

**SANFORD LAW OFFICE, PLLC**

Jo Anne Sanford, Attorney at Law

May 30, 2023

Ms. A. Shonta Dunston, Chief Clerk  
North Carolina Utilities Commission  
4325 Mail Service Center  
Raleigh, North Carolina 27699-4325

**Via Electronic Delivery**

Re: Docket No. W-354, Sub 414  
Carolina Water Service, Inc. of North Carolina  
Formal Complaint of Don Calhoun  
Proposed Order Dismissing Complaint With Prejudice

Dear Ms. Dunston:

Carolina Water Service, Inc. of North Carolina ("CWSNC" or "Company") hereby files the Company's Proposed Order Dismissing Complaint With Prejudice in this docket.

CWSNC asserts that the evidentiary record in this case supports the Commission reaching the following conclusions:

First, that Mr. Calhoun in fact received and used (even if unknowingly) the water that was delivered to his property during the three billing periods in question; that his Complaint should be dismissed with prejudice; that his outstanding balance for water utility service in the amount of \$713.91 is correct and should be paid; and that no further billing adjustment is warranted or required in this case. This conclusion is based on thorough pre- and post-hearing investigations.

Second, that the Company makes a credible assertion that human error related to the programmable irrigation controller and/or system operation likely led to numerous irrigation cycles resulting in high water usage at Mr. Calhoun's premises. This conclusion is supported by the close correlation between high usage anomalies and the irrigation day/time programs found to be active on Mr. Calhoun's system, as well as by the meter accuracy test reports.

Third, that CWSNC has been entirely reasonable in its prior interactions with the Complainant since its first encounter with Mr. Calhoun on May 18, 2022,

when a Company representative went to the Calhoun property to investigate a reported leak. CWSNC continued to act in good faith in all subsequent interactions with the Complainant and has thoroughly investigated and responded to all allegations set forth by Mr. Calhoun in this complaint proceeding. The evidence offered by CWSNC in this case was entirely credible, including Company witness Denton's testimony at the evidentiary hearing and the supporting exhibits and three Affidavits filed in support of the Company's position.

Fourth, that CWSNC made a very fair and significant \$650 billing adjustment in Mr. Calhoun's favor in August 2022. CWSNC made that good faith billing adjustment to the benefit of Mr. Calhoun notwithstanding that (a) multiple investigations by Company personnel showed no leaks related to the utility's water meters serving the Complainant; (b) meter testing showed no irregularities with any of the meters serving the Complainant's premises which would account for inaccurate or faulty, high-meter reads; and (c) there is no indication of any mis-billing by the Company related to the Complainant's account. Furthermore, any leakage resulting in actual usage on the customer's premises is the responsibility of the customer; not CWSNC.

Fifth, that the complaints which Mr. Calhoun separately filed with the Public Staff and the Better Business Bureau were all closed with no adverse action having been taken against CWSNC.

Sixth, that there is no basis for the Commission to grant Mr. Calhoun's request that CWSNC be replaced as the water provider for his service area, and that request is without merit. Furthermore, Mr. Calhoun has completely failed to substantiate his claims that the Company is uncooperative, that it abuses its customers, and that its customers have little to no recourse.

Finally, that Mr. Calhoun's assertions that he was also representing not just himself and his specific Complaint against CWSNC, but also the interests of his community in this case, fail to support his claim for relief in this proceeding.

CWSNC notes that the burden of proof in this case is on the Complainant, not on the Company. Mr. Calhoun's denials, alone and in the absence of any corroborative, credible evidence, are insufficient to meet his burden of proof---

particularly in consideration of the abundance of credible evidence offered by the Company.

I hereby certify that a copy of the Company's Proposed Order has been electronically served on the Complainant, who is the only other formal party to this proceeding.

Thank you and your staff for your assistance; please feel free to contact me if there are any questions or suggestions.

Sincerely,

**Electronically Submitted**

**/s/Jo Anne Sanford**

State Bar No. 6831

Attorney for Carolina Water Service, Inc.  
of North Carolina

STATE OF NORTH CAROLINA  
UTILITIES COMMISSION  
RALEIGH

DOCKET NO. W-354, SUB 414

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of	)	
Don Calhoun, 393 Bayberry Creek Circle,	)	
Mooreville, North Carolina 28117,	)	
Complainant	)	CWSNC'S PROPOSED
	)	ORDER DISMISSING
v.	)	COMPLAINT WITH
	)	PREJUDICE
Carolina Water Service, Inc. of North Carolina,	)	
Defendant	)	

HEARD: Thursday, March 23, 2023, at 11:00 a.m., in the Iredell County Hall of Justice Annex, 203 Constitution Street, Courtroom C, Statesville, North Carolina

BEFORE: Commissioner Karen M. Kemerait, Presiding Commissioner, and Commissioners ToNola D. Brown-Bland and Daniel G. Clodfelter

APPEARANCES:

For Complainant Don Calhoun:

Don Calhoun, *Pro Se* (No Attorney of Record)

For Defendant Carolina Water Service, Inc. of North Carolina:

Jo Anne Sanford, Sanford Law Office, PLLC, Post Office Box 28085, Raleigh, North Carolina 27611

**BY THE COMMISSION:** On November 7, 2022, Mr. Don Calhoun (Mr. Calhoun or Complainant), a water customer of Carolina Water Service, Inc. of North Carolina (CWSNC or Company), filed a formal complaint (Complaint) with the Commission challenging, in pertinent part, certain water usage and billing information affecting water bills from CWSNC that he received for water utility

service at his property located at 393 Bayberry Creek Circle in Mooresville, North Carolina. On November 30, 2022, Mr. Calhoun filed an addendum to his Complaint. On December 16, 2022, Mr. Calhoun filed a second addendum to his complaints, including two attachments.

More specifically, in Paragraphs 3 and 4 of his Complaint, the Complainant alleged and asserted, in pertinent part, that:

3. My complaint concerns Carolina Water Service of North Carolina and their water usage and billing information. We have lived at the same residence for 10 years. In July of 2020, Carolina Water Service billed us \$71.00 for using 5,170 gallons. In July of 2021 Carolina Water Service billed us \$177.67 for using 18,030 gallons. In June of 2022 we were billed \$68 for using 4,700 gallons. In July of 2022 that number jumped to \$771.04 claiming usage of 63,750 gallons of water. In August of 2022 we were billed \$650.19 for using 43,090 gallons. In September we were billed \$409.94 for using 35,008 gallons. Our current usage per [www.myutilityconnect.com](http://www.myutilityconnect.com) shows an absurd amount of 105,000 gallons used which will put our bill well over \$1200. This is more water in one month than we've used in a year over the 10 years at this address. We are not alone. We have 100's of people in our service area that are being billed for impossible usage amounts. Carolina Water Service is very aware that 100's of customers have complained about this sudden surge in usage and are doing nothing but blaming consumers for having leaks. We cannot all have leaks. \$2500+ for 4 months of water is what my family is being billed. We've had a plumber and irrigations specialist verify no leaks at our home. For reference, WCNC Charlotte has done two stories on this issue. [Links deleted from original]
4. We are asking that Carolina Water Service revise all bills to the historical average and be regulated more stringently as they have not stopped the over-billing based on the absurd usage amounts. We further ask that Carolina Water Service be replaced as the water provider for our area if they will not cooperate and stop abusing consumers that have little to no recourse. I look forward to your response.

