

1 PLACE: Dobbs Building, Raleigh, North Carolina  
2 DATE: Tuesday, October 4, 2022  
3 TIME: 7:00 p.m. - 9:08 p.m.  
4 DOCKET NO.: W-218, Sub 573  
5 BEFORE: Commissioner ToNola D. Brown-Bland, Presiding  
6 Chair Charlotte A. Mitchell  
7 Commissioner Kimberly W. Duffley  
8 Commissioner Jeffrey A. Hughes  
9 Commissioner Floyd B. McKissick, Jr.  
10 Commissioner Karen M. Kemerait  
11  
12

13 IN THE MATTER OF:

14 Application by Aqua North Carolina, Inc.,  
15 202 MacKenan Court, Cary, North Carolina, 27511  
16 for Authority to Adjust and Increase Rates for Water  
17 and Sewer Utility Service in All Its Service Areas  
18 in North Carolina and for Approval of a  
19 Water and Sewer Investment Plan  
20

21 VOLUME 1  
22  
23  
24

NORTH CAROLINA UTILITIES COMMISSION

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

COMMISSIONER BROWN-BLAND: Good evening.

Let's come to order and go on the record. I am  
ToNola D. Brown-Bland of the North Carolina  
Utilities Commission, presiding Commissioner for  
this hearing. And I'm joined tonight by Chair  
Charlotte A. Mitchell, and Commissioners Kimberly W.  
Duffley, Jeffrey A. Hughes, Floyd B. McKissick, Jr.,  
and Karen M. Kemerait.

I now call for hearing Docket Number  
W-218, Sub 573 In the Matter of Application by Aqua  
North Carolina, Inc., 202 MacKenan Court, Cary,  
North Carolina, for Authority to Increase Rates for  
Water and Sewer Utility Service in All of Its  
Service Areas in North Carolina.

On June 30th, 2022, Aqua North Carolina,  
Inc. hereafter Aqua, Company, or Applicant, filed an  
Application with the Commission seeking authority to  
adjust and increase its rates for providing water  
and sewer utility service in all of its service  
areas in North Carolina and for approval to  
establish and implement a water and sewer investment  
plan -- hereafter WSIP, and I will pronounce that  
"wissup" -- pursuant to North Carolina General

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1 Statute § 62-133(1) (b) and Commission Rule R1-17(a).

2 A WSIP is a ratemaking mechanism that will  
3 allow the Company to recover the reasonably known  
4 and measurable capital investments and anticipated  
5 reasonable and prudent expenses approved under the  
6 WSIP for a three-year period.

7 Aqua proposes new rates for a base year  
8 and the three rate years included in its WSIP. The  
9 proposed rate increase is based on a test period  
10 that ends December 31st, 2021.

11 According to the Company, its proposed  
12 increase is necessary due to increased capital  
13 investments and operating costs to comply with  
14 service and regulatory requirements. Increased  
15 operating costs to maintain or upgrade the level of  
16 service and changes in consumption.

17 In addition, Aqua's Application requests a  
18 continuation of the Conservation Pilot Program  
19 previously approved by the Commission. Approval to  
20 consolidate residential sewer customers located in  
21 the Park South Station, Huntley Glen, and Parkway  
22 Crossing service areas under its Aqua uniform sewer  
23 rate design, approval of a sewer use rule and  
24 customer assistance program and authority to

1 implement a consumption adjustment mechanism in each  
2 of its three water rate divisions if it's WSIP  
3 request is not approved.

4 On July 26, 2022, the Commission issued an  
5 Order establishing general rate case and suspending  
6 the proposed new rates for up to 270 days.

7 On September the 8th, 2022, the Commission  
8 issued an Order Scheduling Hearings, Establishing  
9 Discovery Guidelines, and Requiring Customer Notice.  
10 The Order scheduled hearings for the purpose of  
11 accepting testimony from public witnesses including  
12 here in Raleigh tonight and future hearings in  
13 Wilmington, Gastonia, and one to be held virtually  
14 or remotely by Webex.

15 The Order further scheduled a hearing for  
16 the purpose of receiving expert witness testimony in  
17 Raleigh to begin at two o'clock p.m. on January 9th,  
18 2023.

19 On September 23rd, 2022, Aqua filed a  
20 Certificate of Service of customer notice.

21 In addition to the Company, the other  
22 party in this case is the Public Staff whose  
23 intervention is recognized pursuant to North  
24 Carolina Statute.



1           In compliance with the requirements of  
2 Chapter 163A of the State Government Ethics Act, I  
3 remind members of the Commission of our duty to  
4 avoid conflicts of interest and I inquire at this  
5 time as to whether any Commissioner has any known  
6 conflict of interest with respect to this matter.  
7 Let the record reflect that no conflicts were  
8 identified.

9           I now call on the parties to announce  
10 their appearances, beginning with the Applicant.

11           MS. SANFORD: Thank you, Commissioner  
12 Brown-Bland and other Commissioners, Chair Mitchell.  
13 I'm Jo Anne Sanford with the Sanford Law Office  
14 representing Aqua North Carolina. With me at  
15 counsel table is Shannon Becker, State President of  
16 Aqua North Carolina and Elizabeth Hedrick with the  
17 Fox Rothschild Firm. Elizabeth is working with us  
18 in this case, and this is her first public hearing,  
19 so we're glad to have her.

20           And behind us making sure we do things  
21 correctly at this table is Robin Lambeth with Aqua.

22           COMMISSIONER BROWN-BLAND: Welcome to you  
23 all.

24           MS. SANFORD: Thank you.

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1 MS. JOST: Good evening. Megan Jost with  
2 the Public Staff appearing on behalf of the Using  
3 and Consuming Public. Appearing with me is Staff  
4 Attorney, Elizabeth Culpepper. We also have Charles  
5 Junis and Evan Houser from our Water, Sewer, and  
6 Telephone Division.

7 COMMISSIONER BROWN-BLAND: Okay. Welcome  
8 to you as well.

9 Before we get started, are there  
10 preliminary matters for the Commission?

11 MS. SANFORD: Other than the fact that  
12 Mr. Becker would like to make a statement when it's  
13 the appropriate time, that's all we have. Thank  
14 you.

15 COMMISSIONER BROWN-BLAND: Before -- we'll  
16 come back to the opening statement. Before we get  
17 started, I'll say a little bit about this hearing  
18 and the way it will be conducted.

19 The Commission welcomes you here this  
20 evening and we are here to listen to the customers  
21 and hear what your concerns are regarding the  
22 Company's Application. This case arose, as you  
23 heard in the opening statement, when the Company  
24 filed its Application for a rate increase, and in

1 response to that Application, the Commission  
2 scheduled this hearing in two parts. One is the  
3 public hearing to hear from you, the customers, and  
4 we want to hear from you and anything you might have  
5 to tell us about your service or what you think  
6 about the application.

7 Many times, issues and problems do get  
8 resolved when you are here and you have an  
9 opportunity to speak with the Public Staff or with  
10 the Company.

11 The second part of the proceeding is the  
12 evidentiary hearing for expert witnesses. The  
13 parties in this case are the Public Staff and the  
14 Company, and at the evidentiary hearing these  
15 parties may call expert witnesses to testify.  
16 Expert witnesses are most often professional  
17 accountants, engineers, or economists.

18 And now about the Public Staff. The  
19 Public Staff represents the Using and Consuming  
20 Public, you, the customers. The Public Staff works  
21 separately and independently from the Commission.  
22 Members of the Public Staff work on your behalf  
23 under the direction of an Executive Director. They  
24 do not work under the direction of the Commission,

1 and they come to their own conclusions about the  
2 Company's Application.

3 They don't just accept the filings or the  
4 accounting statements that are filed by the Company  
5 as being accurate or correct as filed. They review  
6 them. They review the books, the records, and they  
7 visit the facilities to make sure investments are  
8 real, reasonable, and prudent.

9 Turning to the hearing tonight, the public  
10 hearings before the Commission are conducted  
11 similarly to court proceedings and are not intended  
12 to be like town hall meetings or protest meetings.  
13 This hearing is in the nature of a court proceeding  
14 and the Commission acts in a judicial capacity.

15 Customer witnesses have an opportunity to  
16 come forward and provide evidence in this case.  
17 Those who come forward will be sworn and placed  
18 under oath, or a witness may choose to be affirmed  
19 rather than sworn.

20 The court reporter will take your  
21 testimony verbatim, word for word, and will from  
22 there make a written transcript of it. The  
23 attorneys, both the Public Staff -- both for the  
24 Public Staff and for the Company as well as

1 Commissioners will have an opportunity to ask you  
2 questions about your testimony. The purpose is not  
3 so much to challenge you or embarrass you in any  
4 way, but just to clarify for the record what it is  
5 that you have had to tell us. And if we don't ask  
6 questions, it just means we think we followed what  
7 you had to say. Don't draw any other conclusions  
8 from it than that.

9           We do sometimes receive and some of you  
10 may have already sent letters to the Commission  
11 about what you think about this matter, but unless  
12 you are here and take the stand to give testimony,  
13 those letters remain part of the Commission's file,  
14 but they will not be considered evidence in the  
15 case. For such letters to be evidence that we can  
16 use to base our decision on, you have to be here and  
17 at least be subject to questions, what we call cross  
18 examination.

19           Like court proceedings that you may be  
20 familiar with, you cannot ask the Commission  
21 questions just like witnesses cannot ask the judge  
22 questions when they testify. It's our time to hear  
23 from you as witnesses in the case, but  
24 representatives of the Company and the Public Staff

1 I'm sure will remain afterwards to answer your  
2 questions that may arise during the hearing or that  
3 you may have come here to ask. They'll remain after  
4 the hearing adjourns and do the best they can to  
5 answer your questions or to follow up with you  
6 later.

7 Also in these proceedings, order must be  
8 maintained, so it's not appropriate to clap or boo  
9 during the proceedings or speak out from the  
10 audience. I'll ask you to remain quiet. Let's keep  
11 order so the court reporter can hear and have a full  
12 opportunity to create an accurate record so she can  
13 take everything down.

14 With that said, I will ask that you  
15 observe a time limit of three minutes and so I'll  
16 ask you to gaze over at the clock that's over here  
17 to my left and when you see it going down to one  
18 minute, make a move towards being able to wrap up  
19 your testimony.

20 Cumulative, repetitive evidence is not  
21 necessary. The main thing is to get your testimony  
22 in the record. And so once it is in, no matter who  
23 said it, that, you know, if you've heard others say  
24 it and do a good job saying exactly what you wanted

1 to say, you don't have to repeat it and you can just  
2 testify that you adopt that prior testimony that you  
3 heard and you can use your time to add additional  
4 matters or additional testimony. And if you don't  
5 have anything to add, you can say that as well.

6 As witnesses are called to testify, please  
7 come up to the witness stand here where you see the  
8 three chairs here in the center and you'll be sworn  
9 in or affirmed at that point.

10 And when you leave, if you can remember  
11 this, be sure you watch, because you have to step  
12 off, and sometimes people may not be paying  
13 attention, but you need to step off the back there.

14 All right. The Public Staff will call the  
15 first witnesses as they have signed up assuming that  
16 they have identified witnesses who wish to testify.  
17 Is that the case?

18 MS. JOST: Yes, ma'am.

19 COMMISSIONER BROWN-BLAND: All right. And  
20 before we do that, we will have our opening from the  
21 Company.

22 And I remind the audience that what the  
23 Company has to say now is not under oath, it's not  
24 considered evidence, but the Company wants the

1 Commission and you to hear from it tonight. So,  
2 Mr. Becker?

3 MR. BECKER: Thank you, Commissioner.  
4 Good evening. Thank you, Commissioner Brown-Bland  
5 for an opportunity in allowing us a brief  
6 opportunity to address you and the fellow  
7 Commissioners, the Public Staff, and of course our  
8 customers.

9 We at Aqua thank the Utilities Commission  
10 and staff and the Public Staff for the participation  
11 in this proceeding. Aqua particularly thanks its  
12 customers. We appreciate your business and your  
13 interest in these proceedings.

14 An important part of Aqua service  
15 committed to you includes good communications across  
16 the range of our interactions. Tonight is your  
17 night to speak. It's on the record and in this  
18 proceeding. We will not be able to answer your  
19 questions on the record here, but we do have  
20 employees from various functions in attendance this  
21 evening including operations, compliance, finance,  
22 business development, and customer service.

23 I'm going to ask real quick if our Aqua  
24 team could just stand up to identify yourselves. If



1 any of you would like to talk with them during  
2 intermission or after the hearing, we welcome that  
3 opportunity to answer questions that you may have.

4 We also have a member from our customer  
5 service who is outside the courtroom. Not here.  
6 I'm pointing through a wall. But she's outside the  
7 courtroom. Ashley is with our customer service  
8 department. She has access to all of the billing  
9 system and can answer any kind of related billing  
10 questions you may have.

11 We'll also follow up and respond to your  
12 concerns more formally in a written filing after the  
13 hearing.

14 Here in the central piedmont region aqua  
15 serves approximately 38,000 water and 11,000 sewer  
16 customers. We serve through more than 300  
17 individual water and sewer systems across 12  
18 counties. We have made a concerted effort to  
19 address the water quality issues primarily from  
20 naturally occurring iron and manganese. Throughout  
21 the last five years and through 2022, we will have  
22 spent approximately \$18 million, installed 50  
23 filters in the central region alone, to improve your  
24 water quality.

1           Individuals here tonight from the Company  
2 helped to make the infrastructure improvements  
3 needed in your systems, proactively address  
4 environmental regulatory concerns, and respond to  
5 emergencies like this past weekend's Tropical Storm  
6 Ian.

7           We are subject to a range of regulatory  
8 oversight, including strict and capable regulation  
9 by this Commission, constant review by the Public  
10 Staff, and environmental regulation by the North  
11 Carolina Department of Environmental Quality as well  
12 as the Environmental Protection Agency.

