

1 PLACE: Haywood County Courthouse
2 Waynesville, North Carolina
3 DATE: March 11, 2020
4 DOCKET NUMBERS: W-1324, Sub 0
5 W-406, Sub 6
6 TIME IN SESSION: 6:06 P.M. TO 7:31 P.M.
7 BEFORE: Hearing Examiner Freda Hilburn
8
9

IN THE MATTER OF:

10 Application by Springdale Golf Partners, LLC
11 d/b/a Springdale Water & Sewer Waynesville, LLC,
12 200 Golfwatch Road, Canton, North Carolina 28716,
13 for Transfer of Public Utility Franchise
14 and for Approval of Rates
15

16 VOLUME 1
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1 A P P E A R A N C E S:

2 FOR THE USING AND CONSUMING PUBLIC:

3 William E.H. Creech, Esq.

4 Public Staff - North Carolina Utilities Commission

5 4326 Mail Service Center

6 Raleigh, North Carolina 27699-4300

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1	T A B L E O F C O N T E N T S	
2	E X A M I N A T I O N S	
3		PAGE
4	WILLIAM BAUER	
5	Direct Examination by Mr. Creech.....	8
6	Examination by Hearing Examiner Hilburn.....	15
7		
8	RAYBURN C. STOVALL	
9	Direct Examination by Mr. Creech.....	16
10	Examination by Hearing Examiner Hilburn.....	30
11		
12	JEFF MCABEE	
13	Direct Examination by Mr. Creech.....	32
14	Examination by Hearing Examiner Hilburn.....	40
15		
16	BRIAN WILLIS	
17	Direct Examination by Mr. Creech.....	41
18		
19	MICHAEL BOSS	
20	Direct Examination by Mr. Creech.....	45
21		
22		
23		
24		

1
2
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9
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14
15
16
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E X H I B I T S

IDENTIFIED/ADMITTED

Bauer Exhibit 1.....16/16
Stovall Exhibit 1.....30/30
McAbee Exhibit 1.....41/41

1 P R O C E E D I N G S

2 HEARING EXAMINER HILBURN: Good evening. Let's
3 come on the record, please, and begin this hearing. My
4 name is Freda Hilburn. I am a Hearing Examiner with the
5 North Carolina Utilities Commission and have been
6 assigned to preside over this public hearing tonight.

7 The Commission calls for hearing Docket Numbers
8 W-1324, Sub 0, and W-406, Sub 6, which is In the Matter
9 of an Application by Springdale Golf Partners, LLC, doing
10 business as Springdale Water & Sewer, LLC, or Springdale,
11 to Transfer the Public Utility Franchise for Providing
12 Water and Sewer Utility Service in Springdale Estates
13 Subdivision and Springdale Country Club, together
14 Springdale Estates, in Haywood County, North Carolina,
15 and for Approval of Rates.

16 On March 28, 2018, Springdale purchased the
17 real property and the water and sewer assets, including
18 permits, in Springdale Estates from Royal Oaks, Inc.,
19 doing business as Springdale Water and Sewer Company.

20 As of October 4, 2019, Springdale was providing
21 water and sewer utility services to approximately 45
22 residential customers in Springdale Estates Subdivision
23 and to five non-residential buildings at Springdale
24 Country Club. As of October 4, 2019, Springdale was also

1 providing water-only service to 61 residential customers
2 in Springdale Estates Subdivision and to two non-
3 residential buildings at Springdale Country Club.

4 The present water and sewer rates were
5 established by Order dated November 22nd, 2016, in Docket
6 Number W-406, Sub 5, and Docket Number M-100, Sub 138.

7 On January 27, 2020, the Commission issued an
8 Order Scheduling Hearings and Requiring Customer Notice.

9 That Order scheduled a public hearing for 6:00 p.m. on
10 Wednesday, March 11, 2020, at the Haywood County
11 Courthouse in Waynesville, North Carolina, for the sole
12 purpose of receiving testimony from Springdale's
13 customers. The January 27, 2020 Order also scheduled an
14 expert witness hearing for 10:00 a.m. on Thursday, April
15 23rd, 2020, in the Dobbs Building, 430 North Salisbury
16 Street, Raleigh, North Carolina, for the sole purpose of
17 receiving expert testimony from Springdale, the Public
18 Staff - North Carolina Utilities Commission, and
19 Intervenors, if any.

20 According to the customer notice, the proposed
21 rates would increase the average monthly bill for water
22 and sewer services by 148 percent, from \$38.81 to \$96.15
23 based upon 3,350 gallons of usage. The average monthly
24 bill for water-only services would increase by 182

1 percent, from \$15.40 to \$43.40, based upon 3,350 gallons
2 of usage.

3 On January 31, 2020, Springdale filed its
4 Certificate of Service, as required by the Commission's
5 January 27, 2020 Order.

6 On February 28, 2020, Springdale filed the
7 direct testimony of Ronald Lawrence, General Manager of
8 Springdale Golf Partners, LLC and Springdale Water &
9 Sewer, LLC.

10 That brings us to date. Will the parties
11 please announce their appearances, beginning with the
12 Public Staff?

13 MR. CREECH: Good evening. My name is William
14 Zeke Creech, an attorney on the legal staff of the Public
15 Staff for the North Carolina Utilities Commission, joined
16 as well by David Furr and Mike Franklin of the Water
17 Division.

18 HEARING EXAMINER HILBURN: Thank you, Mr.
19 Creech. And I understand that there is not an attorney
20 present for the Company this evening, but if you would
21 please introduce who is here from the Company and state
22 your position.

23 MR. LAWRENCE: Yes. My real name is Ronald
24 Lawrence. I'm the General Manager of Springdale Golf

1 Partners, LLC and the General Manager as of October of
2 this year of Springdale Water & Sewer, LLC, and I'm with
3 my owner Lex West which is 50 percent of the ownership of
4 Springdale Golf Partners, LLC.

5 HEARING EXAMINER HILBURN: Thank you. Thank
6 you, Mr. Lawrence. Mr. Creech, do we have any public
7 witnesses tonight who would like to make a statement?

8 MR. CREECH: We do. We have seven thus far.

9 HEARING EXAMINER HILBURN: Okay. All right.
10 We can proceed then.

11 MR. CREECH: I'd like to call up, if I could,
12 Mr. William Baker?

13 MR. BAUER: Bauer.

14 MR. CREECH: Barker?

15 MR. BAUER: Bauer.

16 MR. CREECH: Bauer. My apologies. If you
17 will, step forward, Mr. Bauer, please.

18 HEARING EXAMINER HILBURN: Mr. Bauer, as Mr.
19 Creech explained, if you would come up here where I can
20 swear you in or you can affirm before you begin your
21 statement.