On November 8, 2022, the Commission entered an Order Serving Complaint in this docket whereby Mr. Calhoun's formal complaint was served on

CWSNC and the Company was directed to either satisfy the demands of the Complainant or file an answer with the Commission on or before November 18, 2022. On November 15, 2022, CWSNC filed a request for an extension of time until Friday, December 16, 2022, to file the Company's response to the complaint. By Order dated November 16, 2022, the Commission granted the requested extension of time.

On December 16, 2022, CWSNC filed the Company's Answer and Motion to Dismiss Complaint, including the Affidavit of Donald H. Denton III, and certain supporting exhibits which are part of the evidence in this case. Mr. Denton is the President of CWSNC.

On December 9 and 14, 2022, Mr. Calhoun filed 2 exhibits in support of his Complaint.

On December 16, 2022, Mr. Calhoun filed a second addendum to his Complaint and a further response on December 20, 2022.

On December 21, 2022, the Commission entered an Order Serving Answer and Motion to Dismiss in this docket, whereby the Complainant was requested to "...advise the Commission whether the Answer [filed by CWSNC] is acceptable to you and, if not, whether you desire a public hearing to present evidence of your complaint...."

On December 21, 2022, the Complainant filed a reply, using the form supplied by the Commission, whereby he requested that this matter be scheduled for public hearing.

On January 31, 2023, the Commission entered an Order Scheduling Hearing, whereby Mr. Calhoun's Complaint was set for evidentiary hearing on Thursday, March 23, 2023, at 11:00 a.m., in the Iredell County Hall of Justice Annex, 203 Constitution Street, Courtroom C, Statesville, North Carolina.

Upon call of the matter for evidentiary as scheduled, Mr. Calhoun appeared without representation by counsel and represented himself *pro se*. CWSNC was represented by attorney Jo Anne Sanford of the Sanford Law Office, PLLC. Mr. Calhoun testified on direct and rebuttal and Mr. Denton testified on direct for CWSNC.

During the evidentiary hearing, the Commission requested CWSNC to file the following three Late-Filed Exhibits:

- A. An exhibit which details the size of the water meter(s) serving Mr. Calhoun's property and how much water can flow through per minute.
- B. An exhibit which describes (a) the Company's meter reading and billing procedures as they directly apply to each of the three water bills contested by Mr. Calhoun specifically related to flagging of high usage during the meter reading and billing processes as described by the Cavanaugh consulting group in Denton Affidavit Exhibit 1; (b) whether the Company's contacts with Mr. Calhoun related to the three water bills in question were a result of outreach by the Complainant or were they based on internal meter reading and/or billing system triggers; and (c) how estimated bills are developed and processed by the Company.
- C. An exhibit summarizing the results of an investigation conducted by CWSNC testing Mr. Calhoun's irrigation system, monitored, and observed by the Complainant and his irrigation specialist.

On April 28, 2023, CWSNC filed the Post-Hearing Affidavits of Company President Denton addressing Late-Filed Exhibit B and Gary M. Peacock,

CWSNC's Director of State Operations, addressing Late-Filed Exhibits A and C. On that same day, the Complainant filed a response.

Mr. Calhoun filed further responses in this docket on May 16, 2023 and May 22, 2023.

On May 26, 2023, CWSNC filed its Verified Response to the Complainant's May 22, 2023 filing.

**Direct and Rebuttal Testimony of Complainant Don Calhoun**

In his direct and rebuttal testimony, Complainant Calhoun offered testimony and exhibits in support of his Complaint and responded to cross-examination by CWSNC's attorney. He also responded to questions posed by members of the Commission. Mr. Calhoun's testimony and all his proffered exhibits are fully reflected in the record of this proceeding

**Direct Testimony of CWSNC Witness Donald H. Denton III**

In his direct testimony, CWSNC witness Denton offered testimony and exhibits in support of the Company's position in opposition to Mr. Calhoun's Complaint and responded to cross-examination by the Complainant. He also responded to questions posed by members of the Commission. Witness Denton's testimony and all exhibits proffered by the Company are fully reflected in the record of this proceeding.

**WHEREUPON**, based upon the entirety of the evidence and the record herein, the Commission now makes the following:



## **FINDINGS OF FACT**

1. CWSNC is a corporation duly organized under the law and is authorized to do business in the State of North Carolina as a franchised water and sewer public utility. CWSNC is a wholly-owned subsidiary of Corix Regulated Utilities, Inc.<sup>1</sup>

2. The primary complaint registered by Mr. Calhoun relates to three bills for water utility service<sup>2</sup> which he received from CWSNC during the service period extending from May 18, 2022, through August 16, 2022. In his November 7, 2022 Complaint, the Complainant alleges that he was overbilled by CWSNC during this period based on what he called "...absurd usage amounts...." He further asserts that he "...had a plumber and irrigations specialist verify no leaks at our home...."

3. By the first contested bill, Complainant was billed a total of \$771.04 for 63,750 gallons of water used during the period from May 18, 2022, through June 17, 2022. By the second bill at issue, Complainant was billed \$529.11 for 43,090 gallons of water used during the period from June 17, 2022, through July 19, 2022. By the third disputed bill, Complainant was billed \$434.47 for 35,008 gallons of water used during the period from July 19, 2022, through August 16, 2022.

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<sup>1</sup> Corix Regulated Utilities, Inc. owns regulated utilities in 17 states, with primary service areas in Florida, North Carolina, South Carolina, Louisiana, and Nevada, which provide water and sewer utility service to approximately 190,000 customers.

<sup>2</sup> The three water bills in question are collectively identified as Denton Affidavit Confidential Exhibit A. These bills were filed confidentially in order to afford any necessary protection to Mr. Calhoun's personal information.