13           These public hearings are a strong  
14 exercise of that regulatory oversight by this  
15 Commission, and we look forward to addressing any  
16 issues or concerns that you may have.

17           As part of the rate case application, Aqua  
18 has and continues to respond to inquiries and  
19 discovery. We have provided the significant amount  
20 of information to support Aqua's investment in  
21 infrastructure including wells, pipe, treatment  
22 plants, and repairs. We must provide this kind of  
23 evidence, because it's Aqua's responsibility to  
24 prove that the rates that it is allowed to charge

1 are justified, reasonable, and necessary.

2 Plainly put, we are only authorized to  
3 charge the amounts necessary to support the service  
4 and safety obligations we are required to observe.  
5 We are put to a strict standard of audit and proof  
6 in that regard.

7 Thank you again for your participation in  
8 this process. We know that asking for a rate  
9 increase is never easy, but we appreciate you taking  
10 the time to be here tonight and for being our  
11 customers. Thank you.

12 COMMISSIONER BROWN-BLAND: Ms. Jost,  
13 you've identified public witnesses who wish to  
14 testify, so call your first witness, please.

15 MS. JOST: Thank you. The first witness  
16 is Linda Cheatham.

17 COMMISSIONER BROWN-BLAND: Yes, step up on  
18 the -- in the witness chair. And over at the center  
19 is the Bible, if you will place your right hand on  
20 the Bible and -- left hand on the Bible and raise  
21 your right, please. I'm sorry.

22 LINDA CHEATHAM;  
23 having been duly sworn,  
24 testified as follows:

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1 COMMISSIONER BROWN-BLAND: Ms. Jost?

2 DIRECT EXAMINATION BY MS. JOST:

3 Q Could you please state your name and address  
4 including your subdivision?

5 A I'm Linda Cheatham at 1200 Kings Grant Drive,  
6 Raleigh, 27614. River Oaks Subdivision.

7 Q Thank you. And are you an Aqua water or sewer  
8 customer or both?

9 A I'm a water customer.

10 Q And are you speaking on behalf of any other  
11 witnesses who are present this evening?

12 A I am not.

13 Q All right. Do you have a statement that you  
14 would like to present to the Commission?

15 A I do.

16 Q Please proceed.

17 A We've been in our house almost 30 years. We've  
18 had Aqua since Heater turned it over or sold it  
19 to Aqua, so we've had a significant amount of  
20 experience with them. I am not here to talk  
21 about what the rate should be, what you ought  
22 to approve for rates. That's really a job for  
23 you and for the Public Staff, and I have great  
24 confidence in both agencies.

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1 I do though want to share with  
2 you just three quick examples of some service  
3 issues, two of which I think, I guess, indicate  
4 a problem in my mind in the Aqua customer  
5 service area.

6 First of all, a number of years  
7 ago we had brown, and I'm talking brown as this  
8 table, water coming out of our faucets with  
9 particles floating in it. I called Aqua. They  
10 sent somebody out. They assured me the water  
11 was fine and in fact, he drank some of it. I  
12 said -- he said this is not a problem. I said  
13 well, it's a problem for me. I promptly went  
14 out and bought a whole-house water softener  
15 which solved my problem. I have never had that  
16 problem again since. But people -- not  
17 everybody can go out -- can afford to go out  
18 and do that and nobody should have to put up  
19 with brown water.

20 The second example happened  
21 within the past 12 to 24 months. I received an  
22 automated recorded call from Aqua saying great  
23 news, we have lifted the boil water mandate.  
24 Well, unfortunately, I didn't know that there

1 was a boil water mandate, which I found kind of  
2 scary. So, I called customer service.

3 Customer service said they had no clue. And I  
4 said well, what was the boil water mandate for.  
5 They didn't know. So I said well, should I  
6 call the Public Staff and they said you can if  
7 you want to, so I did. And it turns out that  
8 the entire subdivision was not under a  
9 mandatory boil requirement, only half, but when  
10 they lifted it they notified the entire  
11 subdivision.

12 But I will tell you none of  
13 that would've happened nor would I have known  
14 the answer without the involvement of the  
15 Public Staff.

16 The last example is, happened  
17 within the past two months, I had no water at  
18 all. I called Aqua and they said we don't  
19 know; we can't figure it out. So, my husband  
20 and I went out to walk down the street and Aqua  
21 contractors had turned off the water to three  
22 houses because a neighbor had complained about  
23 low water pressure.

24 That's really something that

1 customer service should know. They should not  
2 cut off customers' water and then have no idea  
3 why and just leave it to the customer to wander  
4 around until they can figure it out.

5 So, I would suggest that the  
6 Commission consider implementing measurable  
7 performance metrics that are auditable. It's  
8 not enough to ask customer service reps to  
9 verify that a customer is satisfied. I would  
10 say in both my cases the rep would've said I  
11 was satisfied, because I was courteous, I  
12 thanked them for their time, but that didn't  
13 mean that I thought the Company had done a good  
14 job.

15 Once again, I would recommend  
16 that the Commission look at performance metrics  
17 and associated penalties. I am happy to pay  
18 whatever charges the Commission or the Public  
19 Staff -- and the Public Staff deem are  
20 necessary, but I believe that commensurate  
21 service quality should flow as well.

22 Questions?

23 COMMISSIONER BROWN-BLAND: All right.

24 Ms. Jost, do you have questions for our witness?

1 MS. JOST: No questions.

2 COMMISSIONER BROWN-BLAND: Does the  
3 company have any questions for the witness?

4 MS. SANFORD: No questions.

5 COMMISSIONER BROWN-BLAND: Questions from  
6 the Commission? Chair Mitchell?

7 EXAMINATION BY CHAIR MITCHELL:

8 Q Ms. Cheatham, thank you for your testimony  
9 tonight. The example or the instance you  
10 described where your water was turned off --

11 A Uh-huh (yes).

12 Q -- how did you get the water turned back on?

13 A Well, we walked down the street and we saw an  
14 Aqua truck out there. We stopped and talked  
15 to -- there were three of them and they had a  
16 backhoe and a neighbor had complained about low  
17 water pressure, and so they were in there  
18 cleaning out some sediment that had built up in  
19 the pipes. So, they said as soon as they were  
20 finished, they would turn it back on.

21 Q So your house was one of the three that had  
22 been --

23 A Yes, ma'am.

24 Q -- affected by the shutoff?

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1 A Yes, ma'am.

2 Q Okay. Did you have -- beyond speaking with the  
3 contractors who were out there on the site, did  
4 you have any additional conversation with the  
5 Company about that instance other than the  
6 customer service representative you spoke with  
7 you initially?

8 A I did not.

9 Q Okay. Okay.

10 A I wouldn't have known how to do that quite  
11 frankly.

12 Q And how long did it take for the water to come  
13 back on?

14 A They were out there working close to three  
15 hours.

16 Q Okay. Okay. All right. I have nothing  
17 further.

18 A And I don't have a problem with it being out, I  
19 have a problem with not knowing that it's going  
20 to be out. And it would be really nice if they  
21 would tell you that ahead of time. If you're  
22 going out for dinner and you've been working in  
23 the yard and you come in and you have no water,  
24 that's a problem.

1 Q Okay. Thank you.

2 COMMISSIONER BROWN-BLAND: Ms. Cheatham,  
3 before you leave.

4 THE WITNESS: Yes, ma'am.

5 EXAMINATION BY COMMISSIONER BROWN-BLAND:

6 Q So, in your experience as a customer of the  
7 Company, have there been times when you were  
8 notified that there would be shutoffs?

9 A We are notified when they come out to flush our  
10 pipes. They say okay, for a couple of days you  
11 may experience low water pressure, you may have  
12 discoloration.

13 Q How do you receive those notices?

14 A Well, we just had one yesterday and today and  
15 we got both an email and a voicemail.

16 Q All right. Do you ever get notices by door  
17 hangers?

18 A No.

19 Q No? Email, voicemail. Text messages?

20 A I did not get a text message.

21 Q All right. And so --

22 A But that was fine. I mean, and you had to  
23 respond, okay, press something if you got this  
24 message, so they know that you got it.

1 Q So would you agree that the failure if there is  
2 a failure here is between -- it's internal to  
3 the Company that the --

4 A Yes. I would.

5 Q -- communications people that interface with  
6 customers aren't aware of what's happening in  
7 the field perhaps?

8 A Correct.

9 Q All right.

10 A And they should definitely know about -- I  
11 mean, I take a boil water mandate as being a  
12 pretty serious undertaking. And really and  
13 truly customer service should have known that.

14 Q All right.

15 COMMISSIONER BROWN-BLAND: Are there  
16 questions on Commission's questions from the Public  
17 Staff?

18 MS. JOST: No questions.

19 COMMISSIONER BROWN-BLAND: Questions from  
20 the Company?

21 MS. SANFORD: No questions. Thank you,  
22 Ms. Cheatham.

23 COMMISSIONER BROWN-BLAND: All right.  
24 Thank you, Ms. Cheatham.

1 MS. JOST: All right. The next witness is  
2 Jonathan Smith.

3 MR. SMITH: I have some material that I'd  
4 like to hand out.

5 COMMISSIONER BROWN-BLAND: All right.  
6 Will somebody from the Public Staff assist him?  
7 Thank you. Make sure the -- make sure the Company  
8 receives a copy. And the court reporter.

9 COMMISSIONER BROWN-BLAND: If you would  
10 place your right hand on the Bible and raise your  
11 left. Am I getting that right? Would you place  
12 your left hand on the Bible and raise your right?

13 JONATHAN SMITH;  
14 having been duly sworn,  
15 testified as follows:

16 COMMISSIONER BROWN-BLAND: Ms. Jost?  
17 DIRECT EXAMINATION BY MS. JOST:

18 Q Mr. Smith, could you please state your full  
19 name, your address, and your subdivision for  
20 the record?

21 A Okay. Jonathan -- excuse me -- Jonathan  
22 Charles Smith, 5 Fox Ridge Road, Chapel Hill,  
23 and we're in the Sedgefield Subdivision.

24 Q Okay. Thank you. And are you speaking on

1           behalf of any other witnesses that are here  
2           this evening?

3     A     Dave Ollis seeded time to me.

4           COURT REPORTER: I'm sorry. I cannot hear  
5     you.

6           THE WITNESS: Dave Ollis time to me.

7           COURT REPORTER: Dave Ollis?

8           THE WITNESS: Yeah, Dave Ollis.

9           COURT REPORTER: Spell it.

10          THE WITNESS: O-l-l-i-s.

11          COURT REPORTER: Okay. Thank you.

12          MS. JOST: Commissioner Brown-Bland,  
13     because this witness is testifying on behalf of  
14     Mr. Ollis as well, we request that he be allowed six  
15     minutes.

16          COMMISSIONER BROWN-BLAND: All right.  
17     That motion will be allowed.

18          MS. JOST: Thank you.

19     BY MS. JOST:

20     Q     Do you have a statement you would like to  
21           present this evening?

22     A     Yes.

23     Q     Please go ahead.

24     A     Okay. So, you already know my name, Jonathan

1 Smith and I'm a resident of Sedgefield  
2 Subdivision that's served by the Stoneridge  
3 Master North Carolina 0368185 community water  
4 system owned and operated by Aqua North  
5 Carolina.

6 My family and I have lived in  
7 our home for 14 years and have dealt with water  
8 issues that have been unresolved by Aqua  
9 despite our best efforts. We have suffered  
10 with constant black deposits in our water due  
11 to high levels of manganese. And please see  
12 the photos which I provided of deposits in  
13 bathtubs and faucet strainers.

14 No one should be subjected to  
15 this water for personal use which impacts the  
16 quality of our drinking water, beverages, ice,  
17 bathing, and function of plumbing fixtures.

18 In our community -- in our area  
19 the Sedgefield Well Number 5 is documented to  
20 have a multi-year history of exceeding the DEQ  
21 Rule 15A NCAC 18C .1512 governing manganese  
22 concentration in public drinking water. And in  
23 June 2021 was found to be producing three times  
24 the DEQ limit of .05 milligrams per liter.

1                   And an ad hoc committee of  
2                   residents requested a filter be placed on the  
3                   well to mitigate deposits in our water. Aqua  
4                   refused to put a filter on the well and closed  
5                   it without any community-wide notice to  
6                   residents.

7                   While black deposits in the  
8                   water have improved since the well is cut off,  
9                   the reduced supply of water to the system has  
10                  done nothing to improve low water pressure  
11                  issues for my family. Please see attached  
12                  photos of water pressure readings from my house  
13                  with the system in operation.

14                  This ends my testimony relating  
15                  to our family's experience as an Aqua customer.  
16                  I would like to use the rest of my time to  
17                  share some additional insights that are also  
18                  important for you to know.

19                  For over two years, the  
20                  committee I referenced earlier has been  
21                  communicating to Aqua on behalf of the 300  
22                  families plus served by the water system  
23                  regarding concerns and issues, quality,  
24                  pressure, infrastructure, maintenance, and

1 resilience. After much back and forth, Aqua  
2 finally agreed to do routine maintenance that  
3 was sorely lacking. Locating and marking all  
4 the valves in the neighborhoods, resuming  
5 annual water flushing maintenance after  
6 intervention by the Public Staff on our behalf,  
7 painting all hydrants to code at the direction  
8 of the Orange County fire marshal, replacing  
9 six nonfunctioning distribution valves enabling  
10 Aqua to shut down sectors of the system for  
11 repairs to avoid a complete system shutdown.

12 Aqua also promised in a letter  
13 dated October 25th, 2021, to install  
14 quick-connect harnesses on two Stoneridge wells  
15 to facilitate rapid hookup of emergency  
16 generators, but notified actually the  
17 committee, me, just last month that it won't  
18 install them because their electrician has  
19 retired.