22 WILLIAM BAUER; Having first been duly sworn,

23 Testified as follows:

24 DIRECT EXAMINATION BY MR. CREECH:

1 Q Mr. Bauer, will you please, again, state and
2 spell your name, and then also give your address, please?

3 A William Bauer, B-A-U-E-R, 180 Divot Drive,
4 Canton, North Carolina.

5 Q Thank you. And Mr. Bauer, do you have a
6 statement to provide this evening?

7 A Yes. I've got a statement I'd like to give,
8 and then also submit the same statement.

9 Q That's great. And if you'll pull the
10 microphone just over to right there.

11 A My wife and I have both lived at, first, 2138
12 Country Club Drive from 2009 to 2018, and then moved
13 three blocks away to 180 Divot Drive from 2018 to
14 present.

15 I first had experience, personal experience,
16 with the installation of water, sewer, and rainwater
17 systems back in the early '70s starting, I believe, in
18 1975 when I began work on shopping center construction
19 with installation of large size projects. I also worked
20 for an underground installation company and water systems
21 which were tied into water, sewer, and rainwater control
22 in the City of Sunrise, Florida. Thrust blocks were
23 required in all public and private water systems. So,
24 too, in Springdale.

1 We currently have a septic tank and, therefore,
2 only use the water system.

3 Our water bill at 2138 Country Club Drive for
4 water only averaged \$30.83 per quarter. Since our move
5 three blocks away to 180 Divot Drive, our water bill for
6 the last 18 months has averaged \$78.32 a quarter, with
7 the same individuals using the same water and no change
8 in usage. This is a 154 percent increase using the same
9 water delivery system. I checked the water system from
10 the meter to my house and concluded there was no break
11 between the two.

12 I have concluded that the increase was caused
13 by the constant water line failures throughout Springdale
14 and resulting in a need to flush and clean the water to a
15 point where we can drink it. Sometimes it takes a few
16 days to a week to complete flushing the line.

17 I believe that a reasonable increase in water
18 cost is acceptable, but an adjustment in rates is not
19 justified until such time as the necessary repairs to the
20 system are made. We have had between 11 and 13 line
21 breaks or interruptions during, I believe, the past year,
22 and this isn't acceptable. We have to purchase drinking
23 water to be ready for the interruptions and are required
24 to do excessive flushings of the lines, often for days

1 until the lines are clear. This water runs through our
2 meter and we are, therefore, charged for that water.

3 The drawing by Jensen Engineering for their Job
4 Number 89105, dated 3/15/89, for the addition of Phase A,
5 titled "Springdale Town Homes" has three different
6 schedules for the installation of thrust blocks; one for
7 plugs, one for tees, and one for bends. Therefore, I --
8 further, I have been in touch with people who were
9 involved in the installation who said some were
10 installed, but many were not. This would explain why the
11 failures are occurring, along with the age of the lines
12 themselves.

13 Again, I believe a reasonable rate increase is
14 necessary, but the conditions which require the system be
15 brought up to standard building practices and
16 requirements should be put in place, which do not
17 currently exist. The actual cost of water is not being
18 represented by the water companies as it does not include
19 the cost of water which the owners are forced to bear due
20 to the constant purchase of bottled water caused by the
21 water company's inability to provide it in an
22 uninterrupted manner. To provide it in an uninterrupted
23 manner refers to the running of clean, clear water
24 through our lines to our home.

1 The second argument I have is what I call false
2 equivalent, where the water costs of Waynesville are
3 higher and water outside the city even higher due to
4 geographic location. The comparison has nothing to do
5 with the geographic location. Water rates are not higher
6 due to the fact residents are in a rural area, but rather
7 because of the population density, not the geographical
8 location. It is, rather, the cost of infrastructure due
9 to the proximity to the water plant and wells. In the
10 city there are many homes per square mile which
11 translates in a greater number of homes tapping into
12 lines, producing lower cost. In the county outside the
13 city there is a greater number of pipe with fewer users,
14 i.e., city connections every 25 yards versus a county
15 with a tap every 50 acres. Springdale Water & sewer is a
16 small loop system with greater density, making it more
17 like a small city rather than a rural environment, thus,
18 the cost should be more representative of a city where
19 the proximity to the well and treatment facilities are
20 located, thus, a false equivalent.

21 Carolina Water is also noted in this graph, and
22 the rates are also posted on the page after Waynesville
23 and Canton. Carolina is not a municipality, but rather
24 an outside water company which had been soliciting for

1 years to come to Springdale to control the water/sewer
2 company on behalf of the Springdale owners, in this case
3 now Mr. West. Their main objective is to turn over
4 operation to an outside vendor, and in order to do this
5 they must get rates dramatically increased. Springdale
6 has been operated for decades without outside
7 intervention by a for-profit company. Neither
8 Waynesville nor Canton is for profit.

9 Again, if I may just make one closing
10 statement. I want to say again there is an increase
11 that's reasonable. I'm not saying that they have to
12 remain where they are. There are repairs that are
13 necessary to be made, but the costs have to be
14 reasonable, and we are already bearing costs because of
15 the additional cost that we're paying for a water system
16 that isn't functioning properly. So, again, I have no
17 objection to a reasonable increase for the water company.

18 HEARING EXAMINER HILBURN: Mr. Bauer, if you
19 would sit right there, we'll have some questions from the
20 Public Staff first, and then I'll see if I have any for
21 you.

22 BY MR. CREECH:

23 Q I just have a couple of quick questions, and
24 then you do have a written statement?

1 A Yes, I do. Basically, what I read.

2 Q With the exhibits?

3 A I'm sorry?

4 Q With some attachments as well; is that correct?

5 A No.

6 HEARING EXAMINER HILBURN: Would you like to
7 have his statement entered into the record as an exhibit?

8 MR. CREECH: As Bauer Exhibit 1.

9 HEARING EXAMINER HILBURN: It will be so
10 allowed. Thank you, Mr. Bauer.

11 MR. CREECH: Mr. Bauer, I actually have one --
12 a couple quick questions, please.

13 HEARING EXAMINER HILBURN: Yes, please.

14 Q You mentioned interruptions. Can you speak to
15 that just for a moment and the use of bottled water?

16 A We've had numerous breaks in pipes, and
17 especially bad this year for probably many different
18 reasons. Each time this occurs we're notified by the
19 water company quickly that there is a break and, you
20 know, we then need to go get our own water, depending on
21 where the break is located, how large or small it is, how
22 quickly they can respond. When breaks happen on a Sunday
23 morning, it's difficult to get people to go and make
24 repairs. However, we then experience a great deal of

1 dirt, soil contaminants in our water which makes it
2 undrinkable. So we are forced to go out and purchase
3 water until such time -- excuse me -- until such time as
4 the lines are clear. I've gone as long as a week to 10
5 days to two weeks where we're buying water. I don't find
6 that particularly acceptable, but I understand it and
7 it's a somewhat reasonable request. If the water system
8 was operating in a better manner, that cost would go
9 down, thus our water bills would go down.

10 It's kind of like, you know, I buy a car and
11 the car breaks down, I've got to fix it. Someone buys a
12 water company and it breaks down, they've got to fix it.
13 I don't have to fix it.