4. Based upon the results of an extensive investigation conducted by CWSNC (as documented and detailed in the evidence presented by the Company), the Company asserts that the Complainant was properly billed for the water utility service which he received during the three billing periods in question which extended from May 18, 2022, through August 16, 2022. The Company's position is supported by the installation of five water meters at the Complainant's home using three different technologies [analog, Automated Metering Infrastructure (AMI), and Automated Meter Reading (AMR)] to ensure accurate tracking of water usage; successful independent meter tests; a third-party audit of the Company's billing and meter reading practices which confirmed that CWSNC's practices are consistent with routine operations and billing standards of other utilities;<sup>3</sup> multiple field visits by CWSNC staff to the Complainant's property to observe meter operations, search for possible leaks near the meter, offers to work with Mr. Calhoun to explore potential leaks on the property; and Company responses to two Public Staff informal complaints<sup>4</sup> and one Better Business Bureau complaint<sup>5</sup> filed by Mr. Calhoun, which were all closed with no adverse action having been taken against CWSNC.

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<sup>3</sup> See Denton Affidavit Exhibit 1.

<sup>4</sup> On November 21, 2022, CWSNC's counsel emailed the Public Staff with the following public records request: "CWSNC is working on its answer to the Sub 414 Don Calhoun formal complaint. Could you please send us a copy of all written correspondence between the Staff and Mr. Calhoun as well as any documents in your possession generated by either Mr. Calhoun or the Staff which are relevant to this matter, including the Staff's conclusions regarding the merits or validity of the complaint."

On December 2, 2022, counsel for the Public Staff responded by email stating: "Attached is the information responsive to you (sic) public records request."

The document supplied by the Public Staff was admitted in the record of this proceeding as Denton Affidavit Exhibit 2.

<sup>5</sup> See Denton Affidavit Exhibit 3.

5. Based on the information gathered by the Company in its comprehensive assessment over several months, as more specifically detailed in Company President Denton's December 16, 2022 Affidavit and various exhibits, CWSNC reasonably asserts that Mr. Calhoun in fact used the water that was delivered to his property during the three billing periods in question. In addition, based on a post-hearing site investigation<sup>6</sup> conducted by the irrigation specialists engaged by Mr. Calhoun and CWSNC's Director of State Operations Gary Peacock on Monday, April 23, 2023 (described more fully in Findings of Fact Nos. 39 - 57 below), the Company also reasonably asserts that human error related to the programmable irrigation controller and/or system operation likely led to numerous irrigation cycles resulting in high water usage at Mr. Calhoun's premises.<sup>7</sup> This conclusion is supported by the close correlation between high usage anomalies the Company noted through hourly meter reading technology and the irrigation day/time programs found to be active on Mr. Calhoun's system at the time of the recent inspection.

6. According to Iredell County tax records, the Complainant's home is 4,835 square feet with six bathrooms.<sup>8</sup> Based on observations by CWSNC field

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<sup>6</sup> Mr. Calhoun was also present at and observed the site investigation.

<sup>7</sup> Two additional factors likely contributed to higher water usage and higher water bills at Mr. Calhoun's property during the three billing periods in particular: a higher historic summer water usage pattern by the Complainant; and increases in the rates and changes to the volumetric component of rates charged by CWSNC (as approved by the North Carolina Utilities Commission in the Company's Sub 384 general rate case) implemented in the April/May 2022 timeframe.

<sup>8</sup> See Denton Affidavit Exhibit 4.

personnel, the Complainant also has an extensive irrigation system and inground pool on his property.

7. On May 18, 2022, the Complainant contacted the Company to report a water leak near the meter on his property. On that same day, a CWSNC field operator responded to the home and determined that the water leak was on CWSNC's side of the water meter. He noted that the meter box had settled or had been moved so that the service line entering the box was pulled partially out. Since it was possible that the meter itself was the source of the leak, the equipment was replaced.

8. Each of CWSNC's installed water meters has a unique identification badge number. The initial Badger brand analog meter that was removed and replaced by CWSNC on May 18, 2022, carried badge number 43582896. A second Badger analog meter (badge number 220745442) was installed at the property so that the initial meter could be sent for testing to ensure accurate operations.

9. In a report dated August 5, 2022, Mid-America Meter, Inc., an outside, third-party testing company, shared its testing results with CWSNC stating that meter number 43582896 performed with 100.45% accuracy.<sup>9</sup> The testing result for meter number 43582896 indicated that the meter complied with North Carolina Utilities Commission accuracy requirements as detailed in NCUC Rule R7-29 that meters must test within a range of 2% fast or slow. In addition, the test results were also within the standards and tolerance levels of 98.5% to

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<sup>9</sup> See Denton Affidavit Exhibit 5.

101.5% established by the American Water Works Association, an international, non-profit scientific and education society dedicated to ensuring the effective management of water.

10. Although CWSNC's field operator thought that the water leak initially complained of by Mr. Calhoun on May 18<sup>th</sup> had been corrected by the meter replacement, that was, apparently and unfortunately not the case. Between May 19 and May 24, 2022, Mr. Calhoun contacted the CWSNC's customer service team several times to report that the water leak on the Company's side of the meter was ongoing. The Company placed a work order with a vendor to assess the situation.

11. On May 20, 2022, Aqua Services, Inc., a vendor that delivers maintenance services on behalf of CWSNC, visited Complainant's property and adjusted a connection between the line and the meter, stopping the leak at least temporarily. The representative of Aqua Services, Inc. spoke with Mr. Calhoun and requested permission to excavate a portion of the lawn to extend line in order to allow for a more comprehensive repair, but Complainant did not agree to allow that work to proceed.

12. On June 9, 2022, Mr. Calhoun again contacted customer service to report that the leak on the Company's side of the meter was continuing. A CWSNC representative spoke with the Complainant and explained that the repair would require excavation of a portion of his lawn. This time Mr. Calhoun agreed to the work. The next day, on June 10, 2022, Aqua Services, Inc. excavated a portion of

the lawn and performed the repair, extending the service line to allow more room for ground movement.

13. Because the leaks repaired in May and June were on the Company's side of the meter, and not on the Complainant's side of the meter, the usage caused by the leaks did not register on the Complainant's account and Mr. Calhoun was not incorrectly billed for that water.

14. As a matter of due diligence and in order to be fully responsive to the Complainant's concerns, the Company continued to closely monitor the meter at Mr. Calhoun's property. On July 19, 2022, a field technician visited Mr. Calhoun's home to read the meter and ensure the meter was operating properly and to look in the immediate area for leaks. Upon examination, the meter appeared to be performing appropriately and no leaks were observed.

15. On August 1, 2022, the Complainant contacted Corix, the parent company of CWSNC, at its offices in Chicago by telephone and email, asking for contact information for the operations leader in North Carolina and to express his concerns about high bills and water usage. An email from the Complainant was routed to Mr. Denton, CWSNC's President, who then called Mr. Calhoun. The Complainant reiterated his concerns during the conversation.

16. On August 2, 2022, a field technician visited Complainant's property to read the meter and check for leaks near that equipment. No leaks were apparent, and the meter appeared to be functioning properly. Based on the data gathered, the CWSNC field technician determined that approximately 25,000 gallons of water, an average of 1,800 gallons a day, had passed through

the Complainant's meter in the past 14 days since the meter had last been read on July 19, 2022. The technician shared that information about high usage with Mr. Calhoun. The Company's technician also reported that he noticed an extensive irrigation system and inground pool at Mr. Calhoun's premises and that he spoke with the Complainant about potential high-water usage from those sources, as well as possible leaks.

