

**SANFORD LAW OFFICE, PLLC**  
Jo Anne Sanford, Attorney at Law

September 19, 2018

Ms. M. Lynn Jarvis, Chief Clerk  
North Carolina Utilities Commission  
4325 Mail Service Center  
Raleigh, North Carolina 27699-4325

Via Electronic Filing

Re: Aqua North Carolina, Inc. - Application for General Rate Increase  
Docket No. W-218, Sub 497  
Response to Requests for Late-Filed Exhibits from Presiding  
Commissioner Brown-Bland and Commissioner Mitchell

Dear Ms. Jarvis:

Presiding Commissioner Brown-Bland and Commissioner Mitchell each made requests of Aqua for late-filed exhibits. They are understood by Aqua to be as follows:

Presiding Commissioner Brown-Bland:

*Q. Please provide as a late-filed exhibit copies of communications with DEQ concerning Aqua's water quality issues.*

A. Aqua will file separately, today, copies of the documents it has provided to the Public Staff, which reflect quarterly reports to the Department of Environmental Quality ("DEQ") for the past two-plus years. Aqua requests a discussion of the scope of the request with Commissioner Brown-Bland or staff, and parties. It is to be understood to request *all* correspondence with DEQ, Aqua would like to explain the magnitude of such a request, after which it is pleased to assemble and provide whatever the Commission requires. Due to the frequency and regularity of communications with DEQ, across Aqua's systems, the difficulty of locating all such correspondence and the volume of the response would likely be daunting both to provide and to review. Aqua

would like to discuss narrowing the request and is eager to provide any response that is available and thought to be useful.

*Q. With respect to the customer service complaints expressed in this present rate case proceeding concerning elevated levels of iron/manganese in the water supply, would Aqua file as a late-filed exhibit a list of DEQ's specific recommendations to Aqua, by system, concerning each of the water quality concerns being evaluated by DEQ in these systems?*

A. The Company is unable to prepare a list of specific DEQ recommendations, by system, concerning each of the water quality concerns that DEQ is evaluating, as DEQ does not direct specific recommendations for remedial action. As was reiterated in the August 29th meeting that was the subject of the *Public Staff Motion on Confidentiality*, DEQ requires compliance with the statute and regulations, and it expects permittees such as Aqua to figure out how to come into or stay in compliance. Mr. Becker has reached out to DEQ to see if the agency keeps any list of directives or recommendations—by system---but to no avail.

Aqua respectfully requests a meeting with parties and Commission staff to determine what available and relevant information could be provided to assist the Commission's review. The Company also believes that Ms. Berger's testimony can be instructive in this matter.

Commissioner Charlotte Mitchell:

*Q. Concerning the testimony provided by customers at the public hearings in this proceeding with respect to elevated levels of iron/manganese in the water supply, for the subdivisions represented by those service complaints, could you please file a late-filed exhibit stating in which group each of these subdivisions is projected by Aqua*

*to be addressed in the “Water Quality Plan” described in the pre-filed testimony of witness Crockett?”*

Response: As with everything associated with the management of these issues and the Water Quality Plan, the answer to this question is complicated with respect to some of the customers who testified--- specifically those who live in the “Bayleaf Master” system.

“Aqua Late-Filed Exhibit #1\_COM. MITCHELL” correlates the following three categories:

- i. customers who appeared at the public hearings with concerns about elevated levels of iron/manganese;
- ii. their subdivisions; and
- iii. the group they occupy in the Water Quality Plan (1, 2, or 3)

Aqua’s response addresses seventeen (17) witnesses, who are from fourteen (14) subdivisions. The problem is in accurately designating the source well in Bayleaf for any particular customer. This is because the Bayleaf system assets are so interrelated. There are 122 wells in Bayleaf; for Aqua to discern which well likely provides water for each customer, it must run its model for each of those customers. It can be done.