14 Q Mr. Bauer, any other comments?

15 A No, sir.

16 EXAMINATION BY HEARING EXAMINER HILBURN:

17 Q Can I just ask, Mr. Bauer, do you contact the
18 Company when you have issues with service or when you
19 have any question regarding how your bill increased when
20 you moved? Do you contact the Company? Do you have a
21 good customer relation with the Company?

22 A I have a very good customer relationship with
23 Mr. West. I've had other issues at my property that did
24 not pertain to the water system. I've found him to be

1 very responsive and very responsible and very congenial.

2 Q Okay.

3 HEARING EXAMINER HILBURN: All right. Thank
4 you. That's all we have for you. You may be excused.
5 Yes. If you'll give the court reporter your exhibit.
6 She will get that copied into the record.

7 THE WITNESS: Thank you.

8 (Whereupon, Bauer Exhibit 1 was
9 marked for identification and
10 admitted into evidence.)

11 (Witness excused.)

12 MR. CREECH: Next, I'd like to call Cliff
13 Stovall.

14 RAYBURN C. STOVALL: Having first been duly sworn,
15 Testified as follows:

16 DIRECT EXAMINATION BY MR. CREECH:

17 Q Mr. Stovall, if you will, please restate your
18 name and spell your last name, and please provide your
19 address.

20 A Okay. I'm Rayburn C. Stovall, S-T-O-V-A-L-L.
21 I live at 626 Country Club Drive, Canton, North Carolina,
22 28716.

23 Q Mr. Stovall, did you have some comments that
24 you'd like to make?

1 A I do. You have a verbatim statement and it has
2 the tabs to it. There's six of those. But I'm going to
3 talk about those. You have them and I have them so I can
4 get through it in less time.

5 Q That's fine. You just want to give a summary
6 of your --

7 A That's what I'm going to do.

8 Q But you adopt all this as your testimony?

9 A I do. Thank you. The rate hike was a huge
10 surprise to us. It wasn't because that a rate hike was
11 asked for because, frankly, everybody I've talked to
12 believes a rate hike is correct. There should be a rate
13 hike. Now, only one person that I talked to, and I
14 didn't talk to everybody, thought that the rate hike was
15 correct. The other people did not think it should be as
16 high as it was.

17 Now, in addition to that, it just seemed
18 apparent -- now, this is a seems and not a fact -- that
19 maybe the new owners and the management didn't realize
20 what the system was really like, though I thought they
21 had done -- I knew they did some due diligence before
22 because I stopped a truck one day and asked them what
23 they were doing. They said they were surveying the
24 water. And the reason I stopped the truck, because it

1 had CIA on the side, and I don't like CIA.

2 (Laughter.)

3 A So having said that -- but they didn't know
4 what experience we've been through with this system. I
5 really don't think they really knew.

6 I've been a member, a resident full time in
7 Springdale for the last 19 years. Moved here full time
8 in 2001. For 10 days I wavered about whether I would
9 testify here, and the reason I wavered back and forth was
10 because I saw this as tearing a very small neighborhood,
11 about 100 people, into neighbor versus neighbor, and I
12 didn't like that. But then something came about me, and
13 I said I've got say what I've got to say. And I am
14 saying it.

15 I met Mr. Lex West on two occasions in passing.
16 I don't know him well. I met his father once passing on
17 the 18th hole. And people who I respect and one of them
18 sits right back here, Michael Boss, and another guy, I'm
19 going to leave him unnamed, they talked about what great
20 excellence the Wests are used to providing. And if you
21 saw the work going on on the golf course, you would agree
22 with it. And I'm thankful they bought Springdale
23 Estates. The previous owners couldn't afford to do
24 anything. I mean, they got by. And so I appreciated

1 them getting by, and I appreciate the Wests doing what
2 they're doing. They're making great changes to the golf
3 course, though they're revolutionary and they're keeping
4 us off the golf course for a while, but they made
5 arrangements for us to go other places.

6 But the water system is a different story.
7 Frankly, I was really surprised that knowing the
8 excellence of the Wests and how well they do things, that
9 the water system wasn't fixed before they asked for a
10 rate hike. That was a surprise to me. Now, everyone, as
11 I told you, everybody believes that a rate hike is
12 appropriate, and there hasn't been hike since 1996. Now
13 the system's operated differently. They have a better
14 accounting system now than they did before. And if we
15 had a problem, we would call the superintendent directly.
16 If I saw dirt in the water or color in the water, I
17 called Mike Deaver. And Mike Deaver, he and some guys
18 from the crew went out, dug, fixed it. Nobody sent us
19 anything. We just -- then we flushed the lines. And if
20 you're smart, you flush your lines last. You flush less
21 water. Unless you're in the hole like Bill Bauer is, and
22 it all goes to his place, so we let it go to Bill.

23 (Laughter.)

24 Everybody else thought, though, other than this

1 one person, that the rate hike was extreme or excessive.
2 At the conclusion of my comments I'm going to make a
3 recommendation to the group here from Raleigh that the
4 zero usage rate, which is the thing I have in contest
5 here, go from 6.59 to 15 rather 6.59 to 30. That
6 difference is 355 percent of the other. This would be
7 127 percent increase. That the sewer zero rate, which
8 I'm not on, but I look at numbers, and that go from 10.81
9 to \$20, and that's a rate hike of 85 percent.

10 Now, let me explain why I think it's excessive,
11 the rate hike that's being asked for using my bills. And
12 if you have one of the packets, look back at Tab A and B.
13 The first thing, Tab A, you have my quarterly bill for
14 October to December. The rate, really low, \$39. With
15 the proposed rates, it would have been \$118, or 206
16 percent. If you look at it for the year and that's Tab
17 B, and I've totaled each one up and you can see, it's my
18 handwritten stuff. Yeah, please, look at them, Tab A and
19 B. That would go for the year from 154, which it was, to
20 474 or 207 percent, very consistent. The increase
21 proposed by the zero usage is 355, 6.59 to 30, and the
22 sewer rates 233 percent from 10.81 to \$36. And I ask you
23 just rhetorically, is this reasonable? I don't think so,
24 but that's an opinion.

1 Shouldn't there be some standard other than
2 just a profit and loss statement? And I think that's
3 correct, there should be. So I went to the Bureau of
4 Labor Statistics online. I used the Bureau of Labor
5 Statistics CPI calculator, and \$6.59 in 1996 dollars
6 would be 10.97, \$10.97 in today's dollars, 66 percent
7 increase. The -- I said, well, that's not good. Don't
8 just use one, Cliff. So I went to another one. I went
9 to all my Social Security records back before 1996, and
10 in calculating the Social Security increase from -- each
11 one of them, 1996 through today, or 2019, and you'll find
12 that at, I believe, it's Tab B -- C and D are where those
13 are -- that rate would have gone from 6.59 in '96 dollars
14 to 10.87 in today's dollars, or 64 percent. Now, that's
15 only ten cents difference, and I'm thinking one of them
16 is probably pretty accurate and I don't care which one,
17 but I think that's a closer comparison to what today's
18 dollars are.