17. In an August 2, 2022 email exchange, Mr. Calhoun first disputed the amount of his bill dated July 21, 2022, for the billing period from May 16, 2022, through June 17, 2022, which showed 63,750 gallons of water used and a billing cost of \$771.04. The Company reviewed Mr. Calhoun's average bill for the previous 12 months, compared that to the current bill, and provided the Complainant with a courtesy billing credit of \$650 to align it with his historic average usage.<sup>10</sup>

18. A review of the billing history at the Complaint's property shows a pattern of higher water usage during the late-spring and summer months as compared to the other months of the year, with even greater increases in the months of May through August of 2022. For instance, during 2021,<sup>11</sup> the Complainant used 14,500 gallons of water during the billing period from April 25, 2021, through May 26, 2021; 18,030 gallons during the period from May 26, 2021,

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<sup>10</sup> On August 4, 2022, Mr. Calhoun contacted the Company by email and Mr. Denton telephone to inquire about the status of the \$650 reimbursement posting to his account. Deb Clark, Communication and Community Engagement Manager, replied by email, sharing a screenshot of the Company's billing system, illustrating that the amount of \$650 had been credited to Complainant's account.

<sup>11</sup> The five referenced water bills in question were collectively identified as Denton Affidavit Confidential Exhibit B. These bills were filed confidentially by CWSNC in order to afford any necessary and appropriate protection to Mr. Calhoun's personal information.

through June 26, 2021; 22,090 gallons during the period from June 26, 2021, through July 21, 2021; 20,600 gallons during the period from July 21, 2021, through August 27, 2021; and 12,230 gallons during the period from August 27, 2021, through September 26, 2021.

19. The Complainant is not alone among his neighbors (who are also water customers of CWSNC) in having higher usage in the late-spring and summer. The Company serves The Farms, where the Complainant resides, and The Point and The Harbour neighborhoods through an integrated water system that uses the same wells and infrastructure. Analysis performed by the Company illustrates the dramatic increase in usage in those neighborhoods in the late-spring and summer versus the winter.<sup>12</sup> For instance, during the summer months of 2022 (May – September), CWSNC issued 270 bills to customers who used more than 50,000 gallons per month (GPM); 96 bills to customers who used 45,001 – 50,000 GPM; 149 bills to customers who used 40,001 – 45,000 GPM; 234 bills to customers who used 35,001 – 40,000 GPM; and 337 bills to customers who used 30,001 – 35,000 GPM. Thus, Mr. Calhoun was certainly not the only customer in his water service area to register comparable high water consumption during the three billing months which comprise his Complaint.

20. On August 5, 2022, CWSNC operations leader and area manager Kenny Knopf visited Mr. Calhoun's residence to read the Badger meter (badge number 220745442) which had been installed on May 18, 2022. Mr. Knopf removed the meter and replaced it with a new digital Neptune brand meter (badge

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<sup>12</sup> See Denton Affidavit Exhibit 6 and Denton Direct Exhibit 1.



number 11502145) designed to measure water usage every hour. The Neptune meter is an AMI technology which is designed to track water usage and automatically and securely transmit that data to CWSNC via a cellular network. The data collected by the AMI meter is more detailed than traditional analog meters and the Company hoped that tracking usage hourly might provide more clues on how and when water was being used by the Complainant.

21. In a report dated August 10, 2022, Mid-America Meter, Inc. provided the Company with its assessment of the second Badger meter, badge number 220745442, noting that it had also operated properly, testing 100.04% accurate and within NCUC standards.<sup>13</sup> In addition, the test results were also within the standards and tolerance levels of 98.5% to 101.5% established by the American Water Works Association.

22. On August 9, 2022, a field technician visited the Complainant's home to read the newly-installed AMI meter. The Neptune brand AMI meter was operating, but not completing a secondary function of transmitting data via a cell signal back to the Company. Upon investigation, the Company discovered that a poor cell signal in the area was to blame. When the meter was moved to a location with a better signal, it transmitted data that it had stored, transmitting it electronically as designed.

23. Also, on August 9, 2022, the Complainant emailed the Company stating that his account still showed charges totaling \$650, wondering if that was the balance that was supposed to be adjusted. The Company confirmed that the

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<sup>13</sup> See Denton Affidavit Exhibit 7.

credit had been made and that the figure he was seeing now represented the new balance for his account and the most recent usage reflected on his bill dated August 3, 2022, for service rendered between June 17, 2022, through July 19, 2022. Mr. Calhoun replied that he was going to file a complaint with the Commission and contact Company leadership again.

24. On August 9, 2022, Mr. Calhoun emailed the Public Staff, stating, in pertinent part: "Carolina Water Service of NC has overbilled us for 2 straight months and won't adjust their billing. They are also overbilling my neighbor and others in the neighborhood. Our normal bill for 10 years at this residence has been \$60-\$100. They installed a new meter and then started charging us over \$700." The Public Staff assigned case number 196302 to the matter and alerted the Company requesting a response. CWSNC replied on the same day, August 9, 2022, providing a formal response to the Public Staff, including a summary of the Company's actions to address the Complainant's concerns, the report dated August 5, 2022, capturing meter test results, and the customer's billing history. On August 9, 2022, a Public Staff representative contacted the Complainant via email sharing the meter test report and stated that the equipment functioned with 100.45% accuracy.

25. On August 12, 2022, a field technician visited the property, read the meter and checked for leaks in the vicinity of the Company's equipment. The technician noted high usage of 9,139 gallons of usage in the past seven days and shared that information with Mrs. Calhoun. On the same day, the meter was removed and replaced with a second Neptune meter (badge number 11502157).

26. On August 13, 2022, Mr. Denton emailed Mr. Calhoun with a comprehensive update on the Company's efforts to investigate his claims.

A substantive excerpt from that email follows:

...Based on the data, water is passing through the meter to your property at a rate higher than your historical average. Over the past couple of months, we have installed two new meters (one analog and one digital) and tested the meters that have been removed for accuracy. Both of those independent meter testing reports indicated the meters were operating properly and within tolerance.

A new mechanical meter was installed by our team on 5/18/22 and utilized until 8/5/22. During this period, 132,210 gallons of water passed through the meter - or an average of 1,673 gallons per day.

A new Mach 10 digital meter was installed on 8/5/22 and on 8/12/22 it had a reading of 9,139.2 gallons, or an average of 1,305.6 gallons per day.

I understand you have indicated that you do not have a leak, but water has flowed to your property at the rates indicated above. We would like to help by providing the hourly consumption data that the new digital meter is tracking so that you may be able to determine the source of the consumption. We will be able to start providing that data this week.