20 Our system is small and 40  
21 years old. There are no dollars budgeted in  
22 Aqua's recently submitted rate hike plan to  
23 upgrade the infrastructure or improve the  
24 resilience of our system. My family and others



1 served by the water system will continue to  
2 deal with limited maintenance, water pressure  
3 issues, unnecessary water outages, and distrust  
4 of water quality as the system continues to age  
5 and decline.

6 As such I ask you to vote no to  
7 Aqua's rate hike request that would require  
8 paying over a three-year period 35 percent  
9 higher water fees for no planned improvements  
10 to the service our system provides to  
11 customers.

12 COMMISSIONER BROWN-BLAND: Questions from  
13 the Public Staff?

14 BY MS. JOST:

15 Q You have provided, Mr. Smith, a two-page  
16 statement and four pages of photographs; is  
17 that correct?

18 A I think so.

19 Q Yeah.

20 A I think that's right.

21 Q And would you like those entered into the  
22 record as exhibits?

23 A Please.

24 Q All right.

1 MS. JOST: We would request that the  
2 two-page written statement be identified as Smith  
3 Exhibit 1 and the four pages of photographs be  
4 identified as Smith Exhibit 2.

5 COMMISSIONER BROWN-BLAND: Which one is  
6 that one, Ms. Jost?

7 MS. JOST: So, we have the two-page  
8 written statement --

9 COMMISSIONER BROWN-BLAND: Statement is  
10 Number 1.

11 MS. JOST: -- 1. Is that right -- that's  
12 right. And then there are in total four pages of  
13 photographs --

14 COMMISSIONER BROWN-BLAND: You had marked  
15 them collectively?

16 MS. JOST: -- as Exhibit 2, Smith Exhibit  
17 2. Yes.

18 COMMISSIONER BROWN-BLAND: All right. Is  
19 there any objection from the Company?

20 MS. SANFORD: No.

21 COMMISSIONER BROWN-BLAND: All right.  
22 That motion will be allowed and the written  
23 statement as Smith Exhibit 1. The collection --  
24 four-page collection of photographs as Smith Exhibit

1 2.

2 MS. JOST: Thank you.

3 (WHEREUPON, Smith Exhibits 1  
4 and 2 are identified for the  
5 record.)

6 MS. JOST: I don't have any questions for  
7 the witness.

8 COMMISSIONER BROWN-BLAND: Questions by  
9 the Company?

10 MS. SANFORD: We have no questions. Thank  
11 you, Mr. Smith.

12 COMMISSIONER BROWN-BLAND: Questions by  
13 the Commission? Chair Mitchell?

14 EXAMINATION BY CHAIR MITCHELL:

15 Q Mr. Smith, thank you for coming out tonight and  
16 for providing your testimony to us. Because I  
17 didn't get a copy of your exhibit, I want to  
18 make sure -- or your written statement, I want  
19 to make sure I'm just -- I have clear in my  
20 mind your testimony tonight.

21 So, I believe I heard you  
22 complain of water pressure issues as well as  
23 manganese in the water; is that correct?

24 A True.

1 Q And is your subdivision Sedgefield?

2 A Yes.

3 Q Okay.

4 A But we're served by the Stoneridge Master --  
5 it's called the Stoneridge Master water system.

6 Q Okay. And you're located in Chapel Hill?

7 A Uh-huh (yes).

8 Q Okay. And tell me how long -- again, I  
9 apologize if this is in your statement, but how  
10 long have you lived in the residence?

11 A Fourteen years roughly.

12 Q Fourteen. And how long have you experienced  
13 these two problems?

14 A From day one.

15 Q And have they -- have -- do the problems come  
16 and go or have they been persistent, consistent  
17 over the 14 years?

18 A Pretty consistent.

19 Q Have you complained to the Company or contacted  
20 the Company in the past?

21 A Yes.

22 Q And describe the interaction you've had with  
23 the Company.

24 A With management, not particularly satisfying.

1       You know, the previous testimony is pretty on  
2       par with what we've experienced. However, we  
3       have the water operator who I think has been on  
4       our system for several years, Jason Smith, he  
5       is an upstanding person. We've had good  
6       interactions with him. But I feel like he is  
7       compromised by the support he's given from his  
8       employer in terms of --

9       Q     What makes you say that?

10      A     In terms of material and labor support to get  
11      the job done.

12                 For instance, installing -- we  
13      were promised almost a year ago to install  
14      these two quick-connect harnesses. We're in  
15      hurricane season. We just had a storm. We  
16      lost power in part of our development.  
17      Fortunately, our wells didn't go down. And  
18      Jason is more than happy to put those harnesses  
19      in, but he said I got to have an electrician to  
20      pull the meters to, you know, de-energize the  
21      system, so I can put in the harnesses, but our  
22      electrician has retired. And I said Jason, you  
23      know, what about a contractor? I mean, he  
24      can't answer that. He's not in that position.

1                   So, I think they've got people  
2           ready and willing to help but they don't get  
3           the support they need in terms of dollars and  
4           labor, people to help.

5   Q    Okay. What interaction have you had with  
6           management?

7   A    Well, we've had several Zoom meetings, the ad  
8           hoc committee has had several Zoom meetings  
9           with them early on. And then -- I mean, I have  
10          a letter from them which I don't know if you  
11          want to put that into evidence -- if I can find  
12          it here -- but it's a letter essentially in  
13          response to our interactions with them. Here  
14          it is. This letter was from Rob Kruger. It  
15          was October 25th, 2021. It was addressed by to  
16          Ms. Ostrum, who is our sort of ad hoc committee  
17          chairman at the time I believe. And, I mean,  
18          it's their response to our concerns in writing.

19               CHAIR MITCHELL: All right. Let's -- if I  
20          may, I'd request that the letter be entered into the  
21          record as an exhibit. Can we get that document --

22               COMMISSIONER BROWN-BLAND: Mr. Smith, is  
23          that your only copy?

24               MR. SMITH: It's -- I have it on the

1 computer. I can --

2 COMMISSIONER BROWN-BLAND: All right.  
3 You're fine with parting with that copy?

4 MR. SMITH: Yes.

5 COMMISSIONER BROWN-BLAND: All right.  
6 We'll make sure the court -- well, show it to the  
7 Company.

8 BY CHAIR MITCHELL:

9 Q And Mr. Smith, just one last question for you.  
10 In the conversations that you and your  
11 neighbors have had with the Company, what  
12 discussions have there been about resolving the  
13 water quality issues?

14 A They shut down the Sedgefield Number 5 Well.

15 Q They shut -- they took the well out of service?

16 A Yeah, they took it out of service, and they  
17 told in my -- as best to my knowledge base they  
18 informed one person in the community by an  
19 email that they were shutting it down, one  
20 person. They did not inform the HOA. As that  
21 letter says, they didn't -- to my knowledge  
22 they never did that. One person was told, and  
23 that person then had to disseminate it  
24 throughout the community.

1 Q Okay. I do --

2 A No official letter came from them saying we're  
3 shutting down Sedgfield Well Number 5.

4 Q Okay. And when Well Number 5 came out of  
5 service, was there a drop off in the water  
6 pressure or provision of service?

7 A There was no improvement.

8 Q Okay.

9 A It's tough to tell when you look at those --  
10 when you look at that photo, when you go from  
11 50 to 10 PSI when you have three things running  
12 in your house, three water things running. I  
13 mean, you know --

14 Q Okay.

15 A -- They're not making much improvement.

16 Q Okay. But just in terms of timing, Well Number  
17 5 comes out of service and you're still  
18 receiving the same service? Your level of  
19 service didn't get better, but it didn't get  
20 worse, is that what I'm understanding?

21 A I can't say it didn't get worse, but I can  
22 definitely say it didn't get better.

23 Q Okay. That answers my question. Thank you,  
24 sir.



1 CHAIR MITCHELL: All right. I have  
2 nothing further. Thank you.

3 EXAMINATION BY COMMISSIONER BROWN-BLAND:

4 Q So Mr. Smith, to follow up and be sure I  
5 understood, Well Number 5 was taken out to  
6 improve the problem with the discoloration of  
7 the water or was that for the water --

8 A No. The black sediments, manganese  
9 precipitates.

10 Q All right. And that you noticed no change?

11 A Well, after that well came out of service, I  
12 think maybe we saw some better improvement  
13 overall, but the system is 40 years old. The  
14 pipes were full of this stuff. Every time they  
15 do repair, you get a charge for that stuff and  
16 when they do a water main repair, you get a  
17 charge where that stuff comes out.

18 When you -- you know, we had an  
19 advisory winter -- I think a winter weather  
20 advisory, they posted those pictures and run  
21 tubs full of water because you might lose  
22 water. Well, we did that, and you can see the  
23 tub is full of that black precipitate. And I  
24 put in a complaint about that, and I was told

1           that everybody was running water, it stirred up  
2           the sediments, and you're going to get that.  
3           So, it's everywhere in the system.

4   Q     All right.

5   A     It's hard to say, oh yes, it's a hundred  
6           percent better since they shut down that well.  
7           We know it's not -- they're not contributing as  
8           much now as they were.

9   Q     And so to your knowledge that's the only  
10          actions taken to improve the sediments and the  
11          quality of the water? Are you aware of any  
12          other actions that the Company took?

13   A     They say they're flushing, but I have questions  
14          about the quality of the flushing. We've been  
15          informed by Public Staff that they have a plan  
16          called a unidirectional plan on file. I'm not  
17          sure if it's with Public Staff or DEQ or both.  
18          But we're not convinced -- we have no evidence  
19          that they are actually following that plan. In  
20          other words, a plan to really flush the system  
21          and get the sediment pushed out. We've never  
22          really seen evidence that that's going on.

23   Q     And tell me what you know about the committee.  
24          You said a committee has been in existence for

1 over two years. How often does the committee  
2 meet and who does it meet with?

3 A We meet amongst ourselves maybe twice a month  
4 to discuss issues with our HOA. We have two  
5 communities. We have Creekwood Community which  
6 is fed by the system, and then the Sedgefield  
7 and Stoneridge Community, and we've met with  
8 the Stoneridge Sedgefield HOA. I've briefed  
9 them on what's going on.

10 Q Do representatives from the Company ever attend  
11 the committee meetings?

12 A Not since I've been on there.

13 Q And then you say as of October 25th, 2021,  
14 which is probably the letter that you have --  
15 the date of the letter that you passed out,  
16 that you would -- that the committee was  
17 notified that it wouldn't install the harnesses  
18 I take it because the electrician --

19 A No. That letter says they will install them in  
20 the year -- with -- by I guess some time I  
21 guess during 2022. But when I called about a  
22 week ago and asked, I called Jason and said,  
23 you know, what's the status. Can't do it  
24 because their electrician retired.

1 Q All right. And so it was Jason Smith that  
2 notified you --

3 A Yeah.

4 Q -- that they couldn't do it? That was my  
5 question.

6 A He is very helpful to us and very open and I  
7 have no complaints about Jason Smith. He's  
8 caught sort in a bad place.

9 Q Okay.

10 COMMISSIONER BROWN-BLAND: All right.  
11 Commissioner Duffley?

12 EXAMINATION BY COMMISSIONER DUFFLEY:

13 Q Good evening. My question relates to the low  
14 water pressure issue. What have been your  
15 communications with the Company surrounding  
16 that issue?

17 A I can't tell you specifically, but we have -- I  
18 personally have raised it and I think the  
19 common theme of responses is your pipes are  
20 clogged up with these sediments, I guess. But  
21 I've had a plumber, a couple times we've had to  
22 repair the line coming to our house, open it  
23 up. I didn't see anything in there. Recently,  
24 we had a whole-house water filter installed and

1           they had to open the pipe up under the house,  
2           didn't see anything in there. So I'm not  
3           convinced that our pipes are -- I mean, is  
4           everybody in the community's pipes clogged up?

5           COMMISSIONER DUFFLEY: Okay. Thank you  
6           for that.

7           COMMISSIONER BROWN-BLAND: Commissioner  
8           McKissick?

9           EXAMINATION BY COMMISSIONER McKISSICK:

10          Q     You mentioned or referred to the potential  
11               flushing of the lines. How often has that  
12               occurred in the past? What frequency?

13          A     I think the EPA says it has to go on once a  
14               year, if I understood that -- if I understand  
15               that rule right.

16          Q     And have you observed that occur at that level  
17               of frequency about once a year or so, if you  
18               recall?

19          A     I think the Company says they -- in that letter  
20               they indicate they flushed in 2020, 2021 and I  
21               think recently we had a notification in 2022  
22               that they had flushed.

23          Q     And of the experiences that you have observed  
24               typical of what others have experienced in your

1 subdivision I guess in the Stonehedge area?

2 A I don't understand what you're asking.

3 Q Is what you experienced at your home, is it  
4 typical of what you've seen other homeowners  
5 experience or other residents experience that  
6 are served by Aqua in this -- what is it,  
7 Stonehedge; is that correct? Did I get the  
8 name -- Sedgfield. Excuse me. I apologize.

9 A I think so. You know, from discussions with  
10 neighbors and on our committee, we're all  
11 having similar kinds of problems. Many people  
12 have installed as the previous person testified  
13 water softeners, significant filtration, you  
14 know, hardware trying to improve it, trying to  
15 get it out of their water.

16 Q But I take it you've not installed a water  
17 softening-type device?

18 A This year we installed a full -- a whole-house  
19 water filter, a sediment filter finally,  
20 because we just couldn't take it anymore.

21 Q And did that improve your situation?

22 A I think it has. I mean, I look at the filter  
23 and it has black sediments that, you know, in  
24 it.

1 Q And do you recall the cost of installing that?

2 A I believe it was about a thousand dollars.

3 Q Okay.

4 A I mean, not inexpensive.

5 Q And you mentioned the committee that meets to  
6 discuss these issues from time to time. Have  
7 you invited Aqua to attend your meetings and to  
8 discuss this issue with them, you know,  
9 personally and directly?