19 The next point I'd like to bring up is when we
20 compare Waynesville and Canton to Springdale. Believe
21 me, I don't believe there's a comparison, but I think you
22 need to know why I don't think there's a comparison. If
23 you'll look at Tab, I think it's E in your folder, I've
24 got articles about the Waynesville water system. It's

1 run by government. I know that Springdale can do better
2 than the government. But in these two articles, if you
3 read those, you'll find that Waynesville, their Aldermen
4 are going to pay -- I think it's 400 or \$600,000 for a
5 water tank agreed to 40 years ago outside of town, and
6 they're going to replace it, and the Aldermen overruled
7 the one guy that had some sense. So they're a bad
8 example. Canton breaks all the time. And my sources for
9 these, I don't have the exact numbers because I didn't
10 think this was coming up, but, in fact, the local paper
11 will tell you when it breaks over in Canton, and it
12 happens all the time for them. So the comparison is not
13 really good, and Springdale is not comparable just due to
14 the number of miles of water delivery for Waynesville or
15 Canton. And then I just could not comprehend the number
16 like the Carolina Water number. I think it was, my
17 memory, \$61 for zero-rate usage. That was just not a
18 very good comparison.

19 And then the most important thing, how is our
20 water? Well, frankly, in my opinion it's not good. You
21 need to understand that my wife and I do not drink water
22 from the tap at Springdale. We do not do it. We only
23 drink it from bottled water, and probably bottled water
24 is no good, either, but it looks cleaner. I go by color

1 a lot of times. And so we end up three or four cases of
2 bottled water a month, and we don't mind it. It's our
3 choice. Now, the reason is because the frequent water
4 breaks and the outages and the resulting color that we
5 flush through our system is bad, okay, so it being that
6 bad, we get Springdale water test results frequently.
7 And I think they're -- I don't -- can't read them, but I
8 think they're telling me that the water is good. But to
9 see the water is to question the water, and I do question
10 it.

11 The water in my whole house filter is just to
12 take out sediment. That comes in where the water enters
13 the house. I change that filter at least once a month
14 and every time I flush it. So I might do 18 or 20 times
15 a year. I'm not complaining about the -- the cost is not
16 what I'm complaining about. It's just the fact that it's
17 there.

18 The color of the water in my filter bottle, if
19 you want to drink that, that's okay, but it scares me, so
20 I don't drink out of that water. That's one of the
21 reasons. We change the water in our -- the filter in our
22 refrigerator three to four times a year at a \$50 cost,
23 approximately \$50. We use that for iced tea, but you've
24 got to understand, the iced tea colors the water so I'm

1 able to get by. It's easy for me. But we do have to
2 change frequently. Under the previous owner, if I saw
3 colored water, I called the superintendent. They went
4 down and fixed it, as I told you earlier. I just don't
5 feel comfortable doing that for Buddy. He's got a lot of
6 stuff going on.

7 If you get Tab F in the folder, you'll see what
8 we get sent out to us. We didn't used to get that so I
9 wasn't quite as scared. Now I'm talking about got to
10 boil it and do all this other stuff, so another good
11 reason not to drink it. And so those four items point me
12 to the fact that I recommend that it go from -- the zero
13 usage for water go from 6.59 to \$15 per month and the
14 sewer go from 10.81 to \$20 a month. That's 127 for one
15 and -- percent and 85 for the other.

16 Now, one thing I'd like to mention, because
17 it's in the future and I see it coming, and I'd urge the
18 Commission to carefully consider, there are going to be
19 capital improvements. This gentleman right here, he's
20 not going to sit still for something like the water
21 system. I mean, I just know he won't. But when
22 considering the future cost, there's going to be
23 development at Springdale. I would. If I owned all the
24 land that they own, I would be developing it. And I'm

1 not sure that that development cost should be carried
2 over to the current residents. I think it should go to
3 the -- probably a company that will be named later,
4 whatever it is, because we do have a little conflict of
5 interest here. We have the same owners and the same
6 percentage in Springdale Golf, LLC and in Springdale
7 Water, LLC, and I would presume -- presume, not fact --
8 that if I had a development company, I would have the
9 same ownership. And I just -- I think it should be kept
10 separate, and I think it should be counted differently,
11 part of the cost, some cost of development, and the cost
12 of the lots.

13 And lastly, and I'm speaking for a number of
14 people who have talked to me because I sent out an email
15 just telling them this was going to occur, there are a
16 lot of people that are concerned about the future. And
17 they don't have any idea about the master plan. They're
18 not entitled to know the master plan. But it's a
19 concern, they just want to know will there be water in
20 the future, sufficient amounts for my property to have
21 any value. And if so, who's going to say that, not just
22 Ricky Sheppard or Cliff Stovall. I want somebody that
23 has investigated it correctly. And then -- and I'm
24 almost scared to ask this because I just see more digging

1 in the future and, boy, we've had a lot of digging in a
2 couple years. Right now the roads are kind of messy, and
3 we thank Duke in part for a lot of that. When will the
4 current outdated and apparently used up system be
5 repaired? And that concludes my statement.

6 HEARING EXAMINER HILBURN: Okay. Thank you,
7 Mr. Stovall. If you will wait one moment --

8 THE WITNESS: Yes, ma'am. Sure.

9 HEARING EXAMINER HILBURN: -- Mr. Creech may
10 have some questions for you.

11 BY MR. CREECH:

12 Q Just one quick question --

13 A Sure.

14 Q -- Mr. Stovall. I appreciate your sharing your
15 points prior to your final point, but really, your final
16 point, you have a question relating to the sufficiency of
17 water. Can you expand upon that --

18 A Well, no. It's an unknown. That's -- you know
19 my first hearing about where the water came from at
20 Springdale, some guy said he saw a gusher go up from a
21 spring 30 -- I don't know how many years ago. He's a guy
22 that lives out in Cruso. And so we're questionable,
23 right, what we might say, but he saw it and he said it
24 was like an oil gusher, so I thought it was spring water

1 and then I -- but we've got wells. The current ownership
2 had to replace a well. So they brought it -- put in a
3 second well. And if you're not worried about a well, I'm
4 worried about a well or spring water. Waynesville has a
5 real good reservoir of water out here. Other people are
6 trying to steal Waynesville water. We just -- are we
7 going to be sure that we're going to have that water?
8 Now, Haywood County is very unique. It's one of the few
9 counties where all the water flows out of Waynesville
10 County -- Haywood County. No water flows into it because
11 we have a good source of water, but it -- it's a concern.