27. On August 16, 2022, Mr. Calhoun emailed the Public Staff to restate his claims of being overcharged for water. In addition, he added:

...This isn't just the water rate increase, there is an issue either with their meters or how they are calculating usage. The company continues to bill and maintain the billing is fair....<sup>14</sup>

28. On August 16, 2022, the Public Staff replied, in pertinent part, as follows:

...Based on the information provided by the utility company, a meter test was performed on August 5, 2022, and the meter is registering at 100.45%, which is within the guidelines of the North Carolina Utilities Commission. Upon the utility company receiving the work

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<sup>14</sup> See Denton Affidavit Exhibit 2.

order to test your meter, the field operator noted that a swimming pool and irrigation system is at the home, which could possibly be a reason for the high usage. In reviewing your readings, they appear to be higher during the summer months of June, July, and August during 2018, 2019, and 2021. In addition, Carolina Water Service has provided a courtesy adjustment of \$650.00; and unfortunately, no additional adjustments will be warranted....<sup>15</sup>

29. On August 27, 2022, Mr. Knopf and a representative from Core & Main, a company that sells AMI and AMR meters, visited Mr. Calhoun's property to assess the equipment and ensure correct set up.

30. On September 1, 2022, the Better Business Bureau (BBB) notified CWSNC that Mr. Calhoun had filed a complaint against the Company (identified as case #17654339). The complaint stated, in pertinent part:

This water utility overbills and leaves no recourse for customers as they send all issues to a third party collection agency....<sup>16</sup>

The Company replied to the BBB with information substantially similar to its response to Mr. Calhoun's first complaint to the Public Staff. On September 3, 2022, the BBB notified the Company that it closed the Calhoun case,<sup>17</sup> stating, in pertinent part:

We forwarded your response to Don Calhoun. Unfortunately, the consumer notified our office that they are not satisfied. The BBB has determined your company has addressed the issues within the complaint; therefore we have closed this case in our files....

31. On September 1, 2022, the Public Staff notified the Company of a second complaint filed by Mr. Calhoun. The Company provided its written

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<sup>15</sup> See Denton Affidavit Exhibit 2.

<sup>16</sup> See Denton Affidavit Exhibit 3.

<sup>17</sup> See Denton Affidavit Exhibit 3.

response via email on September 13, 2022. Much like CWSNC's initial August response, the Company provided updated details on its efforts to address Mr. Calhoun's concerns, including the customer's latest account information and the results of the second meter test.

32. On September 7, 2022, Mr. Knopf installed a Mach 10® ultrasonic meter (badge number 13444812) at the Complainant's property. That meter utilized AMR technology that, unlike AMI, does not rely on a cell signal to transmit data. Instead, data is captured by the meter and collected electronically by a utility worker using a device in proximity of the equipment.

33. The Neptune AMI meters that were previously installed at the Complainant's property captured hourly usage information. During the same visit on September 7, 2022, Mr. Knopf shared with the Complainant the data retrieved from one of those meters. Specifically, the meter logged very high usage during the 1:00 a.m., 2:00 a.m., 6:00 a.m. and 7:00 a.m. hours on August 10 and August 12. Company personnel believed that might indicate a malfunction in pool or irrigation equipment which was programmed to operate at a certain time. Mr. Knopf shared the information with Mr. Calhoun who disagreed, indicating that he did not believe that was the case. The same phenomenon of very high usage during the 1:00 a.m., 2:00 a.m., 6:00 a.m. and 7:00 a.m. hours repeated on October 19<sup>th</sup> on the AMR digital meter.<sup>18</sup>

34. On October 3, 2022, Mr. Calhoun emailed Mr. Denton stating:

Our current meter is reading around 2,700 gallons for 3 weeks of usage. Our last usage states 105,000 gallons. Since it's obvious this is not an issue of our home - it's widespread - can we just get our

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<sup>18</sup> See Denton Affidavit Exhibit 8.

historic average bills sent to us so we can end this? I really don't want to keep going back/forth and filing a formal complaint with the commission, etc.

On October 6, 2022, Mr. Denton replied via email as follows:

After investigating your account dating back to April usage and the May of 2022 billing period, I will attempt to explain our findings in hopes to bring some clarity and a better understanding of all the factual data present to date. It is important to note that there was a rate increase and adjustment to the volumetric component of the tariff granted by the North Carolina Utilities Commission during this time frame which played a key part in the increases in your bill. The new base rate is \$24.53 per month and the usage charge is \$ 11.71 per thousand gallons.

- In May you received a bill based on water usage of **8,940 gallons** of water used. Also, during the month of April/ May time frame CWSNC was granted a rate increase from the North Carolina Utilities Commission. The bill would have been prorated as follows.  
2629 gallons of water at a rate of \$8.27 per thousand gallons + base rate \$8.51 + \$.031(water system improvement charge) - .09 (tax credit) = \$30.47 The bill was prorated from 3/29 through 4/7 due to the newly granted increase in rates.  
6311 gallons of water at a rate of \$11.71 per thousand gallons + base rate \$17.32 = \$91.22. The bill was prorated from 4/8 through 5/1 due to the newly granted increase in rates.  
Total bill for the month of April = \$121.69
- In June you received a bill based on **4700 gallons** of water usage at the new usage rate.  
4700 gallons at \$11.71 per thousand gallons = \$55.04 + prorated base rate of \$13.90 per month.  
Total bill = \$ 68.94
- In July you received a bill based on **63,750 gallons** of water usage at the new usage and base rate.  
63,750 gallons at \$11.71 per thousand gallons = \$746.51 + full approved base rate of \$24.53  
Total bill = \$ 771.04
- In August you received a bill based on **43,090 gallons** of usage which would be billed at the new rate. 43,090 gallons at \$11.71 per thousand gallons = \$504.58 + base rate of \$ 24.53.  
Total bill = \$529.11

In addition, CWSNC issued a one-time credit in the amount of \$650.00 based on the July bill which left a customer balance of \$121.04

$529.11 + 121.04 \text{ balance} = \$ 650.15$

- In September you received a bill based **35,008 gallons** of water usage which is billed at the new rate. 35,008 gallons at \$11.71 per thousand gallons = \$409.94 + base rate of \$ 24.53 = \$434.47 CWSNC received a customer payment in the amount of \$220.71 from the \$650.15 amount that was due in August = \$429.44 still outstanding + 434.47 September bill = \$ 863.91

In addition to the above, our CWSNC operations team has replaced the water meter at your residence several times to ensure the water meter at your residence is capturing the correct amount of flow. The old water meters that were replaced were sent off to be tested by an independent testing company and found to be within tolerance with NCUC rules and regulations. Based on the information we have, the consumption data appears accurate, and we still believe you have an intermittent leak. In that vein, we will offer an additional \$650 credit to your account.