10 A Well, we had those two -- I think it was two  
11 Zoom meetings, maybe in 2021, and you'll see in  
12 that letter I submitted that basically they in  
13 my impression is they said they didn't no --  
14 they would no longer talk with us.

15 Q They would no longer talk with you?

16 A Right. They would only talk with the HOA  
17 president or representative of the HOA.

18 Q And have you asked the HOA president to try to  
19 arrange such a meeting or what's your --

20 A We asked the HOA president to write a letter to  
21 Aqua saying that they could again talk with us  
22 that we represented the Sedgefield/Stoneridge  
23 Community. That letter was sent out. As far  
24 as I know we've never heard a response from

1           that.

2       Q     No follow-up?

3       A     I've emailed Rob Kruger a couple of times about  
4           some issues and never got a response back from  
5           him.

6       Q     Thank you, sir.

7       EXAMINATION BY COMMISSIONER BROWN-BLAND:

8       Q     Mr. Smith, you might come closer to the mic for  
9           me, but do you recall the timeframe or a date  
10          of when the letter -- when the HOA president  
11          sent a letter to the Company?

12      A     It's been this year, several months ago. I  
13          don't -- I can't tell you that.

14      Q     All right. Recently?

15      A     Yeah.

16      Q     All right. Thank you.

17            COMMISSIONER BROWN-BLAND: Any further  
18          questions? Questions on Commission's questions?

19            MS. JOST: Simply that we request --

20            COMMISSIONER BROWN-BLAND: Do you need to  
21          see the letter? I'm going to mark -- I'll have the  
22          letter that he submitted marked as Smith Exhibit 3.

23            MS. JOST: Okay. No, that's fine. We  
24          don't need to see that.



1 (WHEREUPON, Smith Exhibit 3  
2 was identified for the  
3 record.)

4 COMMISSIONER BROWN-BLAND: All right. Do  
5 you have questions for the witness --

6 MS. JOST: I do not have questions.

7 COMMISSIONER BROWN-BLAND: -- based on  
8 Commission's questions?

9 MS. JOST: No.

10 MS. SANFORD: I do have a few.

11 COMMISSIONER BROWN-BLAND: Ms. Sanford?

12 MS. SANFORD: And did you need -- do you  
13 need this?

14 MS. JOST: You can hold onto it as well.

15 MS. SANFORD: Okay. I had a couple of  
16 questions on it which is why.

17 EXAMINATION BY MS. SANFORD:

18 Q This is this letter of October 25th, 2021, from  
19 Aqua to Ms. Ostrum. And Mr. Smith, I'm just  
20 trying to be sure I'm clear on my understanding  
21 of some of the things that you've discussed  
22 particularly in the interchanges with the  
23 Commission recently.

24 This letter to Ms. Ostrum from

1 Aqua dated October 25th, 2021, appears to be a  
2 series of questions and answers from  
3 Mr. Kruger. Are these answers to the --I'm  
4 trying to relate this to your latter comments  
5 about not getting answers from Aqua about  
6 something and I may just be confusing two  
7 different sets of inquiries. But does this  
8 letter represent -- I don't know how many pages  
9 it is -- a series of responses by Aqua to  
10 questions about your concerns?

11 A What do you mean my concerns?

12 COURT REPORTER: I can't hear you,  
13 Mr. Smith.

14 A What do you mean my concerns?

15 Q Well, your concerns, the concerns you've  
16 brought forward tonight, yours and those on  
17 behalf of your community.

18 A That's -- it's in print there that Aqua's  
19 responding to.

20 Q And again, perhaps I misunderstood the last  
21 part of the conversation, and so I'll cut this  
22 off if I did. I was -- are there additional  
23 questions that you've had of Aqua to which  
24 there have not been responses? That's what I'm

1           trying to understand.

2   A       I don't know.

3   Q       Okay. Okay. Fair enough. And I have one --

4           Ms. Ostrum, is she an officer of your HOA?

5   A       She's not, no.

6           UNKNOWN SPEAKER: She's right here.

7           UNKNOWN SPEAKER: Right here.

8   BY MS. SANFORD:

9   Q       Oh, okay. Right here. So we'll -- all right.

10           I had one more question. Let me find it.

11           Trying to clarify my understanding of

12           Sedgefield Well Number 5. That's the well that

13           you discussed with Chair Mitchell and perhaps

14           with other Commissioners, and that well was

15           shut down by Aqua and you indicated without

16           notice to customers. Is it that well about

17           which you said that Aqua refused to put a

18           filter on it?

19   A       (Nods in agreement).

20   Q       Did you -- was that communicated to you by Aqua

21           that they --

22           COMMISSIONER BROWN-BLAND: Just a moment.

23           Mr. Smith, you have to respond verbally or orally so

24           the court reporter can take it down.

1 THE WITNESS: Not sure what the question  
2 was. I was listening following -- end of the trail  
3 here.

4 COMMISSIONER BROWN-BLAND: The question  
5 was with regard to this Well Number 5, was that the  
6 well that Aqua refused to place a filter on  
7 according to your testimony?

8 THE WITNESS: Yes.

9 BY MS. SANFORD:

10 Q And what -- could you tell me if you recall,  
11 what the source was of your information that  
12 Aqua refused to put a filter on there?

13 A I think the basis of that is they turned it  
14 off. I think in that letter -- I think it's in  
15 that letter they discussed, you know, the --  
16 something about cost effectiveness and it was  
17 more cost effective to shut it off than it  
18 would be to put a filter on it.

19 Q To put a filter on it. Okay. Thank you.

20 MS. SANFORD: Those were my only  
21 questions. Thank you.

22 COMMISSIONER BROWN-BLAND: All right.

23 THE WITNESS: For them.

24 COMMISSIONER BROWN-BLAND: All right.

1 Mr. Junis, could you retrieve that letter and let me  
2 see it for a moment?

3 EXAMINATION BY COMMISSIONER BROWN-BLAND:

4 Q Mr. Smith, I know according to you and a hand  
5 raised a minute ago that Ms. Ostrum is in the  
6 hearing room, but who is Ms. Ostrum with regard  
7 to the community? Is she just a customer or is  
8 she a member of one of these committees?

9 A She was a member of our ad hoc water committee  
10 and sort of an acting chair for a while. Yeah,  
11 she's stepped off now, but she still has an  
12 interest in it. We still talk with her and  
13 consult with her.

14 Q And so, is it your understanding if you know  
15 whether Ms. Ostrum is the one that had  
16 communicated to either the Company or  
17 Mr. Kruger directly giving him questions to  
18 respond to?

19 A I think that's the way it went.

20 Q All right.

21 A But I think the, you know, whatever kind of, as  
22 a committee tried to, you know, best sense  
23 tried to come up with communications.

24 Q All right. So this Smith Exhibit 3 is a

1 five-page exhibit and --

2 COMMISSIONER BROWN-BLAND: All right. Any  
3 follow-up questions?

4 (No response)

5 All right. Thank you, Mr. Smith.

6 THE WITNESS: Thank you.

7 COMMISSIONER BROWN-BLAND: Appreciate you  
8 coming out, and watch your step.

9 THE WITNESS: Thank you.

10 MS. JOST: Before I call the next witness,  
11 the Public Staff would move to have Smith Exhibits 1  
12 through 3 entered into evidence.

13 COMMISSIONER BROWN-BLAND: That motion is  
14 allowed, without objection.

15 MS. JOST: Thank you.

16 (WHEREUPON, Smith Exhibits  
17 1, 2 and 3 are received into  
18 evidence.)

19 MS. JOST: The next witness is Dan  
20 Waterman.

21 MR. WATERMAN: I'm good for now. Thank  
22 you.

23 MS. JOST: Okay. All right. In that  
24 case, the next witness is Craig Stenberg.

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CRAIG STENBERG;

having been duly sworn,

testified as follows:

COMMISSIONER BROWN-BLAND: All right.

Ms. Jost?

DIRECT EXAMINATION BY MS. JOST:

Q Would you please state your name, your address,  
and the subdivision?

A Yes. My name is Craig Richard Stenberg. I'm  
at 104 Burnwood Court in Chapel Hill, and it's  
the Stoneridge Subdivision.

Q Thank you. Do you receive water, sewer, or  
both services from Aqua?

A Water.

Q All right. And are you speaking on behalf of  
any other witnesses who are here?

A Yes. Meg Ostrum.

Q Okay. I think you had earlier indicated that  
you're also speaking on behalf of Martha Smith.  
Is that -- Ms. Smith may have indicated.

A That's certainly possible.

Q Okay.

A I don't think I'll take that much time.

Q All right.

NORTH CAROLINA UTILITIES COMMISSION

1 MS. JOST: Well, in any case, because  
2 Mr. Stenberg is testifying on behalf of Ms. Ostrum  
3 and Ms. Smith, we would request that he be given  
4 nine minutes to testify.

5 COMMISSIONER BROWN-BLAND: All right.  
6 That motion is allowed.

7 MS. JOST: Thank you.

8 BY MS. JOST:

9 Q Mr. Stenberg, do you have a statement you would  
10 like to present?

11 A I do and I brought five copies, one I will  
12 keep. I will tell you I don't always hear the  
13 best. I have hearing aids. So, if I am not  
14 effectively responding, please try again.

15 I will also say my wife was  
16 away at a doctor's office and church today.  
17 She is far better at this than I and so I'm not  
18 sure that each of these four are absolutely  
19 complete, though I am confident that my  
20 statement is included.

21 I did bring a small thumb drive  
22 which does have all the pictures and my  
23 statement on it, which I would be glad also to  
24 leave, and I'm confident that all of the 19



1 pictures that I have included in at least some  
2 of the copies of my report are on the thumb  
3 drive.

4 Q You can go ahead and provide your statement.  
5 Thank you.

6 A Thank you. I'll get my glasses on. That's  
7 another thing with age that one has to deal  
8 with.

9 I'm an owner of two lots in  
10 Stoneridge which my wife and I have owned since  
11 1983. We built our house there in 1985. We've  
12 owned our house for 37 years in that  
13 neighborhood. So we have a pretty good sense  
14 of how the community water system has  
15 functioned for us. I haven't been on any of  
16 the committees.

17 I can also tell you that on one  
18 of our two lots Well 4 of the  
19 Stoneridge/Sedgefield water system is located.  
20 When we first moved there it was a tiny well,  
21 and after Aqua has taken over it's now a very  
22 sizable set of buildings. They've added a  
23 number of things including some filters.  
24 There's apparently a lot of manganese in the

1 well.

2 We'll get to some of the  
3 communication issues, but I can tell you that  
4 they've never talked to us when they've built  
5 things or put things up. We've had some  
6 communication with Jason, the people who are  
7 actually servicing the well, but very little  
8 communication and certainly none in advance of  
9 projects that have impacted our lot and our  
10 house.

11 So, I'm going to go over a  
12 series of problems that we've experienced, some  
13 already talked about by people, and I'm going  
14 to talk with you about black and brown  
15 particulates and brownish water. You will see  
16 a number of photos of our water and  
17 particulates that are in our sinks.

18 We have installed two inline  
19 whole-house filters. We have installed a water  
20 softening system. And we still have dramatic  
21 problems with the quality of our water.

22 We've talked with Aqua folks.  
23 We've brought people into our house. We've  
24 shown them the water flowing out of our hoses

1 and they have acknowledged that indeed there's  
2 a problem. In fact, a few years back one of  
3 the senior executives had come to our  
4 neighborhood, a fellow by the name of Peter  
5 Rhodes, and he came down to talk to us, and  
6 there were a series of problems that I was able  
7 to communicate to him when he came. And he was  
8 a very charming fellow and sympathetic unlike I  
9 must say customer service. It's very difficult  
10 to get to anybody and it's almost impossible to  
11 get an answer about anything that's going on.

12 He said he had a theory about  
13 what was causing all of our brownish and  
14 blackish water and he would talk to the folks  
15 who were caring for the well and we should see  
16 an improvement. We didn't and he never got  
17 back with us about that or the other problems  
18 that I have spoken with him about.

19 As a consequence of the  
20 seriousness of the particulates in our water,  
21 we have replaced over the years a large number  
22 of faucets because they gum up with the  
23 particulates. We've had to add, as I said,  
24 water softeners and water filters. I change

1 the water filters every three weeks. If I  
2 don't, particulates start showing up in our  
3 tubs and in our toilets. You can look at  
4 pictures of our toilets, we have a number  
5 throughout our house, and they are absolutely  
6 stained ridiculously and the particulates, of  
7 course, will collect at the bottom. Our  
8 cleaning folks have to take some trouble to  
9 clean things up. It's a continuing and ongoing  
10 problem.

11 I will say that having the two  
12 filters combined with the water softener does  
13 help as long as the filters are new. But it  
14 does not help for any length of time as I've  
15 just said.

16 We've been told it's manganese.  
17 I don't know. But you can see, because I put a  
18 series of three kinds of photos, one of water  
19 filter number one and you will see at the  
20 bottom of that filter sizable black  
21 particulates that build up. And these photos  
22 were taken, a couple of them are a little bit  
23 older, but the ones with the particulates in it  
24 were taken yesterday.

1                   The second filter has brown  
2           sludge in it and I'm not sure why the filters,  
3           sort of, sort out the black and the brown.  
4           Perhaps it has something to do with their size.  
5           I really don't know. But you can see that  
6           that's there.

7                   We have had house guests over  
8           the years. We spent some time, my family and  
9           I, living in China. I'm a former professor at  
10          Duke and I was at Peking University. We had  
11          some missionary friends who were there in China  
12          during the time that we were there and they  
13          came and spent a little over a week with us,  
14          and they told my wife and I that in all the  
15          time they lived in China and they lived in some  
16          very primitive places they had never seen water  
17          as poor as ours. That captures our experience  
18          in 104 Burnwood Court.