12 Q And did you have, in terms of the quality of
13 service, in terms of responsiveness --

14 A Oh, that's not a problem. They're responsive.
15 It's still broken. Now, since I was surprised about
16 having this, I wasn't keeping a book on my -- how many
17 times. For example, even before their ownership we had
18 three places that we went to first. The first place I
19 could see out of my -- off my deck, and they just parked
20 the backhoe there. You understand? I mean, it stayed
21 there for three or four months because they knew they
22 were going back there very quickly, Fairway Drive. And
23 it's because the previous owners way back, when they put
24 in a couple of lines, they didn't replace the lines from

1 there on up. Now, I can't figure out why somebody didn't
2 just go in and put new lines there. That was really
3 stupid. But it was -- that was a matter of money. And
4 then another place is a guy, Dave Miller's house, if it
5 wasn't broken at Fairway Terrace, it was broken over at
6 Dave Miller's house, and if not there, right at Divot
7 Drive where you go down to it. So predictable, but bad.

8 MR. CREECH: All right. And in terms of the
9 documentation that you're providing tonight, Madam Chair,
10 we'd like to introduce this as Stovall Exhibit 1.

11 HEARING EXAMINER HILBURN: Yes. We will do so
12 in a minute.

13 MR. CREECH: Okay.

14 HEARING EXAMINER HILBURN: And that will be the
15 document that has the six tabs that he mentioned; is that
16 correct?

17 MR. CREECH: Correct.

18 THE WITNESS: Yeah. There are six, yes, ma'am.

19 HEARING EXAMINER HILBURN: Six tabs. And I
20 want to ask if -- are there any account numbers or
21 anything proprietary or confidential on that?

22 THE WITNESS: Oh, no, no, no.

23 HEARING EXAMINER HILBURN: Because it's going
24 to get loaded into our website.

1 THE WITNESS: It's fine.

2 MR. CREECH: That was my next question.

3 HEARING EXAMINER HILBURN: We may have to
4 redact those account numbers just to follow policy from
5 the Commission.

6 THE WITNESS: Then take them off.

7 HEARING EXAMINER HILBURN: It will not change
8 the substance of your testimony.

9 MR. CREECH: And those are Tabs A through F.

10 HEARING EXAMINER HILBURN: A through F?

11 THE WITNESS: Yeah. And those two, the
12 articles are pretty hard to copy. That's why I gave you
13 -- and I gave you other papers that you could copy from
14 so you didn't have to take that sucker apart.

15 MR. CREECH: Right.

16 HEARING EXAMINER HILBURN: Does that also
17 include the statement that you sent in or made?

18 THE WITNESS: Yeah.

19 HEARING EXAMINER HILBURN: That is entire --
20 that is everything that you want to be admitted?

21 THE WITNESS: Yes, ma'am.

22 HEARING EXAMINER HILBURN: Okay. It will be so
23 admitted.

24 MR. CREECH: Thank you.

1 (Whereupon, Stovall Exhibit 1 was
2 marked for identification and
3 admitted into evidence.)

4 EXAMINATION BY HEARING EXAMINER HILBURN:

5 Q Can I ask while you are up here, you had
6 mentioned you sent an email to others and you had spoken
7 to others in your community. Is there a formal
8 homeowners association that --

9 A No, there's not, unfortunately. There's one
10 out there for just six of the homes. The townhomes,
11 Springdale Townhomes has a homeowners association, but
12 the rest of us, they couldn't come to agreement. We have
13 a lot of entrepreneurs, former, that were there, and
14 everybody -- we all know how to run it better, okay?

15 (Laughter.)

16 A So that didn't work -- bode well for a
17 homeowners association, obviously. I wasn't there to
18 vote on it, but I probably would have voted similarly.

19 Q All right. And let me ask you one more
20 question. I believe I heard you say that you drink the
21 bottled -- you get bottled water all the time, not just
22 when you're seeing the water as colored. I mean --

23 A No, ma'am. We just -- we just started doing it
24 by habit.

1 Q By habit.

2 A My wife and I do that. And it's not, you know,
3 not a worry about the expense. It's just, ma'am, I've
4 drunk water a lot of places in the world made by the
5 engineers, so I'm not scared about it, but I'm scared for
6 my wife, but I've lived a long time now so I'm probably
7 ready to start drinking the bad water.

8 (Laughter.)

9 A I'm beyond -- I'm no longer elderly. I'm way
10 beyond that. I'm safe.

11 HEARING EXAMINER HILBURN: Thank you. You may
12 step down.

13 (Witness excused.)

14 HEARING EXAMINER HILBURN: Okay. Mr. Creech,
15 call your next witness.

16 MR. CREECH: The next witness I'd like to call
17 is Paul T. Zimmerman.

18 MR. ZIMMERMAN: I don't want to speak.

19 HEARING EXAMINER HILBURN: Would you like to
20 have it admitted into evidence? We can -- if you want to
21 come up.

22 MR. ZIMMERMAN: Nothing prepared, no.

23 MR. CREECH: The same appears to be for
24 Selvidge as well. No statement; is that correct?

1 MR. SELVIDGE: That's correct.

2 MR. CREECH: Then the next witness we have is
3 Jeff McAbee; is that correct?

4 MR. MCABEE: Yes, sir.

5 MR. CREECH: Mr. McAbee, if you'll come up.

6 JEFF MCABEE; Having first been duly sworn,

7 Testified as follows:

8 DIRECT EXAMINATION BY MR. CREECH:

9 Q Mr. McAbee, if you will please state your name
10 and address again, and please spell your last name as
11 part of doing so.

12 A Sure. My name is Jeff McAbee, that's
13 M-C-A-B-E-E, and I live at 40 Bobby Jones Court, Canton,
14 North Carolina.

15 Q Mr. McAbee, did you have a statement this
16 evening?

17 A I do.

18 Q Please proceed.

19 A First off, I'd like to thank my fellow
20 residents before me that have done so well in presenting
21 comments. I think they've done an excellent job in
22 presenting what seems to be an issue that we're facing.
23 But I'll just add a few things here and try to keep it
24 short, as best I can.

1 First off, I'd like to say, as mentioned
2 before, that the requested rate increase would nearly
3 quadruple our current rates, and personally I believe
4 this is highly unfair and unjust to our current
5 customers. I think that's just way too much of a rate
6 increase, and especially for those that have low incomes
7 or fixed incomes. There's a wide range of income levels
8 within this community, and so I think that type of
9 increase would be -- would certainly be unjust to those.

10 I do share a similar thought that a small or
11 reasonable rate increase is okay, but certainly 200
12 percent or more is -- or 184 percent is certainly
13 unreasonable.

14 I also wanted to comment, too, a lot on some of
15 the application that I read online that was submitted as
16 part of this rate increase. And it just seems to me that
17 the justification and the rate increase being requested
18 appears to be mostly arbitrary, with the amounts
19 requested to be rounded to the nearest dollar amount, you
20 know, requesting \$30 a month and \$4 per 1,000 gallons.
21 There just seems to be no evidence, really, to support
22 that, in my opinion. There should be detailed
23 information that says, okay, this is what our expenses
24 are, this is what our costs are, and why we need to raise

1 it to a particular level. My suggestion would be to
2 conduct an audit that would be done by an independent
3 entity to validate any particular rate increase.