As noted above, Mr. Denton offered the customer an additional \$650 billing credit. Because Mr. Calhoun did not provide a clear response to the Company, a second billing credit was not made to his account.

35. As discussed above, in August 2022, three separate water meters were operating at the Complainant's property at different times as part of the Company's inquiry into Mr. Calhoun's concerns, which is a highly unusual circumstance. The Complainant's exhibits in this matter contain screen shots from the "My Utility Connect" (MUC) website, a third-party vendor operated tool that allows customers to view information related to their account. One exhibit captures a query from the "usage" section of the tool. When given the choice of selecting a specific meter or "all" meters, the option of "all" meters was selected by Mr. Calhoun. The query gathered data from the three meters operating during that

month and arrived at 105,024 gallons of usage for the August timeframe. That is exactly three times the actual usage of 35,008 gallons that was billed in September by the Company to Mr. Calhoun's account for water service.

Mr. Calhoun's second exhibit is a screen shot from the "billing" section of MUC. The pdf file of the September 6, 2022 bill accurately captures usage and other information from each of the three August meters, totaling 35,008 gallons of usage. The Company maintains that it accurately billed Mr. Calhoun and that this appears to be an anomaly in the "usage" section of the third-party MUC tool. CWSNC has alerted the vendor to the issue and apologizes to Mr. Calhoun for the inconvenience.

36. In the Fall of 2022, the Company, in response to the concerns expressed by Mr. Calhoun and in order to ensure that the issues raised in his Complaint were not global in nature, commissioned a professional, third-party audit by Cavanaugh & Associates, P.A. of "...the current billing processes as performed by staff of Carolina Water Service of North Carolina (CWS). Additionally, a sample of customer meter records were reviewed for The Harbour, The Point and The Farms potable water systems...."<sup>19</sup> The cost of the audit was \$25,600. The results, captured in a Technical Memorandum, received by CWSNC in October 2022, provided the following conclusion:

Based on the findings included in this analysis, we did not identify significant or negligent issues associated with the current meter reading and billing processes of The Harbour/The Point/The Farms water systems. The items noted above in the review and sampling appear consistent with routine operations and billing standards Cavanaugh has observed during similar analysis for Utilities nationally.

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<sup>19</sup> See Denton Affidavit Exhibit 2.



37. While CWSNC was addressing Mr. Calhoun's concerns, he continued to use water at his property, but elected to pay only a portion of his July, August, and September bills which reflect usage encompassing the billing period from May 18, 2022, through August 16, 2022. As of the date of this Order, the Commission assumes that Mr. Calhoun's account continues to be \$713.91 in arrears. The Company sent Mr. Calhoun letters on October 3, 2022, and October 31, 2022, informing him of his delinquent billing status, detailing payment options, and indicating that disconnection was possible.

On November 18, 2022, the Complainant emailed the Company stating that he had received a notice that his water service would be disconnected. In response, the Company assured him that his service would not be disconnected for nonpayment of the disputed billing amount while the issue is being litigated before the Commission. Unfortunately, on December 11<sup>th</sup>, Mr. Calhoun emailed a Company representative stating that "We just received another notice that the water will be shut off. As a reminder, a formal complaint is in process with the commission." This automated disconnection notice was erroneously sent by the Company and action has again been taken to ensure that disconnection will not occur during pendency of Mr. Calhoun's NCUC complaint case. The Complainant was so advised by email dated, December 12, 2022. The Company apologized to the Complainant and the Commission for this confusion.

38. On September 20, 2022, Mr. Calhoun again contacted the Public Staff via email. A notation was made in the Public Staff's tracking system that this was a "duplicate of case 196594; closing." On November 3, 2022, the

Complainant notified the Public Staff that he was not happy with the outcome of his informal complaint against the Company and that he wished to file a formal complaint with the Commission. Mr. Calhoun subsequently filed his Complaint with the Commission on November 7, 2022.

**Investigation and Test of Complainant's Irrigation System and the Peacock Post-Hearing Affidavit**

39. Gary Peacock, CWSNC's Director of State Operations, was designated by CWSNC to conduct the test of Mr. Calhoun's irrigation system. On Monday, April 3, 2023, at approximately 9:00 a.m., Mr. Peacock arrived at Mr. Calhoun's property (located at 393 Bayberry Creek Circle in Mooresville, North Carolina) to inspect and test the Complainant's irrigation system. Mr. Calhoun and Mr. Peacock had previously arranged the date and time based on their schedules and the Complainant's interest having a third-party irrigation professional on site.<sup>20</sup>

40. Mr. Peacock expected and was prepared to conduct the irrigation system inspection as agreed upon in the hearing before the NCUC on March 23, 2023. When Mr. Peacock arrived, Mr. Calhoun indicated that he had hired Irrigation Specialists of Lake Norman, a Mooresville-based, North Carolina licensed company specializing in irrigation maintenance and repair. Technician Dave Dockery and his helper, Brian Dockery, arrived at the property a few minutes before Mr. Peacock and began their assessment of the irrigation system

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<sup>20</sup> The Commission ordered that Mr. Calhoun not be charged for the water used during the irrigation system test. Based on meter data from Mr. Calhoun's property on the morning of April 3rd, the Company estimates that approximately 150 gallons of water were used during the time when the inspection and testing was being conducted. The Company will apply a credit in the amount of \$18.51 to the Complainant's account.

infrastructure. They took the lead in this portion of the inspection while Mr. Peacock observed. Their activities included checking the flow and operation of each zone of the system, which they reported to be normal. They also tested water pressure in the system at the reduced pressure zone (RPZ) valve or backflow preventer. Pressure measured 85 PSI, within normal limits. After their assessment, the irrigation company employees did not identify any leaks in the piping or sprinkler heads.

41. Mr. Peacock concurred in the above-summarized conclusions regarding normal operation of the irrigation system during the inspection, including normal pressure and identification of no leaks.

42. The Complainant's irrigation specialists and Mr. Peacock also inspected the irrigation system controller, a programmable device that operates the system at predetermined days and times. In his April 3, 2023 filing in this matter, Mr. Calhoun wrote that he has had the system set to the same dates and times for ten years. He further stated, in pertinent part, that "...I have programed this system since we moved in and have only had 1 program running with watering 3 days/week in the summer months...." In addition, during the March 23<sup>rd</sup> evidentiary hearing, in response to questions from the Commission, Mr. Calhoun said he watered just two days a week, typically on Tuesday and Friday from 6:00 a.m. to 8:00 a.m., and that he would add an additional irrigation day during dry periods. (See Tr. Page 54)

43. The investigation conducted by Mr. Calhoun's irrigation specialists and Mr. Peacock identified three active programs in the irrigation system controller.