19                  So, we've been drinking bottled  
20          water for a long time and we've talked as I say  
21          til we're practically hoarse to folks at Aqua  
22          and nothing has been done to solve the problem.  
23          There may be things that have been done. I  
24          don't want to insist that they've done nothing.

1 I will say nothing effective has been done.

2 So, the second major  
3 pressure -- problem that we have is not only  
4 low water pressure, but very high water  
5 pressure. This problem is also chronic and  
6 unresolved. Often our pressure is so low that  
7 our lawn irrigation system doesn't function.  
8 If we turn on a bathtub, we can't run a faucet,  
9 we can't run showers. But surprisingly enough  
10 at times the water pressure can be  
11 extraordinarily high.

12 I took the trouble of  
13 installing a very sophisticated system that  
14 Moen has, the Flo Smart Valve System, and it's  
15 in two places, but the primary one I'm going to  
16 talk with you about today, although the  
17 readings are pretty much the same, is right on  
18 the intake pipe, so as soon as the water comes  
19 into our house, and among the sophisticated  
20 measurements that Flo makes, it makes pressure  
21 measurements.

22 And you will see I've included  
23 reports -- I get urgent emails, texts, and  
24 actually phone calls from the Flo System when

1       our water pressure goes below 20 PSI, which it  
2       often does. These are sample reports. I  
3       didn't want to burden you with huge reams of  
4       material. But interestingly enough, you will  
5       also note if you look at the report that for  
6       our house at the pipe coming in the pressure  
7       ranges on average, they consider it normal  
8       because that's what it's been ever since I've  
9       put the Flo System in, from 20 PSI to 150,  
10      which is a pretty seriously high pressure.

11               Now, I didn't know that, and I  
12      didn't really think much about it. I'm not a  
13      technical guy. I'm reading the reports and  
14      trying to respond to some stuff. But we  
15      recently were, you know, plugging and seeding  
16      our lawn and the people who came to look and  
17      talk with us had a very serious difficulty in  
18      dealing with our system, because a number of  
19      our lawn sprinkler heads had blown off because  
20      of the high pressure that had come at certain  
21      intervals when our water irrigation system was  
22      happening. And you will see one of these  
23      places where the hose is spouting up and you  
24      will see the little head that was blown off the

1 top of it. So, I think this is not an  
2 insignificant problem.

3 Did I have nine minutes or  
4 is -- I don't --

5 COMMISSIONER BROWN-BLAND: You had nine  
6 minutes and it's just up, but if you -- I'll let you  
7 continue if you have a little bit more.

8 THE WITNESS: Thank you.

9 A I'm just going to say there are two other major  
10 things. We've had flooding in our driveway  
11 because when they had a water valve replaced,  
12 they crushed the culvert. I called multiple  
13 times; they wouldn't do anything. When Peter  
14 was there, I talked with him. He said he'd  
15 have something done; did have things done. It  
16 didn't fix the problem. It was still backing  
17 up over our yard. The response I got back was  
18 well, it's just a mud dam. So, I had to hire a  
19 crew to come in and clear their culvert so that  
20 my yard wouldn't be flooded.

21 And we've had serious  
22 inaccurate billing. When our system was  
23 installed for the lawn, nobody could find,  
24 including Aqua and for a while an Aqua expert,



1       our meter and it was buried on the other side  
2       of Aqua's driveway down a hill and under -- and  
3       the technician who finally found it said to us  
4       there's no way they could have read that water  
5       meter. I don't know how they were ever billing  
6       you.

7                       Eventually, that's been  
8       replaced with a more sophisticated meter. I  
9       talked with Peter about that. He said he'd  
10      check into it. Of course, I never heard back  
11      with him -- back from him about it. And I have  
12      no reason to believe that they are accurately  
13      billing me. But I do know that they didn't  
14      have access to that water meter the whole time  
15      and I can go on with 10 or 15 other things, but  
16      I think that gives you a feel.

17                      I'm concerned because they  
18      bought this system from JP Goforth for nothing,  
19      and they have not invested anything in it over  
20      the years except a filter that does nothing as  
21      you've seen with respect to our water, and yet  
22      they're asking for all these rate increases. I  
23      wouldn't mind paying more. I mean, no one is  
24      happy paying more, but if we had our problems

1 resolved, you'd feel good about quality water,  
2 but it isn't quality water and that's why I'm  
3 here testifying, and if I sound a little upset  
4 and speak a little loud it's partly the hearing  
5 aids and partly because this has been 37 years  
6 we've not had good water, and all of it with  
7 Aqua hasn't improved it.

8 COMMISSIONER BROWN-BLAND: Questions?

9 MS. JOST: Yes, please.

10 BY MS. JOST:

11 Q Mr. Stenberg, can you tell us when  
12 approximately you had the whole-house water  
13 filter installed?

14 A I had one whole-house water filter for I think  
15 about three, three and a half years. They're  
16 expensive as you've heard to put in. It wasn't  
17 doing the job, so I talked to the plumber who  
18 has helped us put in a very sophisticated hot  
19 water heater, because if we hadn't put that in,  
20 our water stinks like sulfur or rotten eggs  
21 from -- but we solved it by spending several  
22 thousand dollars on that water heater.

23 That plumber said, you know,  
24 let's just try another one, we put two inline,

1           maybe that'll get it. So, we've done that and  
2           it mainly gets it if I change it every three  
3           weeks.

4   Q     And did you indicate also that you had a water  
5           softener installed?

6   A     We do. Yes, we did.

7   Q     And approximately when was that?

8   A     We had the water softener installed I would --  
9           again, if my wife were here, she's just  
10          brilliant with this stuff, financial manager.  
11          But I would say it's been in place six, seven  
12          years, something like that.

13   Q     And then --

14   A     We put the water -- first we put the water  
15          heaters in and that solved that problem. Then  
16          we put the water softener and one of the  
17          filters in, but that didn't solve the problem,  
18          and then we put the second filter in.

19   Q     Okay. Thank you. And then finally the Flo  
20          Technologies that you've provided some emails  
21          and you spoke about, when was that installed?

22   A     About a year and a half.

23   Q     Okay. And my final question for you, would you  
24          like these documents that you've provided

1 entered into the record as exhibits?

2 A I would and I particularly like the accurate  
3 ones if you can enter the thumb drive.

4 Q It's my understanding that our IT folks will --  
5 we'll figure it out.

6 A Good.

7 Q Thank you.

8 A It's in Apple format. I'm an Apple user, so  
9 it's done on a Mac. Yeah.

10 Q All right.

11 A And I will give you the one that I used. No  
12 need for me to keep it if that helps for other  
13 people to see some of these pictures.

14 Q Thank you. So --

15 A You only have to look at a couple of them.  
16 You'll understand.

17 COMMISSIONER BROWN-BLAND: All right.  
18 Thank you.

19 MS. JOST: We would propose that the  
20 written statement which consists of three pages be  
21 marked as Stenberg Exhibit 1.

22 COMMISSIONER BROWN-BLAND: All right.  
23 Without objection, that motion will be allowed.

24 (WHEREUPON, Stenberg Exhibit

1                               1 is marked for  
2                               identification.)

3               MS. JOST: And by our count the remaining  
4 pages total 48. That is photographs and emails.  
5 And we would propose that those be identified as  
6 Stenberg Exhibit 2, collectively.

7               COMMISSIONER BROWN-BLAND: All right. And  
8 the Company -- you saw them generally?

9               MS. SANFORD: Well, we didn't see that  
10 many I think, but we don't object to they're being  
11 entered. I'm wondering if -- yeah, yeah. Let us  
12 take a look.

13              THE WITNESS: I apologize for my collating  
14 skills.

15              MS. SANFORD: That's okay.

16              THE WITNESS: They've all been copied and  
17 they're neatly arranged. That I can do.

18              MS. SANFORD: We don't object.

19              COMMISSIONER BROWN-BLAND: All right. So  
20 that motion will be allowed. The 48 pages or 48  
21 some pages of photos and emails from witness  
22 Stenberg will be marked collectively as Stenberg  
23 Exhibit 2.

24              MS. JOST: Thank you.

1 (WHEREUPON, Stenberg Exhibit  
2 2 is marked for  
3 identification.)

4 COMMISSIONER BROWN-BLAND: Further  
5 questions?

6 MS. JOST: No.

7 COMMISSIONER BROWN-BLAND: Any questions  
8 for the witness? Ms. Sanford, does the Company have  
9 questions?

10 MS. SANFORD: No, we don't have any  
11 questions. I'd like to thank Mr. Stenberg and to  
12 emphasize that we will be researching all of your  
13 problems and we will certainly be talking to you.

14 THE WITNESS: I will be grateful, truly  
15 grateful if these are resolved.

16 MS. SANFORD: Thank you for appearing.

17 COMMISSIONER BROWN-BLAND: All right.  
18 Chair Mitchell?

19 EXAMINATION BY CHAIR MITCHELL:

20 Q Mr. Stenberg, thank you for your testimony  
21 tonight. Just one -- and you've done a good  
22 job of covering the issues with some clarity,  
23 so I think I'm following you as far as the  
24 problems that you-all have experienced, but one

1           thing I want to follow up on. In your written  
2           statement you indicate that you've discussed  
3           with Peter Rhodes whom I understand to be an  
4           Aqua employee; is that correct?

5   A       Correct. He represented himself to be one of  
6           the senior executives.

7   Q       Okay.

8   A       I have no idea.

9   Q       Okay.

10   A       I didn't get a card.

11   Q       Okay. But you spoke with Mr. Rhodes about a  
12           conversation you had had with Heater personnel?

13   A       Yes.

14   Q       Heater Utilities personnel?

15   A       Yes, I did. Uh-huh (yes).

16   Q       That your home was not connected to the system?

17   A       Correct.

18   Q       Okay.

19   A       Well, it's -- what Heater Well told us is that  
20           we experience a lot of these problems because  
21           we -- this Well 4 on our property produces a  
22           lot of crud into the system. They haven't shut  
23           it down yet, but it's producing at least as  
24           much as Well 5. And it was the Heater Well

1 view that because our water meter which, you  
2 know, was buried and everything, got buried  
3 because it was done so early in the Stoneridge  
4 development that we were actually connected  
5 through our -- the water meter from the well is  
6 connected to our water meter and the water  
7 meter is connected to us. So, we're actually  
8 not getting water that goes through the  
9 community system through the filtering system  
10 or anything of that sort.

11 Q Okay.

12 A And he took out, you know, the map, he looked,  
13 and he couldn't find our line. He couldn't  
14 find our water meter or anything. And, of  
15 course, this was one of the things he was going  
16 to look into and see if he could remedy, but --

17 Q So you've never received a determination or --

18 A No.

19 Q -- confirmation from Aqua about --

20 A None whatsoever.

21 Q -- the connection of your residence to the well  
22 system that Aqua owns and operates?

23 A Correct.

24 Q Okay.



1 A None whatsoever.

2 Q Okay. Thank you.

3 CHAIR MITCHELL: All right. I have  
4 nothing further. Thank you, sir.

5 COMMISSIONER BROWN-BLAND: Commissioner  
6 Duffley?

7 EXAMINATION BY COMMISSIONER DUFFLEY:

8 Q Good evening. I just have one question and  
9 it's with respect to you stated you have two  
10 filters --

11 A Yes.

12 Q -- that you replace every three weeks.

13 A Yes.

14 Q And so, on a monthly basis or the every three  
15 weeks, what's the cost to you for the filters?

16 A You know, I wish my wife were here. These, you  
17 know, aren't cheap filters. They're a little  
18 less than a hundred bucks each.

19 Q Okay. So average \$100 per month?

20 A Oh, no.

21 Q Or \$200?

22 A Times two. Yeah, it's between \$150 and \$200.  
23 You know, every once in a while, we'll get a  
24 deal.

1 Q Right.

2 A But we need one that has, you know, you pay for  
3 the quality of the filtering and there's -- I  
4 don't know a lot about filters, but you want it  
5 to filter very small things, but you want it to  
6 let the water flow through. And so, you can  
7 get cheaper filters that don't let stuff  
8 through and stop the problem but create even  
9 more water pressure problems and all. So we  
10 get one that gives us the water pressure that  
11 we get, which is usually not very good, but  
12 yes. So that's why we pay a little more.

13 Q Okay, thank you. And I heard you state it's  
14 between \$100 and \$150 per filter, so that would  
15 be \$200 to \$300 per month?

16 A Uh-huh (yes). Yeah.

17 Q Or three weeks.

18 A Yeah.

19 Q Okay, thank you.

20 COMMISSIONER BROWN-BLAND: Commissioner  
21 McKissick?

22 EXAMINATION BY COMMISSIONER McKISSICK:

23 Q First, let me thank you for appearing here this  
24 evening and sharing your observations. We

1 appreciate that.

2 I want to try to get a little  
3 bit more information about Well 4 --

4 A Uh-huh (yes).

5 Q -- because you said when you bought your home  
6 you had two lots.

7 A Yes.

8 Q And I guess there was another water company  
9 before Aqua came along.

10 A Yes.

11 Q Were they also utilizing Well 4 or --

12 A They were the ones I believe that drilled Well  
13 4. As far as I know, I could be corrected,  
14 but, you know, Aqua has added a large  
15 additional neighborhood, but they've shut down  
16 one well and they have yet to drill a well  
17 anywhere to increase the water supply in our  
18 community. So yes, it was JP Goforth and his  
19 water company that drilled all the wells.