4 And to me, this audit should include a thorough
5 review of financial information, including expenses, and
6 review it and make sure that every building also has the
7 appropriate meters. That would include golf cottages,
8 restrooms on the course, golf course buildings, whatever.
9 To me, that would be a place to start.

10 I think another thing to look at this, too, as
11 well, is that the previous management and owner of the
12 water/sewer company was able to keep these rates low. I
13 think there was some -- certainly a lot of animosity,
14 probably, with the previous owners, but I would have to
15 say that at least they did keep the rates low and were
16 able to stay within their current revenue. So I think
17 that's something that needs to be looked at.

18 I would also like to point out, too, that the
19 application indicated there was some commingling between
20 the golf course and the water/sewer company. I think
21 that's a -- I'm not saying that's all bad. Certainly,
22 you can use resources of the golf course to -- and have
23 done, made repairs or improvements or do maintenance for
24 the water/sewer company. But I think when you're looking

1 at it from an accounting standpoint there should be some
2 type of separation there for both companies so that you
3 can properly justify those rate increases.

4 And just like what Mr. Bauer and Mr. Stovall
5 did, I want to do some type of comparison with what was
6 provided with the application. If you look at what's
7 being proposed, and it's within the notice itself, the
8 average monthly water bill would be 43.40, and compare
9 that to the Waynesville for the same amount of usage,
10 that would be \$18.40. A bill for Canton would be \$15.02.
11 And I agree with what Mr. Bauer says, too, it's based
12 upon the density of the homes there as well, so I used
13 in-town rates for that as well.

14 And I think, too, the rates shown for Carolina
15 Water was not a fair comparison. One thing that I found
16 -- I believe it's on the Utility Commission's website --
17 is that they have to purchase water from another entity
18 at a high rate just to even start with, so their rate is
19 going to be high. And also what was quoted was for a
20 one-inch pipe, which is more geared toward a commercial
21 business rather than a residential. If you look online,
22 they do have rates that are much lower for pipes that are
23 less than one inch.

24 And one thing I think I would suggest is --

1 going forward, is maybe creating a separate rate for non-
2 residential customers. That would be a way to help maybe
3 potentially generate more revenue for the water/sewer
4 company itself.

5 I would also like to provide some comments on
6 some service issues. I've had a little different
7 experience than what previous folks have come up here and
8 talked about before. I would consider the communications
9 on the service outages to be really spotty and irregular.
10 We're not always notified when there is an outage, at
11 least I'm not. And I think we should be notified not
12 only when there's an outage, but when it's available as
13 well, too.

14 I also wanted to point out that -- about the
15 phone service for the water company itself. In February,
16 the phone service was completely down for two weeks and
17 you couldn't even get in touch with them if you wanted to
18 get in touch with them. I believe it was because they
19 were moving. They had torn down one building and was
20 moving to another building, but my understanding is that
21 it was completely unavailable for that two-week period.

22 Also, I have attempted to contact the
23 water/sewer company in January when there was a major
24 outage. The actual -- the outage lasted for more than 24

1 hours. And I attempted to contact them, left a phone
2 message, and that message was -- phone message was never
3 returned.

4 I'd also like to suggest that an emergency
5 after-hours phone number be provided to customers. That
6 has not been provided, at least not to me. I think that
7 would be a good service to provide.

8 And another communication issue, I think, would
9 be good would be to at least just provide information to
10 the customers why you need a rate increase, even just to
11 let people know, say, hey, you know, we've got one
12 coming. You know, we plan to do this, we've got these
13 costs, our expenses are going up, whatever it might be, I
14 think that would help ease any rate increases or -- that
15 might be coming down the road, at least let them know
16 that it's coming, anyway.

17 I live next door to Mr. Bauer, and I do have
18 the same problem with flushing the lines. So he's at the
19 bottom, I'm at the next to bottom, so we have to flush
20 our lines a good bit as well. It's not uncommon for us
21 to run water on the outside for 30 minutes or up to an
22 hour after each one just to try to get the color of the
23 water to be acceptable again. But even then, it still
24 takes, as Mr. Bauer pointed out, sometimes up to two

1 weeks before you can really get it all flushed out.

2 And finally, just one observation, this is just
3 me talking, but it appears that management is try to run
4 the water and sewer company in the same manner as the
5 golf course. And the water and sewer company is not a
6 retail business. It's more of a public service company.
7 And I think you have to run them in two separate manners.
8 You know, a water -- for a water and sewer company, a
9 public sewer company, you have to have frequent and
10 informing communications. It's imperative, in my
11 opinion.

12 Customer service must be available 24/7.
13 Complaints must be taken seriously. Rates cannot
14 increase just because the market will bear it, but only
15 with adequate justification of necessary expenses.

16 That's all I have. Thank you.

17 HEARING EXAMINER HILBURN: If you'll wait just
18 one moment, we'll have some questions for you.

19 THE WITNESS: Sure.

20 BY MR. CREECH:

21 Q Mr. McAbee, thank you again. I have at least a
22 couple questions for you. One relates to you've spoken
23 to water. What about sewer, sewer service?

24 A I'm a water-only customer.

1 Q Water only.

2 A Yes. I do have a septic tank, and so I don't
3 utilize the sewer service.

4 Q And you referenced flushing. How many times a
5 year do you have to flush?

6 A It depends on the outages. We've owned a home
7 in Springdale Estates since 2010. We've lived here full-
8 time since 2017. And since we moved here full-time, it
9 certainly increased a good bit as to the flushing, and
10 that's only because we're here more. This past year, I
11 think it's been pointed out in some of the previous
12 testimony, it's been fair -- a good bit this past year.
13 I think a lot of it is dealing with the construction on
14 the golf course itself, which certainly can be
15 understandable to a certain point, but I think if you
16 have that communication, at least up front, at least you
17 know what's going on, but I would say in the past year
18 we've probably had a good 18 to 20 times.

19 HEARING EXAMINER HILBURN: He's checking his
20 list.

21 THE WITNESS: Oh, okay.

22 Q You indicated, Mr. McAbee, that you had an
23 outage issue and you placed a phone call, but the message
24 was not returned; is that correct?

1 A That's correct.

2 EXAMINATION BY HEARING EXAMINER HILBURN:

3 Q Let me ask you, Mr. McAbee, those times that
4 you are able to reach the Company and speak with them
5 regarding your concerns regarding service, how would you
6 describe your relationship with the Company or their
7 responsiveness?

8 A The couple times that I've called, I've talked
9 a couple of times with Mr. Lawrence and I talked with --
10 a couple times with a lady named Tamara, and Mr. Lawrence
11 has always been very cordial and very responsive in
12 trying to deal with it, but with Tamara, she seemed to
13 brush off a lot of your concerns and doesn't seem to
14 really address them.