There was no program set to operate on Tuesday and Friday. Two of the programs were scheduled to water the lawn four times a week, more days than Mr. Calhoun acknowledged in previous statements. Both the irrigation company specialist Dave Dockery and Mr. Peacock expressed concern to Mr. Calhoun that maintaining multiple active programs could lead to operator error and very high water usage.

44. More specifically, Program A had a start time of 5:00 a.m. on Monday, Wednesday, and Friday. It was set to run between four and 20 minutes in each of the 10 zones, completing the program after 2 hours, 49 minutes.

45. Program B was set to begin watering the lawn at 12:15 a.m. on Monday, Tuesday, Wednesday, and Thursday. It was set to run between 14 and 16 minutes in each of the 10 zones, finally shutting off entirely after 2 hours, 25 minutes.<sup>21</sup>

46. Program C was set to begin operation at 4:45 a.m. on Monday, Tuesday, Thursday, and Saturday. It was set to run between zero and 15 minutes in each of the 10 zones, shutting off after 58 minutes.

47. The irrigation company representatives and Mr. Peacock gathered with Mr. Calhoun to discuss their findings related to the irrigation system controller. The Complainant indicated that he only used the system when needed and that he would switch it from off to auto on those occasions. Mr. Dockery and Mr. Peacock

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<sup>21</sup> During the evidentiary hearing, Commissioner Clodfelter asked Mr. Calhoun whether he had ever set his irrigation system to run between the hours of midnight and 2:00 a.m. The Complainant responded “no” to the question. In a follow-up response to a second question, the Complainant said that was not a setting he used to program his system. See Tr. Page 64 at Lines 15 -20. These responses seem inconsistent with Program B as described in this finding of fact.

explained that, if the controller was left on the auto setting, all the active programs would operate, potentially leading to very high usage if the system was not promptly turned off after a program completed its cycle.

48. Based on his professional experience and the size of the Complainant's water meter, Mr. Peacock, in his Post-Hearing Affidavit, estimated that this irrigation system could use up to 10 gallons of water per minute. Mr. Peacock further opined that, in the most extreme scenario, if all three active programs in the controller operated as designed, there would be up to eleven watering cycles in a six-day period, totaling an estimated 13,270 gallons of water use a week. If that happened for four weeks, irrigation usage alone would be very high, at approximately 53,000 gallons in approximately a month. Mr. Peacock submitted the following chart in support of his calculations:

<b>Irrigation program</b>	<b>Estimated water usage per day</b>	<b>Total estimated water usage per weekly cycle</b>
Program A	1,690 gallons a day for three days	5,070 gallons per week
Program B	1,450 gallons a day for four days	5,800 gallons per week
Program C	600 gallons per day for four days	2,400 gallons per week
<b>Total</b>		<b>13,270 gallons per week</b>

49. In addition, the timing of certain programs could result in usage that is not obvious. Program B, for example, irrigates the lawn for almost two and a half hours beginning shortly after midnight and could easily escape notice. Similarly, Program C is set to operate for just under an hour beginning at 4:45 a.m., which could cause unintended irrigation to escape detection.

50. Based on visual inspection, the controller appeared to be in good working order and Mr. Calhoun expressed no concerns about its operation. Both

Dave Dockery and Mr. Peacock suggested that Mr. Calhoun remove the extra active programs from the controller. He agreed and allowed his irrigation specialist to delete Programs B and C from the system.

51. After the inspection, Mr. Peacock compared the irrigation system programs which were observed at Mr. Calhoun's home with the high usage anomalies that the Company identified through hourly tracking beginning in August 2022, and found strong alignment. As noted in Mr. Denton's December 16, 2022 Affidavit and Denton Affidavit Exhibit 8, two separate digital meters logged very high usage in six blocks of time generally in the 1:00 a.m. and 2:00 a.m. hours and again during the 6:00 a.m. and 7:00 a.m. hours on August 10 and August 12, 2022, and again on October 19, 2022.<sup>22</sup> Mr. Peacock stated that he was not aware of anything on Mr. Calhoun's property that would use that amount of water except the irrigation system.

52. Early in the Company's investigation, CWSNC asked Mr. Calhoun about timing devices. As noted in Paragraph 33 of Mr. Denton's December 16, 2022 Affidavit, in early-September 2022, CWSNC shared the August 2022 anomaly data with Mr. Calhoun, suggesting the spikes could be a sign of a malfunction in pool or irrigation equipment that operated on a programmable timer. The Complainant disagreed, saying he did not believe that was the case.

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<sup>22</sup> Mr. Calhoun did not contest his water bill which included the October 19, 2022 usage anomaly. (More than 2,339 gallons of water passed through the meter during the overnight and early morning anomalies on October 19, 2022. The first anomaly occurred during meter hours ending at 1:35 a.m., 2:35 a.m. and 3:35 a.m. The second anomaly occurred during meter hours ending at 6:35 a.m. and 7:35 a.m.)

53. Several clues strongly suggest the usage was tied to some type of programmable equipment. For example, three of the anomalies in August and October 2022 happened during the same overnight hours when there was virtually no other household use. Also, the anomalies follow a consistent pattern regarding time of day and duration.

54. Mr. Peacock compared the six high usage anomalies during the overnight and early morning hours during August and October with the active programs in Mr. Calhoun's controller and assumed approximate water usage of up to ten gallons per minute. As illustrated in Peacock Post-Hearing Affidavit Exhibit 1, Mr. Peacock's assessment determined that the days, times, and usage amounts of all six anomalies closely aligned with the settings for Programs A and B which were observed during the inspection. This data strongly supports the conclusion that operation of the irrigation system, and its multiple active programs, led to very high water consumption in the summer of 2022.

55. On August 13, 2022, CWSNC President Denton emailed Mr. Calhoun with a comprehensive update of the Company's efforts to investigate his claims. A substantive excerpt from that email was set forth in the December 16, 2022 Denton Affidavit at Paragraph 26 on page eleven. The Complainant was advised that during the period from May 18, 2022 until August 5, 2022, his meter recorded an average of 1,673 gpd of water having been used and that for the period from August 5, 2022 through August 12, 2022, his usage averaged 1,305.6 gpd. Here again, those averages align very closely with usage

associated with either Program A or Program B that were observed in Mr. Calhoun's irrigation system.

56. Despite the Complainant's claims that he turned the irrigation system off in late-June 2022 or early-July 2022 when he received his first high bill, the data strongly suggests that the system continued to operate in some manner through the summer and into the fall, resulting in continued high water usage from irrigation.

