would characterize a conversion to AMI technology as well. The technology can provide the data, but it must be analyzed, configured and made available to relevant users for the range of different capabilities it can support or enhance.

data. This information, once available in AMRA, will also be available to, and used by, Customer Service Representatives and Field Service Representatives to improve customer service. This project is managed by Aqua America Information Technology ("IT") resources with participation from several departments and requires a company-wide effort to develop the platform---it is not North Carolina-specific.

The usage data will ultimately be readily available for an Aqua America representative to share with customers upon their specific request by the first quarter of 2020. However, the Company must be clear that the Public Staff's expectation about speed to provision of data sharing---internally and externally---is simply not grounded in the reality of the incremental and significant deployment effort and data accumulation/manipulation process that is required. At the appropriate time, Aqua NC will communicate to its applicable customer base that the usage data is available upon their request in a manner yet to be determined. Additionally, and as required under Ordering Paragraph 26 of the 2018 Rate Case Order, Aqua NC will notify the Commission when such information is being shared.

Furthermore, Ms. Gresehover stated that Aqua America will initiate a project to develop a long-term Strategic Plan for Meter Data Management and Advanced Analytics in 2020. Costs for this plan are included in the five-year capital budget and will include defined and specific use cases for the 40-daily read history and other advanced AMR data-logging, business process development, evaluation of software and applications, and an implementation schedule. A deliverable of this plan will be to define the criteria for data storage (duration, location, and