15 Q Uh-huh. All right. And I was trying to get
16 clear how long you've lived in the subdivision. You said
17 you moved there full time in 2010?

18 A 2017 is when I moved full time.

19 Q Okay. Full time since 2017, and how long have
20 you actually been a part-time resident?

21 A Since 2010.

22 Q Since 2010, okay. All right, Mr. McAbee.

23 HEARING EXAMINER HILBURN: Any questions on my
24 question?

1 MR. CREECH: Mr. McAbee, you have a statement
2 there?

3 THE WITNESS: Yeah. I do.

4 MR. CREECH: Madam Chair, I'd like to offer
5 that into evidence as McAbee Exhibit 1.

6 HEARING EXAMINER HILBURN: Okay. It will be so
7 admitted.

8 (Whereupon, McAbee Exhibit 1 was
9 marked for identification and
10 admitted into evidence.)

11 HEARING EXAMINER HILBURN: All right. Thank
12 you, Mr. McAbee, for your statement tonight.

13 THE WITNESS: Thank you.

14 (Witness excused.)

15 MR. CREECH: Next I'd like to call Brian
16 Willis.

17 BRIAN WILLIS; Having first been duly sworn,

18 Testified as follows:

19 DIRECT EXAMINATION BY MR. CREECH:

20 Q Mr. Willis, if you would please state your name
21 again for the record, and spell your last name and
22 provide your address, please.

23 A Yes. My name is Brian Willis, W-I-L-L-I-S. My
24 address is 185 Country Club Drive in Canton.

1 Q Mr. Willis, do you have a statement to make?

2 A I do not have a prepared statement, so my
3 testimony will be extemporaneous, and as such it will be
4 more qualitative than quantitative.

5 My wife and I have lived in Spindale --
6 Springdale, excuse me, since 2016. We moved from Black
7 Mountain to Cruso, and our water and sewer combined is
8 roughly commensurate with what we were paying in Black
9 Mountain, so we didn't pay much attention to our bills.

10 We are the oldest house in Springdale, we are
11 the lowest elevation house in Springdale, and we are also
12 the end of the line. The only property beyond us is the
13 maintenance shed. We are also up on a hill, so from the
14 water line at the street up to our house is a fair
15 distance. As a result, when there is an outage, all the
16 water drains out of the line, takes a little time for it
17 to fill back up and sputters and release of the air, and
18 then you have considerable silt and sediment in the line,
19 to the extent that we now have brushes in our bathrooms
20 that we use to scrub the dirt out of the tanks.

21 We don't drink our water. We usually don't use
22 our water for cooking, either. We have a filter on our
23 refrigerator that GE says is good for approximately three
24 months. I change it about once a month at a cost of \$50.

1 We buy bottled water.

2 We have found that notification about outages
3 have greatly improved lately. My wife receives emails
4 for almost all of them. I still haven't been able to get
5 myself added to the list after constant -- I gave up. I
6 gave up trying to get myself added to the list. But my
7 wife gets the emails, usually.

8 But that means that when she gets up in the
9 morning, before she brushes her teeth, she has to check
10 email. Before she starts a load of laundry or gets in
11 the shower, she has to check email to see. Then she has
12 to run the water and see was it an outage that we weren't
13 notified about or am I going to ruin a load of whites.
14 One of our neighbors told us jokingly that beige
15 underwear is in fashion now.

16 (Laughter.)

17 Speaking with some of our neighbors after
18 receiving notification about what seems to be a pretty
19 substantial rate hike, we realized that our bill is a bit
20 higher than most of our neighbors. There's a possibility
21 that we may have an underground leak. Unfortunately, not
22 only is it a long run; it crosses our driveway twice. So
23 given the rate hike, we would be more likely to put in a
24 well and a septic system rather than continue using

1 Springdale services.

2 We are concerned as well about the impact that
3 this rate hike might have on fixed income residents. And
4 people who are already on a fairly tight budget, this is
5 a sizeable increase. When you add in the added expense
6 of flushing the lines and buying bottled water and
7 laundry and linens that get ruined, the costs add up.

8 Add in the uncertainty of whether you can trust
9 your water and whether you can trust the service. Now,
10 they're very responsive about getting it back on. The
11 maintenance guys do a good job of jumping right on the
12 problem and fixing it. Sometimes before we even know
13 there's a problem, they've got it fixed. But then you've
14 got silt and contaminants in the line, so that continues
15 to be a problem.

16 I don't know what else I can share.

17 Q Mr. Willis, so you presently have sewer
18 service; is that correct?

19 A Yes.

20 Q Can you talk to me about the quality of your
21 sewer service?

22 A The quality of our sewer service is fine. We
23 used to have some issues. You could smell it down by the
24 gate. I don't know whether that was a leak in the system

1 or exactly what it is, but that seems to have gone away,
2 I don't know, a year or more ago. I guess about the time
3 or maybe shortly -- approximately the time that the
4 current owners took possession, so perhaps that was a
5 problem that they fixed immediately or was fixed before
6 they purchased. Other than that, we have no sewer
7 problems.

8 HEARING EXAMINER HILBURN: Mr. Willis, thank
9 you for coming out this evening.

10 MR. CREECH: Thank you, Mr. Willis.

11 (Witness excused.)

12 HEARING EXAMINER HILBURN: Mr. Creech, call
13 your next witness.

14 MR. CREECH: Is there anyone else who cares to
15 make a statement on the record tonight? Please come
16 forward.

17 MICHAEL BOSS: Having first been duly sworn,

18 Testified as follows:

19 DIRECT EXAMINATION BY MR. CREECH:

20 Q Mr. Boss, if you could please state your name,
21 and spell your last name and please provide your full
22 address.

23 A Sure. Michael Boss, B-O-S-S, 223 Fairway
24 Terrace, Canton.

1 Q Mr. Boss, do you have a statement this evening?

2 A Sure. It's a little notecard here and a
3 statement, so I didn't prepare remarks.

4 I'm a resident of Springdale. I drink the
5 water every day. I have an unusual position of being
6 currently simply a resident and part of the community,
7 but I was formerly a minority partner with Springdale
8 Golf Partners, a position that I no longer hold and
9 haven't for well over a year.

10 I'm very confident that the ownership has the
11 best interest of Springdale at heart, and that's evident
12 in what they're doing in the golf course, and it's going
13 to be evident in what they'll do with the water and sewer
14 in the future.

15 I believe the increase is needed to both cover
16 current operations and address the ever increasing
17 maintenance and upgrade requirements that some of my
18 neighbors and friends have made evident tonight.

19 And just a couple notes about the fact that the
20 rates have not been increased in 24 years, and also that
21 maybe the previous owners kept the rates low for 24 years
22 because, quite frankly, the golf operations of the
23 previous owners was subsidizing the water and sewer
24 operation and that's why -- that's why the former owners

1 didn't go for an increase. There can be no other reason
2 why we didn't because the operations certainly were not
3 covered by the billings of the water and sewer. So the
4 errors of the past should not be the demo of the present.
5 And the water and sewer operations should be, at a
6 minimum, a break-even proposition, and that's a little
7 bit of a chicken or the egg, and it's a Catch-22 position
8 that the ownership finds themselves in now, but I know
9 that they are placing themselves to make the place better
10 and they will continue to do that, including the water
11 and sewer. And one of the ways they can facilitate that
12 is to have a rate structure that's commensurate with the
13 cost to operate it.