20 Q Were you experiencing these same problems  
21 before Aqua acquired the system?

22 A Yes.

23 Q Okay. And did the problems become any worse  
24 after Aqua acquired the system?

1 A The water pressure problem has been  
2 significantly worse. Yes. But the  
3 particulates I would say changed pattern. With  
4 Heater Well we pretty much had dirty water all  
5 the time. With Aqua it tends to -- as I wrote  
6 in my report and I told Peter it tends to  
7 happen intensively about 12 times a year and  
8 it'll last for, you know, a couple of weeks and  
9 then it will improve somewhat and then it will  
10 start again and that's what gave him some  
11 theory about what he needed to do that would  
12 improve it. So, the pattern of our water being  
13 poor changed.

14 Q Okay.

15 A I don't know whether it's due to their putting  
16 filters on or what they do with the well. I  
17 simply don't know, but --

18 Q So now --

19 A -- it's worse at some times and a little better  
20 at other times. It was just stably bad under  
21 the Goforths.

22 Q So, before Aqua acquired it was constantly bad  
23 and now it's bad about 12 times a year on  
24 irregular cycles?

1 A It's intensively bad 12 times a year and the  
2 rest of the time if we didn't have those  
3 filters on --

4 Q Yeah.

5 A -- you would find the water very brownish and  
6 distasteful.

7 Q Got it.

8 A Yeah.

9 Q And you mentioned about an additional  
10 subdivision being added.

11 A Yes.

12 Q And I believe in the exhibit you sent around,  
13 Stenberg Exhibit 1, you referred to a Creekwood  
14 Subdivision.

15 A Yes.

16 Q When was Creekwood added?

17 A You know, I don't know. I think some other  
18 folks in the water committee may know.  
19 Creekwood has, you know, been around I guess  
20 eight or 10 years. Somebody can help us with  
21 that maybe in a subsequent testimony. But it  
22 was built with a sizable number of homes and  
23 it, you know, dramatically increased the amount  
24 of water that is not available in our system.

1 And again, I'm no water expert, so whether that  
2 influences the pressure or other things, I  
3 don't know. But it certainly improved Aqua's  
4 profitability which is another one of the  
5 reasons we're so surprised and disappointed  
6 that they haven't done anything to improve our  
7 system.

8 Q So after I guess Creekwood was added, your  
9 situation became worse? Or how did it change?

10 A To be candid with you, I don't know that as  
11 much -- a Duke professor and we spent seven  
12 years living in Singapore and a lot of this  
13 happened when we were in Singapore --

14 Q Okay.

15 A -- so I was not --

16 Q You weren't there.

17 A -- monitoring the water as it was flowing. So,  
18 I think somebody else who was actually living  
19 and using the water regularly could tell you  
20 about that.

21 Q But I believe your testimony was that you did  
22 not think Aqua added additional wells when  
23 Creekwood was added.

24 A Correct.

1 Q No additional --

2 A Correct. It is my strong belief. I have a  
3 number of people in my family that made  
4 equipment for well drilling and so I know not  
5 personally from having done it, but from being  
6 in the family. And, you know, we go around the  
7 neighborhood, we have a lot of friends, it's  
8 not something that you can do without people  
9 noticing. So, it could've been done when we  
10 were in Singapore and so I can't say that for  
11 sure it was not done. But I have heard other  
12 people in our neighborhood and in Creekwood say  
13 that no wells have been drilled.

14 Q And lastly, you mentioned drainage problems  
15 that you experience.

16 A Yes.

17 Q Did you report those to Aqua?

18 A Immediately.

19 Q And did they do anything to address it?

20 A No. I've made multiple calls. They did  
21 absolutely nothing. They sent to repair the  
22 valve a number of crews. And I would go out  
23 and show them how the culvert was crushed. And  
24 sometimes when they came, the water was, you

1 know, backed up over our driveway and they  
2 would take pictures with their iPhones. And  
3 then it was not uncommon for these crews to  
4 come back a day or two later and I'd say well,  
5 what's the deal. Oh, we talked with Aqua.  
6 They're not fixing it.

7 Q Well, that's what I was trying to determine.  
8 Thank you, sir.

9 A Yeah.

10 COMMISSIONER BROWN-BLAND: Commissioner  
11 Kemerait?

12 EXAMINATION BY COMMISSIONER KEMERAIT:

13 Q Good evening, Mr. Stenberg.

14 A Yes.

15 Q I just have one question, actually two  
16 questions about something you mentioned in your  
17 statement about the rotten egg smell --

18 A Yes.

19 Q -- that you've noticed in your water, and I  
20 don't think you said a whole lot about that in  
21 your oral testimony. But how long have you  
22 been noticing the rotten egg smell and how  
23 frequent is it? And then I guess following up  
24 on that, I'll just go ahead and ask all my



1           questions, you can respond to it, but I assume  
2           that Aqua does the flushing that it is required  
3           to do, and does the flushing resolve the rotten  
4           egg smell? So, compound questions about that.

5       A    All right. Again, I'm not a technical person,  
6           but given that we're right by a well and given  
7           that when the valve went out, they did flush  
8           the system and it required them to open valves  
9           that are near us and, you know, the well is on  
10          our property and a sizable amount of water from  
11          the valve breaking and then from the flushing  
12          would go across our property.

13                        I would think I would see  
14           something if they flushed and I haven't seen  
15           anything. So, you know, maybe they're doing  
16           some super system that doesn't require this.  
17           But anyway, I didn't see anything.

18                        Now, as far as the rotten egg  
19           smell, that was chronic until we installed  
20           these several thousand dollar each water  
21           heaters. They do not have any elements that  
22           touch the water. And what I'm told is that  
23           depending on the metal in the heating element  
24           they interact with bacteria and stuff that's in

1 the water and it's then growing in your water  
2 heater which then they give off gas which  
3 smells like rotten eggs.

4 I cannot tell you if they have  
5 fixed that problem only because we fixed the  
6 problem with these very expensive water heaters  
7 and we do not have that problem. Unlike the  
8 filters, that was an expensive job, but it did  
9 the job, so we're very grateful that that  
10 worked.

11 But I have heard other  
12 neighbors -- and, you know, we have this little  
13 neighborhood email group if you have a problem  
14 or something. And, you know, every year or two  
15 somebody newly moves in and talks about the  
16 rotten egg smell and I send them a note about  
17 what it took us and the fellow that put it in  
18 and if they wanted to do it, they could solve  
19 the problem and that's all I do. So, I do know  
20 that from time to time other neighbors report  
21 having the problem, but we do not.

22 Q Well, you answered my last question about  
23 whether any other neighbors were experiencing  
24 it as well, so thank you very much.

1 A Sure.

2 EXAMINATION BY COMMISSIONER BROWN-BLAND:

3 Q Mr. Stenberg, so you testified that you drink  
4 bottled water.

5 A We do. Thank goodness for Costco.

6 Q So other than -- so you don't use the water  
7 supplied by Aqua for drinking.

8 A No.

9 Q Is there any other limitation on your use of  
10 that water? Is there any other limitation on  
11 your use of the Aqua supplied water?

12 A Well, you know, there are some days,  
13 particularly when we have returned from a trip  
14 where I haven't changed the filters, where we  
15 get, you know, the bathtub with all the sandy  
16 grit and stuff in the bottom and it's coming  
17 out of the shower and whatnot. And until I get  
18 the filters changed and the water is back,  
19 we're going to the health club to shower. But  
20 that is a very rare phenomena, but it happens  
21 maybe four or five times a year, something like  
22 that, given our grandkids live far away and we  
23 go visit them. I don't change the filters  
24 until we get back.

1 Q All right. Can you give the Commission an idea  
2 of the -- so you testified that at one point  
3 your meter was covered up and it took a while  
4 to locate where the meter was.

5 A Yes.

6 Q Do you know about what timeframe that happened?

7 A That's a couple of years ago, maybe three.

8 Again, my wife -- it's about 2020 that that  
9 happened. It was when we were installing, as I  
10 testified, our irrigation system and, you know,  
11 they needed to turn the water off and you need  
12 to turn that off at the meter. So, they  
13 couldn't find it.

14 So then the Aqua folks come and  
15 look and they can't find it. By the way, you  
16 know, we have this expensive crew on hold all  
17 this time. And so then they send an expert out  
18 and then the expert can't find it. And then  
19 the expert comes back and finds it on the other  
20 side -- we have a driveway and there is a  
21 driveway into Well 4, and our meter was on the  
22 other side of the driveway down the hill behind  
23 some telephone and electrical equipment buried.

24 Q And --

1 A Not close to the water main I must say. Yeah.

2 Q And about the time you were giving that  
3 testimony, you indicated that Peter -- that's  
4 Peter Rhodes I believe.

5 A Yes.

6 Q You said he didn't respond back. Was that he  
7 didn't respond back to why your meter was in  
8 that location? Was that what you're --

9 A Yeah. No. He -- when I talked with him, he  
10 expressed concern and he immediately went and  
11 got out his computer and pulled up the map,  
12 pulled up our house, did the things to enlarge,  
13 and he got sort of a dumbfounded look on his  
14 face, and he said I can't find your water line  
15 anywhere. It doesn't look like you're  
16 connected to our system.

17 And I told him about what the  
18 Heater Well people had told me and about, you  
19 know, how far our water meter was from the  
20 line, and he said yeah, he would really look  
21 into this and --

22 Q And that's when --

23 A -- see what could be done about it for which I  
24 was very grateful. But, of course, on the

1 three issues that were most salient and of  
2 concern he didn't respond or get back, nor did  
3 anyone else in the Company respond or get back  
4 on those issues.

5 Q All right. And then you testified that since  
6 that time a new meter was installed.

7 A Correct.

8 Q And you said you didn't know or had no reason  
9 to think that it was accurate that that meter  
10 is recording your usage accurate. What basis  
11 do you have or why do you question the  
12 accuracy?

13 A Well, let me clarify that too, because I may  
14 have not spoken clearly. I have no reason to  
15 believe that the new meter isn't working very  
16 well. I assume it's at least good technology.  
17 I understand that somebody can drive around and  
18 read the meter though it's not the latest  
19 technology, which would allow them to, you  
20 know, monitor it all remotely and if we're  
21 using a lot like the line has burst or  
22 something, they would know that, but they don't  
23 have that level of technology. But I think it,  
24 you know, it's -- as far as I know it's

1 accurate.

2 What I was testifying to is  
3 that the fellow who came out and found the  
4 meter and then subsequently the fellow  
5 replacing the meter said to me since your old  
6 meter was buried, you must have gotten water  
7 bills for a number of years and there's no way  
8 that they could have read your meter. So how  
9 could they have given you an accurate bill?

10 So, when I brought that up, I  
11 did get the statement, well, we'll look into  
12 that and, you know, maybe we'll give you some  
13 concession or something. You know, good luck.

14 So, it's the old meter that  
15 couldn't have been read that led me to believe  
16 that a huge number of bills that they sent us  
17 over the years until the new meter was  
18 installed was not accurate or not meter based.  
19 That's my testimony.

20 Q All right. Mr. Stenberg, thank you for  
21 clearing that up for me. Now, in addition to  
22 trying to communicate with the Company at  
23 various times over the years, have you had  
24 interaction with the Public Staff?

1 A No. No, I haven't.

2 Q All right.

3 A I talked with our local committee to let them  
4 know my concerns as other neighbors have done,  
5 but that's the only communication.

6 Q All right.

7 COMMISSIONER BROWN-BLAND: Are there  
8 questions on Commission's questions?

9 MS. JOST: No. No questions. Thank you.

10 COMMISSIONER BROWN-BLAND: All right.  
11 Questions from the Company?

12 MS. SANFORD: No questions. Thank you.

13 COMMISSIONER BROWN-BLAND: Well, it looks  
14 like Mr. Stenberg everybody thinks you've been up  
15 there long enough.

16 So, Madam Court Reporter, did you receive  
17 Stenberg Exhibits 1 and 2?

18 MS. JOST: The Public Staff is in  
19 possession of those and will give them to the court  
20 reporter --

21 COMMISSIONER BROWN-BLAND: Okay.

22 MS. JOST: -- shortly after the hearing.

23 THE WITNESS: Thank you for your patience  
24 and it'll take me just a little bit as an old guy



1 getting down, but --

2 COMMISSIONER BROWN-BLAND: Yes. And watch  
3 your --

4 THE WITNESS: -- I'll do my best to be  
5 safe.

6 COMMISSIONER BROWN-BLAND: Watch your step  
7 and thank you for coming out and giving us your  
8 views about this. Thank you very much.

9 MS. JOST: We would request that Stenberg  
10 Exhibits 1 and 2 be admitted into evidence.

11 COMMISSIONER BROWN-BLAND: That motion  
12 will be allowed.

13 MS. JOST: Thank you.

14 (WHEREUPON, Stenberg  
15 Exhibits 1 and 2 are  
16 received into evidence.)

17 MS. JOST: The next witness is Susan  
18 Sellers.

19 MS. SELLERS: I have three additional  
20 copies of my testimony.

21 COMMISSIONER BROWN-BLAND: Ms. Sellers,  
22 thank you.

23 SUSAN SELLERS;  
24 having been duly sworn,

NORTH CAROLINA UTILITIES COMMISSION

1 testified as follows:

2 COMMISSIONER BROWN-BLAND: Ms. Jost?

3 DIRECT EXAMINATION BY MS. JOST:

4 Q Could you please state your name, address, and  
5 subdivision for the record?

6 A My name is Susan Johnston Sellers. My husband  
7 and I own a house at 110 Oak Stone Drive in  
8 Chapel Hill, North Carolina, and that is in the  
9 Stoneridge Subdivision.

10 Q Thank you. And do you receive water, sewer, or  
11 both services from Aqua?

12 A Water.

13 Q All right. And are you speaking on behalf of  
14 any other witnesses who are here this evening?

15 A I'm speaking on behalf of myself and my husband  
16 James Sellers.

17 Q Thank you.

18 MS. JOST: Because Ms. Sellers is  
19 testifying on behalf of her husband who is also  
20 here, we would request that she be permitted six  
21 minutes to testify.