Sincerely,

**Electronically Submitted**

/s/Jo Anne Sanford

State Bar No. 6831

Attorney for Aqua North Carolina, Inc.

c: Parties of Record

**CERTIFICATE OF SERVICE**

I hereby certify that I have served a copy of the **Report on Late-Filed Exhibits**, filed by Aqua North Carolina, Inc. in Docket No. W-218, Sub 497, on the parties of record in accordance with North Carolina Utilities Commission Rule R1-39, either by United States mail, first class postage pre-paid; by hand delivery; or by means of electronic delivery upon agreement of the receiving party.

This the 19th day of September 2018.

**Electronically Submitted**  
**/s/Jo Anne Sanford**  
North Carolina State Bar No. 6831

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**Attorney for Aqua North Carolina, Inc.**

2018 Customer Service Complaints in Sub 497 Rate Case				
Customer Hearing & Date	Subdivision		Water System	Secondary Water Quality Plan Group Identification
Raleigh, 6/25/18	Barton's Creek Bluffs	Strazis	Bayleaf	See Bayleaf Specific System List. The identification of specific wells that impact these customers, Aqua will need to run the Aqua Bayleaf TMP Model
	Saddle Ridge	Hess		
	Coachman's Trail	Daniels, Dillard, Brien, Robinson		
	Stonebridge	Sullivan		
	Sussex Acres	Jogodka		
	Swan's Mill	Holmes		
	Wood Valley	Vitale		
Raleigh, 6/25/18	Castelli	Sandle	Castelli	3
Raleigh, 6/25/18	High Grove	Bickers	High Grove	1
Raleigh, 6/25/18	Lake Ridge Aero Park	Dowd	Lake Ridge Aero Park	3
Raleigh, 6/25/18	Medfield	Jones	Medfield	2
Raleigh, 6/25/18	Saddle Ridge	Hess	Saddle Ridge	Was Group 1 prior to filter installation.
Raleigh, 6/25/18	Upchurch	Kinsey	Upchurch	1
Raleigh, 6/25/18	Waterfall Plantation	Fleming	Waterfall Plantation	2

AQUA NORTH CAROLINA - SECONDARY WATER QUALITY GROUP 1 - 3 - SUB 497 RATE CASE					
NC PWSID	Master System	Treatment Facility ID#	Sample Code	Group (1, 2, 3, 4)	Notice of Deficiency
NC0392373	Bayleaf	THE BARONY-0392373-P63	P63	1	Yes
NC0392373	Bayleaf	BARTON CREEK BLUFFS-0392373-P64	P64	1	
NC0392373	Bayleaf	BARTON CREEK BLUFFS-0392373-P66	TM8	2	
NC0392373	Bayleaf	BARTON CREEK OVRLK-0392373-P68	P68	1	
NC0392373	Bayleaf	BAYLEAF FARMS-0392373-P54	P54	2	
NC0392373	Bayleaf	CARLYLE MANOR-0392373-P49	P49	2	
NC0392373	Bayleaf	CARLYLE MANOR-0392373-P60	P60	2	
NC0392373	Bayleaf	CARLYLE MANOR-0392373-P3B	P3B	1	Yes
NC0392373	Bayleaf	CARLYLE MANOR-0392373-P1D	P1D	1	
NC0392373	Bayleaf	CHATSWORTH-0392373-TM6	TM6	2	
NC0392373	Bayleaf	CHESTNUT OAKS @ BARTON CREEK-0392373-P74	P74	3	
NC0392373	Bayleaf	ENCLAVE @ BARTON CREEKS BLUFF-0392373-P75	P75	1	Yes
NC0392373	Bayleaf	GEORGES GRANT-0392373-P7B	P7B	1	Yes
NC0392373	Bayleaf	HAWTHORNE-0392373-P76	P76	1	Yes
NC0392373	Bayleaf	HAWTHORNE-0392373-P79	P79	2	Yes, GRP 1
NC0392373	Bayleaf	HAWTHORNE-0392373-P80	P80	2	
NC0392373	Bayleaf	MARTINDALE-0392373-P19	P19	1	
NC0392373	Bayleaf	RAVENWOOD (BROOKRUN)-0392373-P3A	P3A	3	
NC0392373	Bayleaf	SEVILLE-0392373-P4B	P4B	1	Yes
NC0392373	Bayleaf	SHANNON WOODS-0392373-P28	P28	1	