57. Based on this latest investigation and the information gathered by the Company in its comprehensive assessment over several months, as more specifically detailed in Company President Denton's December 16, 2022 Affidavit and various exhibits, CWSNC reasonably asserts that Mr. Calhoun in fact used the water that was delivered to his property during the three billing periods in question. The Company also reasonably asserts that human error related to the programmable irrigation controller and/or system operation likely led to numerous irrigation cycles resulting in high water usage at Mr. Calhoun's premises. This conclusion is supported by the close correlation between high usage anomalies the Company noted through hourly meter reading technology and the irrigation day/time programs found to be active on Mr. Calhoun's system at the time of the recent inspection.

### **Burden of Proof**

58. The Commission finds that Mr. Calhoun failed to carry his burden of proof in this proceeding. The Commission further finds that the evidence introduced in this docket by CWSNC in support of the Company's Motion to



Dismiss was reasonable, appropriate, and convincing that good cause exists to dismiss Mr. Calhoun's Complaint with prejudice.

**WHEREUPON**, the Commission now reached the following

### **CONCLUSIONS**

First, based on the exhaustive and thorough pre- and post-hearing investigations and site visits and the information gathered by the Company in its comprehensive assessment over many months, as specifically detailed in Mr. Denton's initial Affidavit and the Post-Hearing Affidavits and Late-Filed Exhibits filed by Messrs. Denton and Peacock (as well as the Company's Answer and Motion to Dismiss Complaint), the Commission concludes that Mr. Calhoun in fact received and used (even if unknowingly) the water that was delivered to his property during the three billing periods in question; that his Complaint should be dismissed with prejudice; that his outstanding balance for water utility service in the amount of \$713.91 is correct and should be paid; and that no further billing adjustment is warranted or required in this case.

Second, the Commission finds credible the assertion by the Company that human error related to the programmable irrigation controller and/or system operation likely led to numerous irrigation cycles resulting in high water usage at Mr. Calhoun's premises. This conclusion is supported by the close correlation between high usage anomalies the Company noted through hourly meter reading technology and the irrigation day/time programs found to be active on Mr. Calhoun's system at the time of the recent inspection. This conclusion is also supported by each of the meter accuracy test reports submitted in evidence by

CWSNC which provide a further indication that the water which passed through those meters was accurately measured.

The burden of proof in this case is on the Complainant, not CWSNC. Mr. Calhoun's denials, alone and in the absence of any corroborative, credible evidence, are insufficient to meet his burden of proof in this complaint proceeding. The Complainant has failed to offer sufficient and credible evidence by way of testimony and/or exhibits to convince the Commission to rule in his favor. Unsubstantiated allegations and denials, in the absence of substantive evidence, are insufficient in this case to support a ruling in favor of the Complainant, particularly in the face of the abundance of credible evidence offered by the Company which clearly demonstrated (a) the reasonableness of its legal position and its multiple actions, taken in good faith, to reasonably and fairly investigate the Complaint; (b) the reasonable actions taken by the Company in an attempt to fairly settle this matter with the Complainant;<sup>23</sup> and (c) the Complainant's clear failure to carry the evidentiary burden of proof in support of his position.

Third, CWSNC has been entirely reasonable in its prior interactions with the Complainant since its first encounter with Mr. Calhoun on May 18, 2022, when a Company representative went to the Calhoun property to investigate a reported leak. CWSNC continued to act in good faith in all subsequent interactions with the Complainant and has thoroughly investigated and responded to all allegations set forth by Mr. Calhoun in this complaint proceeding. The evidence offered by

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<sup>23</sup> The Commission rejects Mr. Calhoun's claim during the evidentiary hearing that the Company's was, in effect, trying to buy him off by its recent renewal of an additional billing credit in the amount of \$650 so that he would not testify. The Commission views the Company's renewed settlement offer as entirely reasonable and believes it was made in good faith.

CWSNC in this case was entirely credible, including Company witness Denton's testimony at the evidentiary hearing and the supporting exhibits and three Affidavits filed in support of the Company's position.

Fourth, CWSNC made a very fair and significant \$650 billing adjustment in Mr. Calhoun's favor in August 2022. CWSNC made that good faith billing adjustment to the benefit of Mr. Calhoun notwithstanding that (a) multiple investigations by Company personnel showed no leaks related to the utility's water meters serving the Complainant; (b) meter testing showed no irregularities with any of the meters serving the Complainant's premises which would account for inaccurate or faulty, high-meter reads; and (c) there is no indication of any mis-billing by the Company related to the Complainant's account. Furthermore, any leakage resulting in actual usage on the customer's premises is the responsibility of the customer; not CWSNC.

Fifth, the complaints which Mr. Calhoun separately filed with the Public Staff and the Better Business Bureau were all closed with no adverse action having been taken against CWSNC.

Sixth, there is no basis for the Commission to grant Mr. Calhoun's request that CWSNC be replaced as the water provider for his service area. That request is without merit. Furthermore, Mr. Calhoun has failed to substantiate his claims that the Company is uncooperative, that it abuses its customers, and that its customers have little to no recourse. The Commission believes the statement set forth by Mr. Denton at page 19 in his initial Affidavit that "Mr. Calhoun is a valued

customer of CWSNC and will always be treated as such by the Company and its employees.”

The Commission expects CWSNC personnel to be open to continued good faith dialogue with Mr. Calhoun to answer any questions he may have in the future concerning service issues related to his water utility service, as well as the rates for such service and billing issues. The Commission also expects Mr. Calhoun to be open to continued good faith dialogue with CWSNC in the future. The Commission expects that billing disputes such as the matter litigated in this case should normally be resolved informally by the parties, with both acting in good faith and with objectivity. In the opinion of the Commission, it was not necessary for this billing dispute to be filed as a formal complaint.

Finally, Mr. Calhoun’s assertions that he was also representing not just himself and his specific Complaint against CWSNC, but also the interests of his community in this case, fail to support his claim for relief in this proceeding.

**IT IS, THEREFORE, ORDERED AS FOLLOWS:**

1. That the Formal Complaint filed in this docket by Don Calhoun on November 7, 2022, be, and the same is hereby, dismissed with prejudice.
2. That the Denton and Peacock Post-Hearing Affidavits and Late-Filed Exhibits (including Peacock Affidavit Exhibit 1) filed in this docket by CWSNC on April 28, 2023, be, and the same are hereby, admitted in evidence.
3. That the corrections to the December 16, 2022 Denton Affidavit filed in this docket by CWSNC on April 28, 2023, as part of the Denton Post-hearing Affidavit (at page 10), be, and the same are hereby, accepted and approved.

ISSUED BY ORDER OF THE COMMISSION.

This the \_\_\_\_\_ day of \_\_\_\_\_, 2023.

NORTH CAROLINA UTILITIES COMMISSION

A. Shonta Dunston, Chief Clerk

Respectfully submitted this the 30th day of May, 2023.

**ATTORNEYS FOR CAROLINA WATER SERVICE,  
INC. OF NORTH CAROLINA  
Electronically Submitted**

**/s/Jo Anne Sanford**

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