22 COMMISSIONER BROWN-BLAND: All right. And  
23 the husband is not going to testify tonight?

24 MR. SELLERS: No.

NORTH CAROLINA UTILITIES COMMISSION

1 COMMISSIONER BROWN-BLAND: All right.  
2 That motion will be allowed.

3 MS. JOST: Thank you.

4 BY MS. JOST:

5 Q Do you have a statement you'd like to present?

6 A Yes.

7 Q Please go ahead.

8 A Thank you. I'm Susan Sellers. My husband and  
9 I own a house at 110 Oak Stone Drive as I  
10 stated, and when we made an offer in May 2020  
11 to purchase our house we were unaware that the  
12 water was provided by Aqua North Carolina, a  
13 private company.

14 The discolored water that  
15 appeared in our plumbing fixtures and the  
16 inconsistency in the water pressure supplied to  
17 the house soon alerted us to the problems with  
18 our water supply. Systemwide water outages to  
19 repair water pipe breaks shut down the entire  
20 water for the three neighborhoods that share  
21 this water system and further reinforced my  
22 concerns.

23 I joined an ad hoc neighborhood  
24 committee and began to learn more about our

1 Stoneridge Master water system. I am  
2 testifying tonight as an individual  
3 representing my husband and myself. I will  
4 focus on our most recent water service issues  
5 during the months of August and September of  
6 2022.

7 I opened my September 2022  
8 water bill from Aqua and discovered that our  
9 water usage had suddenly skyrocketed during the  
10 recent billing period. Our water meter reading  
11 indicated that we had used a shocking 17,900  
12 gallons of water for the 31-day period with an  
13 average daily usage of 577.4 gallons. That's  
14 for two individuals living in a house.

15 Our average daily use for the  
16 previous billing period had been under 100  
17 gallons, so we knew that something was  
18 seriously wrong. I called Aqua customer  
19 service the next morning and discovered that  
20 according to their records our water usage  
21 suddenly soared on August 20th, 2022. Of  
22 course, we were learning that fact several  
23 weeks later and we're facing a bill that was  
24 almost four times the previous month's bill.

1 If only we could have known about the leak  
2 sooner.

3 I later learned that we could  
4 have received an alert about high water usage  
5 from Aqua when the leak began if the Company  
6 had chosen to invest in state-of-the-art water  
7 meter technology when the meter was replaced a  
8 few years ago as had been recommended to them.  
9 Duke Energy has the capability to send high  
10 energy use alerts to me, but Aqua does not.

11 Our leak has been repaired now  
12 thanks to the technology used by the private  
13 company that we hired. Our water line  
14 installed 43 years ago had sprung a leak under  
15 the leaves. In order to examine the line, the  
16 private company had to flush the water out and  
17 it ran black as the pipe emptied. This was the  
18 water line serving our house.

19 They advised us after they  
20 found the leak and repaired it to run the water  
21 outside for at least an hour before turning the  
22 house water back on, because when they opened  
23 up the water after they had repaired the leak,  
24 once again, it ran black. So, we ran the water

1 outside for over an hour from our hose. Now,  
2 we have two outside faucets, but only one hose  
3 will function at a time due to pressure  
4 difficulties. So, we ran one hose at a time.  
5 We thought we'd flush it for an hour, and we  
6 came inside and we then opened up the taps  
7 outside.

8 Here is my Exhibit Number 1.  
9 Here is a delectable water bottle and you can  
10 see the particulates inside. This is after  
11 over an hour of flushing outside.

12 Now, we've been drinking this  
13 water. We don't have a whole-house filter on  
14 our house at this time. Unfortunately, even  
15 though we ran the water in every single fixture  
16 within the house, getting initially black water  
17 in every toilet, every sink, every bathtub,  
18 every shower, one of the faucets for some  
19 reason was not cleared.

20 So, after more than five hours  
21 of trying to flush out the water, this is the  
22 result of what came out of that faucet  
23 yesterday. The particles that had clogged that  
24 one-year-old faucet from being on the Aqua

1 water system that's been supplying our house.  
2 Now, this faucet is now cleared at least until  
3 the next load of black particles fills my pipes  
4 again.

5 Tonight, as the Utilities  
6 Commission considers this massive rate increase  
7 requested from Aqua North Carolina, I would  
8 like to make a plea to the Commissioners.  
9 Please scrutinize carefully the many pages of  
10 proposed projects that the committee has  
11 submitted. Consider whether Aqua has  
12 prioritized older systems like the Stoneridge  
13 Master system where the original infrastructure  
14 is approaching 45 years in age with more  
15 frequent pipe failures inevitable without a  
16 long-range plan to upgrade it. Think carefully  
17 about whether Aqua is choosing to install the  
18 best of water system interactive technology or  
19 technology that is already obsolete. Remember  
20 that these rate increases impact every Aqua  
21 customer who will bear the weight of them, so  
22 please try to be frugal on our behalf.

23 Clean water is a precious  
24 essential resource for all of us, not to be

1           wasted through thousands of gallons spilled on  
2           the ground like my leaking water pipe. Thank  
3           you.

4           COMMISSIONER BROWN-BLAND: Ms. Jost?

5 BY MS. JOST:

6 Q       Ms. Sellers, would you like your written  
7       statement and --

8 A       My water bottles.

9 Q       -- the water bottles entered into --

10 A       Yes, please.

11 Q       -- the record?

12 A       Yes. Thank you.

13           MS. JOST: The Public Staff would propose  
14       to take photographs of the two water bottles and  
15       submit those as a late-filed exhibit.

16 A       Unless someone wants to analyze what's in them.

17           COMMISSIONER BROWN-BLAND: All right.

18 A       That's why I brought the actual water.

19           COMMISSIONER BROWN-BLAND: Does the  
20       Company object to the photographs?

21           MS. SANFORD: No, we do not.

22           COMMISSIONER BROWN-BLAND: Does the  
23       witness mind leaving the actual physical exhibits  
24       with the Public Staff?



1 THE WITNESS: Yes. I'll leave them with  
2 them.

3 COMMISSIONER BROWN-BLAND: All right.  
4 I'll let the Public Staff decide what they want to  
5 do with them besides taking the photographs. If you  
6 submit the photographs, I would expect there to be  
7 two photographs.

8 MS. JOST: Yes.

9 COMMISSIONER BROWN-BLAND: So, the  
10 photographs will be marked as Sellers Exhibit 1 and  
11 Exhibit 2.

12 (WHEREUPON, Sellers Exhibits  
13 1 and 2 are marked for  
14 identification.)

15 MS. JOST: All right. We will do that.  
16 And we would request that the written statement be  
17 identified as Sellers Exhibit 3.

18 COMMISSIONER BROWN-BLAND: All right.  
19 Without objection, I'm going to allow it. But  
20 typically, if they've read it verbatim, we've  
21 already -- we already have it in the transcript and  
22 we don't need to admit it. But there were some  
23 deviations so just for precaution, I will allow that  
24 motion as well and so the written statement will be

1 marked as Sellers Exhibit 3.

2 (WHEREUPON, Sellers Exhibit  
3 3 is marked for  
4 identification.)

5 COMMISSIONER BROWN-BLAND: And Sellers  
6 Exhibits 1, 2, and 3 will be received into evidence.

7 MS. JOST: Thank you.

8 (WHEREUPON, Sellers Exhibits  
9 1, 2 and 3 are received into  
10 evidence.)

11 MS. JOST: I do not have any other  
12 questions for Ms. Sellers.

13 COMMISSIONER BROWN-BLAND: All right.  
14 Does the Company have questions?

15 MS. SANFORD: We have no questions. Thank  
16 you.

17 THE WITNESS: Thank you.

18 COMMISSIONER BROWN-BLAND: Questions from  
19 the Commission? Commissioner McKissick?

20 EXAMINATION BY COMMISSIONER McKISSICK:

21 Q And first, thank you for being here this  
22 evening and providing testimony. You mentioned  
23 you got this bill I guess for August/September  
24 of '22 for about 17,900 gallons; is that

1 correct?

2 A Yes.

3 Q Do you remember the amount of the charge for  
4 that period?

5 A I have the bill -- I have the bill right here.  
6 The amount due for this bill is \$140.04. But  
7 this will only represent part of the water  
8 spilled on the ground, because the leak wasn't  
9 repaired in a timely fashion. It was repaired  
10 after I was notified through this bill that the  
11 water was leaking.

12 Q I see.

13 A So I will have a second subsequent bill that is  
14 also high I am anticipating.

15 Q Okay. After you had the repair made on your  
16 water line, have you approached Aqua about  
17 reducing your bill because of the repair?

18 A Yes. I have spoken with their customer  
19 service. I was directed to a form that they  
20 have and informed that I could submit that with  
21 the documentation that I hired a licensed  
22 contractor to do the repair, but that Aqua was  
23 in no way obligated to rebate any amount of  
24 that money to me. And she added just

1           spontaneously that -- I asked if Aqua had  
2           checked for leaks on their side of the meter  
3           and she said Aqua does not check for leaks.

4   Q     But you haven't made that submission yet?

5   A     Not yet. I don't know whether to wait until  
6           the next bill comes before submitting it,  
7           because I know the water leak continued up  
8           until the day when I was able to get it  
9           repaired.

10  Q     And the water quality issues that you've  
11          testified about this evening, have you taken  
12          those up personally, directly with Aqua?

13  A     Yes. I have called them in the early months  
14          when we owned the house. I did call them  
15          several time about it -- times about it. I was  
16          advised to run my outside faucets to try to  
17          clear the sediment out of my lines.

18  Q     And did anybody from Aqua come to your home to  
19          inspect the water coming through your faucets?

20  A     No.

21  Q     Thank you.

22                 COMMISSIONER McKISSICK: I don't have any  
23                 other questions.

24  A     Thank you.

1 COMMISSIONER BROWN-BLAND: All right.

2 Other questions on Commission's questions?

3 MS. JOST: No.

4 COMMISSIONER BROWN-BLAND: Thank you,  
5 Ms. Sellers.

6 THE WITNESS: Thank you.

7 COMMISSIONER BROWN-BLAND: Watch your step  
8 coming down. Ms. Jost, how many more witnesses do  
9 we have?

10 MS. JOST: One witness.

11 COMMISSIONER BROWN-BLAND: All right.  
12 Well, call your next witness.

13 MS. JOST: All right. The final witness  
14 we have signed up is Kari Hamel.

15 COMMISSIONER BROWN-BLAND: All right. If  
16 you'd place your left hand on the Bible and raise  
17 your right.

18 KARI HAMEL;  
19 having been duly sworn,  
20 testified as follows:

21 COMMISSIONER BROWN-BLAND: Ms. Jost?

22 DIRECT EXAMINATION BY MS. JOST:

23 Q Would you please state your name, address, and  
24 subdivision for the record?

1 A Yes. My name is Kari Hamel and I live with my  
2 husband and two of our three children at 6718  
3 Creekwood Drive in Chapel Hill in the Creekwood  
4 neighborhood.

5 Q And are you an Aqua water-only customer?

6 A That is correct.

7 Q All right. And are you speaking on behalf of  
8 any other witnesses who are here tonight?

9 A I am only speaking on my own behalf.

10 Q Okay.

11 A Excuse me. I'm sorry. Dr. Ollis' wife, I have  
12 her time.

13 Q Is that Marsha Ollis?

14 A Yes. Excuse me.

15 Q All right.

16 MS. JOST: In that case, we would request  
17 that Ms. Hamel be given six minutes to testify.

18 COMMISSIONER BROWN-BLAND: All right.  
19 That will be allowed.

20 MS. JOST: Thank you.

21 BY MS. JOST:

22 Q Do you have a statement you'd like to provide?

23 A I do.

24 Q Please go ahead.

1 A In December of 2020, I was -- on a weekend my  
2 husband alerted me that the ad hoc water  
3 committee was looking for participation from a  
4 Creekwood resident. So I have lived -- we were  
5 the original owners of the land and then we  
6 built upon it, so we have been an Aqua customer  
7 -- we've lived in our house for a little shy of  
8 right around the 20 years, and again we're on a  
9 40-plus year system.

10 So, in December of 2020, I  
11 joined the ad hoc water committee. At that  
12 time, I felt I was becoming desensitized to the  
13 problems that we were having just continuously  
14 with the water and then just from a logistics  
15 standpoint our kids were older and I had -- and  
16 I had the time to be able to do it.

17 In March of 2021, I was one of  
18 many -- so two areas, and I'm going to approach  
19 this as a day in the life of a customer in my  
20 household. I would -- so I'm going to touch on  
21 a couple of issues, but I do want to say the  
22 faux hydrants and also the valves are two areas  
23 that it became clear to me that I did not think  
24 that we were having a fair and productive --

1 I'm sorry -- on only my family's behalf, a fair  
2 and productive relationship with the water  
3 utility company, Aqua.

4 But so, in March of 2021, I was  
5 walking the neighborhood with our youngest to  
6 take photos and to do a count of these faux  
7 hydrants which were neither complying with  
8 marking them, painting them, and to be listed  
9 as, to have signage that say that they were for  
10 flushing only.

11 In April of 2021, I was a  
12 member of a subcommittee that was working on a  
13 fire department education program as our  
14 neighborhood is not supplied for emergency  
15 purposes like fire out of these faux hydrants.  
16 So, it's something else -- and we had a  
17 program.

18 And so, in March of 2020, as I  
19 was doing some prep in getting those photos, I  
20 was walking back -- I was in the Stoneridge  
21 neighborhood and there's a path to leave, and  
22 came across two different crews from what  
23 amounted to be the contractors for Aqua trying  
24 to locate a leak which they were unsuccessful



1       for weeks doing. And then there was perhaps  
2       Aqua staff at the wellhouse.