14 And, again, there is -- you know, I live on
15 Fairway Terrace. Maybe my situation is better because of
16 the piping or so forth than maybe Divot or down close to
17 276 where the Willises' live. But I drink the water
18 every day. I wash my clothes in it every day. I cook.
19 I have a -- I change the filter every three months.
20 People all over the country do that.

21 So, yeah, that's my statement.

22 HEARING EXAMINER HILBURN: Okay. Mr. Boss,
23 just one moment. The Public Staff may have some
24 questions.

1 BY MR. CREECH:

2 Q Thank you, Mr. Boss. And Mr. Boss, how long
3 have you been a resident of the community?

4 A November 2017.

5 Q You're water and sewer; is that correct?

6 A Correct.

7 Q Where is your home located? You said it's on
8 the fairway, but --

9 A Fairway Terrace.

10 Q Fairway Terrace, but what's the topography
11 there? Where are you located?

12 A So we're -- so Fairway Terrace is an offshoot
13 of Country Club, and it's a straight shoot down the
14 middle of basically the 9th and the 18th fairways. It's
15 got a downhill trajectory. There's six or seven homes on
16 Fairway Terrace. We are the second-from-the-last home,
17 and so we're -- the water goes from the street up to our
18 -- not down, so the outages, I haven't keep track of
19 them. I don't think they seem to be as frequent as I've
20 heard tonight. In my two and a half years there, there's
21 only been an outage that lasted for more than maybe one
22 time, and that was communicated in advance, and that is
23 -- was to address some of the ever increasing
24 infrastructure.

1 HEARING EXAMINER HILBURN: Thank you, Mr. Boss.

2 MR. CREECH: Thank you, Mr. Boss.

3 (Witness excused.)

4 MR. CREECH: Anyone else care to make a comment
5 on the record tonight?

6 (No response.)

7 HEARING EXAMINER HILBURN: Mr. Creech.

8 MR. CREECH: Madam Chair, that is -- those are
9 all the witnesses this evening.

10 HEARING EXAMINER HILBURN: Okay. All right.
11 If the customers will hold on for just a minute, I'd like
12 to go off the record for just a moment, and then we'll
13 come back on.

14 (Recess taken from 7:18 p.m. to 7:25 p.m.)

15 HEARING EXAMINER HILBURN: Okay. Thank you all
16 for your patience. We will come back on the record. And
17 we had to go off the record for just a moment because our
18 Company, our Applicant, is not represented by an attorney
19 this evening. And it is in our general statutes and our
20 law that for the Company to ask questions to a witness
21 that is an LLC or an incorporated entity, they have to be
22 represented by an attorney licensed to do business in
23 North Carolina.

24 So I wanted to go off the record for just a

1 moment because the Company was unable to ask any
2 questions, any clarifying questions or any follow-up
3 questions with the witnesses, so we went off the record
4 to talk about would the Company please prepare a response
5 for the Hearing Examiner and the Public Staff to the
6 service concerns that were expressed tonight by these
7 witnesses and in the exhibits that were adopted into the
8 record, that they look into that and make a reply for the
9 Hearing Examiner and the Public Staff to consider.

10 The Public Staff will also be filing on certain
11 matters that were expressed tonight, but we did want to
12 get the complete picture, you know, what the Company is
13 planning to do, what their position is on the issues that
14 were raised tonight.

15 So we spoke with the hearing -- excuse me --
16 the court reporter, and they do get 10 business days to
17 transcribe everything that was said tonight. And so we
18 talked to the Company, and they said that they could
19 probably within a week after that transcript is in our
20 docket system, which will be available for you all to
21 view as well, but it will be available for the Company to
22 review and go through and just remember what the concerns
23 were that were expressed tonight so that they can respond
24 to those. And the Company will file its response in our

1 docket system as well, so you will be able to see that
2 once it is filed. I asked them -- I'm formally going to
3 ask them to file it April 1st because it appears from the
4 10 business days that the transcript will be available
5 approximately March 25th, if I'm counting that correctly.
6 All right. Laura says I am. And so about a week later
7 will be -- well, a week later will be Wednesday, April
8 the 1st. And so that will be in the docket system on
9 that date.

10 The Public Staff will also be filing testimony,
11 but this is going to come in after the Public Staff files
12 their testimony, so it will -- the Public Staff will have
13 the choice of whether they file anything additional or if
14 they just address these matters on the record at the
15 hearing on April 23rd in Raleigh.

16 But I want the customers to know there will be
17 a response from the Company. It will be in our docket
18 system. You will be able to read it and review it. And
19 the Public Staff will be reading it and reviewing it as
20 well. And I, of course, will as well.

21 We appreciate that all of you have come out
22 tonight, even those who didn't speak, but even you came
23 out to show support for your community, and we appreciate
24 that. We especially appreciate those who did get up and

1 make their comments because the Commission does want to
2 hear from the customers and understand what your concerns
3 are.

4 And as I've mentioned, you can follow the
5 progress of this docket on our website at www.ncuc.net.
6 You use the Docket Number W-1324, Sub 0. That is all set
7 forth on page 3 of your Customer Notice that was mailed
8 to you.

9 We are going to reconvene on April 23rd, 2020,
10 at 10:00 a.m. in downtown Raleigh. You're welcome to
11 come, or you can review the transcript online once it's
12 over. If you do choose to come to Raleigh, you will not
13 be able to speak again, but you would be able to observe
14 the process. But like I said, there will be an audio of
15 the actual hearing online as well that you can listen to
16 if you're unable to attend.

17 And being that there's nothing further tonight
18 other than the customer testimony that we've taken, and
19 now we've got a report forthcoming from the Company, we
20 are going to adjourn for this evening, and we'll
21 reconvene on April 23rd in Raleigh. Thank you very much.

22 (Proceedings adjourned.)

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STATE OF NORTH CAROLINA

COUNTY OF RUTHERFORD

C E R T I F I C A T E

I, LAURA A. BURGESS, Notary Public/Court Reporter,
do hereby certify that the foregoing hearing before the
North Carolina Utilities Commission in Docket Numbers
W-406, Sub 6, and W-1324, Sub 0, was taken and
transcribed under my supervision; and that the
foregoing pages constitute a true and accurate
transcript of said Hearing.

I do further certify that I am not of counsel for,
or in the employment of either of the parties to this
action, nor am I interested in the results of this
action.

IN WITNESS WHEREOF, I have hereunto subscribed my
name this 25th day of March, 2020.


LAURA A. BURGESS

Notary Public No. 201506200304