3               And during that conversation a  
4       couple of my concerns were the security of the  
5       wellhouse and the dilapidated state of some of  
6       the wellhouses. And then also that the two  
7       different work groups weren't aware that they  
8       were there, that the other was there, and they  
9       were both doing things just -- I'm going to  
10      call it mom safety like this just -- this might  
11      not be the best of ideas.

12             So then in April of 2021, and I  
13      have photos of both one of the hydrants from  
14      the March field trip and then April of 2021  
15      with the fire department as they came to the  
16      Stoneridge clubhouse. You know, it was  
17      discussed that in the current age, and having  
18      firefighters in my own family, the  
19      combustibility of items in houses are -- is  
20      much greater, and so fire safety is a huge  
21      issue.

22             And during that program, a  
23      neighbor shared that their home insurance,  
24      house insurance, stated that their -- you know,

1       you have your rating for your fire, that where  
2       the closest hydrant was and so, you know, we  
3       don't have -- we don't -- there's not -- the  
4       hydrants don't pump water for fire trucks. We  
5       don't need that miscommunication. We need  
6       hydrants in our neighborhood that are marked  
7       clearly that this is not -- this is for  
8       flushing only so we can get to business.

9               So, in the time period that  
10       we've had children while living in the house  
11       which has been every year -- which has been  
12       every single year, I cannot recall one occasion  
13       that I have ever provided water to our children  
14       out of the faucet. I'm not a fussy person.  
15       Grew up in the Midwest and we had terribly  
16       clean water and I drank water out of the faucet  
17       my entire life, so you're not -- I'm not a  
18       water bottle gal. I would not feed -- I do not  
19       feel that it is clean, tasty, or reliable.

20              I have brought with me -- and I  
21       do want to invite the Commission to come to our  
22       home and you can come with some plumbers if you  
23       want and get behind the fixtures and you can --  
24       you know, we'll open our door for you to see

1           what it is like to receive this water.

2                       These are out of my bathroom.

3           Yuck. This is my drain. This is my drain  
4           today, from earlier today. And this is one of  
5           the fixtures in the tub and the tub is cleaned  
6           externally, but this is the inside of it. And  
7           so cleaning also is regularly having to take  
8           off fixtures.

9                       I would say that we had a  
10          plumber come -- the water is very, very tough  
11          on the fixtures I think as Craig has -- and I  
12          have never met Craig in person until today, so  
13          some of these are just certainly I want to  
14          attest to a lot of these experiences.

15                      We had a plumber come because  
16          we had to replace fixtures and they were -- the  
17          plumber indicated and was talking about it  
18          contains a flow conservation disc and shared  
19          with us our water pressure is so low they had  
20          to remove that disc.

21                      A very, very recent water  
22          pressure issue was in the past week. I'm a --  
23          if you're running water or you've got the stove  
24          on, you got to be in the same room with it. I

1 was running water for my bath, and it was  
2 coming out so slow in the past week that I made  
3 a call during the time.

4 And again, also the stinking  
5 smell is constant and I'm the person who throws  
6 things away and rewashes things, so the most  
7 recent one being rewashed is today. It's a  
8 hand towel that I'm thinking of, and it  
9 didn't -- it doesn't smell clean and it smells  
10 gross.

11 Items that I am thinking of,  
12 thinking of three t-shirts relatively recent  
13 that I've thrown away of my husband and the  
14 towels are on a cycle that they just can't hold  
15 their fresh. And again, my concern is about  
16 what my husband and my children are actually  
17 consuming.

18 Let's see what else I have.  
19 Other indications are shower liners which  
20 have -- and if I come across it, you know, this  
21 has -- this seems a little late in the game to  
22 have this sort of proceeding and not have  
23 better communications much, much sooner to  
24 this.

1 I'm thinking of our daughter's  
2 shower liner, and it is a rust line. You know,  
3 the inside, the -- it's a little opaque, but  
4 it's plastic. There is anywhere it touches  
5 water from right there (indicating) is just a  
6 rust stain. And again, my concern is for the  
7 wellbeing of the folks who are -- who have to  
8 drink it.

9 I do -- it gives me pause about  
10 the model of a capital investment model when  
11 we're talking about a system that's over 40  
12 years old. And, you know, I want to be  
13 somebody who can ask a direct question and get  
14 a direct answer. It's only been a matter of  
15 days that for the first time ever we were --  
16 the water committee was provided with, you  
17 know, kind of staple stuff, is the contiguous  
18 application of how Creekwood became tied into  
19 Stoneridge. It's an older system and we have  
20 to be able to, you know, do what we can to take  
21 care of it. It's very, very difficult to get  
22 questions answered for the time period that I  
23 have been on this committee since December  
24 2020.

1                   And so that -- those are my  
2                   comments. And thank you. And again, I have  
3                   one of the towels and this is not the color,  
4                   and two of the fixtures.

5                   COMMISSIONER BROWN-BLAND: Ms. Hamel, you  
6                   need to hold onto those fixtures I believe.

7                   THE WITNESS: I do very much so.

8                   COMMISSIONER BROWN-BLAND: All right.

9                   THE WITNESS: But I'd be happy if people  
10                  wanted to look at them.

11                  COMMISSIONER BROWN-BLAND: We'll treat  
12                  them as available for illustrative purposes and when  
13                  we, the Commissioners, step down from this area, we  
14                  will come take a look at them. But, Ms. Jost?

15                  BY MS. JOST:

16                  Q     So Ms. Hamel, I believe you indicated you have  
17                         two photographs also?

18                  A     I do.

19                  Q     Oh, they're on --

20                  A     They're on my -- they're on my phone of one of  
21                         the fire hydrants that is not painted to code  
22                         and has no signage on it that it's for flushing  
23                         only. And the amount of time that it took for  
24                         it, you know, for folks who have been impacted

1 by fire, the delays are just so cruel. Like,  
2 it's just cruel.

3 COMMISSIONER BROWN-BLAND: All right.

4 A And I'm -- so I can show you one.

5 COMMISSIONER BROWN-BLAND: Without having  
6 seen the photos, does the Company waive the right to  
7 see the photos or would you like to see the photos  
8 before I --

9 MS. SANFORD: We don't need to see them.  
10 Thank you.

11 COMMISSIONER BROWN-BLAND: All right.  
12 What I propose is for the Public Staff to get with  
13 Ms. Hamel and have those photos emailed to you, and  
14 then you will have them added to the record in this  
15 case. They will be marked as Hamel Exhibit 1 and  
16 Exhibit 2 and then they will be received into  
17 evidence.

18 MS. JOST: Thank you.

19 (WHEREUPON, Hamel Exhibits 1  
20 and 2 are marked for  
21 identification and received  
22 into evidence.)

23 COMMISSIONER BROWN-BLAND: Do you have  
24 questions for Ms. Hamel?

1 MS. JOST: I do not.

2 COMMISSIONER BROWN-BLAND: Does the  
3 Company have any questions?

4 MS. SANFORD: We have no questions. Thank  
5 you.

6 COMMISSIONER BROWN-BLAND: Questions from  
7 the Commission? Commissioner McKissick?

8 EXAMINATION BY COMMISSIONER McKISSICK:

9 Q Sure. Let me thank you first for testifying  
10 this evening. And I believe you said you've  
11 been living in your home for about 20 years; is  
12 that right?

13 A That is correct.

14 Q Now, I heard from testimony earlier this  
15 evening, I believe it was Mr. Stenberg, that  
16 Creekwood was kind of added to Aqua system.

17 COMMISSIONER BROWN-BLAND: Commissioner  
18 McKissick, be sure you're speaking close to the mic.

19 COMMISSIONER McKISSICK: Okay. I'm sorry.  
20 Can you hear me now a little better?

21 THE WITNESS: I can.

22 COMMISSIONER McKISSICK: Okay. I think  
23 it's for the court reporter.

24



1 BY COMMISSIONER McKISSICK:

2 Q But in any case, who was providing you with  
3 water service before Aqua was providing it?

4 A Yeah. So, I join my neighbors, and I'm only  
5 half of the partnership in our household so I  
6 did ask my husband that, and it was Heater  
7 before Aqua.

8 Q Okay. And how long -- when did Aqua accept  
9 responsibility for providing water service to  
10 your subdivision? Do you know the timeframe?

11 A I know what my husband told me.

12 Q You can share that with us if you depend upon  
13 him, rely upon him to tell the truth.

14 A For a few years after we moved in.

15 Q I see. Okay. That's what I was trying to get  
16 some clarification on. And I know you raised  
17 some questions about the fire hydrants that are  
18 present in the subdivision. It's my  
19 understanding that the fire hydrants that are  
20 there are for -- they're not for fire  
21 suppression purposes but they're there to  
22 perhaps help them flush the lines. Is that  
23 what you're saying, or can you help me  
24 understand exactly what the purpose of those

1 hydrants are if it's not for flushing out the  
2 lines or if they're not used for fire  
3 suppression by, you know, the fire department  
4 of some type?

5 A So there are a couple dozen hydrants, and  
6 again, they're faux hydrants, and that's  
7 part -- and we want to -- we want to be a  
8 partnership in this. You know, we want to be a  
9 partnership in this and so the fire education  
10 program was part of that, because the water  
11 doesn't come out of the -- it can't come out of  
12 these faux hydrants and, in fact, would damage  
13 the emergency vehicles. And these are  
14 emergency vehicles that cost a lot of money and  
15 need to function extremely well during the  
16 time. So that was part of what was coming out  
17 at the fire education in March 2021 -- excuse  
18 me -- April of 2021 when we had the fire  
19 department to the Stoneridge clubhouse.

20 So the -- the existence of the  
21 hydrants in the neighborhood feels to be as  
22 someone who has only been in the neighborhood  
23 for 20 years, so again, we're the add-on  
24 neighborhood, it's quite -- it's quite a lure.

1 I mean, it is quite interesting to have more  
2 than two dozen hydrants that aren't functioning  
3 as fire hydrants. And so, what that purpose  
4 was for in terms of the development and the  
5 real estate, I don't know. But the information  
6 from the fire department is that they never  
7 served as a firefighting source of equipment.

8 Q For water to put out fires?

9 A For water purposes. And as for the flushing,  
10 I, in speaking only individually, I have always  
11 been seeking just, you know, quality  
12 information about our water system and it has  
13 been very difficult about the flushing. I do  
14 recall in the past, and I would put this well  
15 beyond five years, seeing what I would  
16 describe, again not being in the background,  
17 not being an engineer, what looked to be  
18 flushing. You know, I grew up seeing when  
19 flushing happened as you do. I have really  
20 serious reservations about whether adequate  
21 flushing is happening based upon if you took  
22 water today out of our faucet, it would -- it  
23 would -- the sediment would be there. I just  
24 don't think anyone would guess it was water.

1 And as someone, you know, to pick up on, you  
2 know, travel elsewhere having been in China  
3 myself in six years, I can see where a visitor  
4 would make some comparison to what the water  
5 looked like, tastes like, and smelled like,  
6 just again, being in China and also being in my  
7 own house.

8 Q And from what I understand you've raised some  
9 of the concerns that you've testified about  
10 tonight with representatives from Aqua and on  
11 some occasion, they responded to you in a  
12 letter; is that correct?

13 A I am aware of my time on -- well, being on the  
14 committee, I am aware of that -- I'm aware of  
15 that letter. If any other particular  
16 questions, I'd want to -- I'd want to look at  
17 it. This sort -- not, but this -- my concern  
18 is not with customer service or any of the  
19 technicians either. I don't think this is  
20 about in my opinion adding an hour of customer  
21 service on Friday nights. This is for the  
22 executives to take serious, customers who say  
23 I'm not receiving clean, tasty, reliable water  
24 and I'm fearful that it's not healthy for my

1 family.

2 Q So, in your mind it's all about water quality  
3 issues?

4 A Yeah, all about water quality. And let's nip  
5 it in the bud that, you know, a lot of folks  
6 would expect if you saw a couple dozen hydrants  
7 that one of these is going to be used for  
8 firefighting, especially if it's on your  
9 homeowner's policy within the last, in 2021.  
10 But those sort of, you know, everybody lean in,  
11 let's figure out how we can get it painted and  
12 how we can get signage on it, the amount of  
13 time that took. I ask people to consider if  
14 you think they're customer focused.

15 Q And I take it without reviewing the letter  
16 that's been referred to and was previously  
17 introduced as an exhibit you don't recall much  
18 of the contents? Or do you recall the  
19 contents?

20 A Yeah. I mean, I think I recall that it -- my  
21 recollection it was, it was bullet point, like  
22 what's happening with the, you know, the quick  
23 connect, you know, which is a -- which is a big  
24 issue, and you have to have enough familiarity.

1 I would say that based upon the timing, and  
2 again I came in at December of 2020, and the  
3 escalation in issues, so I would also say that  
4 water pressure has decreased significantly over  
5 the past few years. And it has very much  
6 decreased.

7 My efforts largely have been  
8 with I feel like trying to get the assistance,  
9 guidance, and advocacy of the Public Staff.  
10 You know, I don't think I came in when -- I've  
11 never felt like it's been something that was  
12 top of the list for them and that being Aqua.

13 Q Has the Public Staff been responsive in  
14 addressing questions which you've raised with  
15 them?

16 A You bet.

17 Q Thank you.

18 COMMISSIONER McKISSICK: I have no further  
19 questions.

20 COMMISSIONER BROWN-BLAND: Ms. Hamel, I  
21 have one question for you.

22 EXAMINATION BY COMMISSIONER BROWN-BLAND:

23 Q Towards the end of your testimony you mentioned  
24 the bath water was running very slow for you

1 and you decided to call. Does that mean you  
2 called the Company?

3 A I did not. I made a to-do list call. But that  
4 isn't something -- I'm not one to -- I mean, I  
5 was there to take a bath. And again, I think  
6 you should think water should come out more  
7 than just a little bit of a stream. Something  
8 was amiss. I mean, something was clearly  
9 amiss.

10 COMMISSIONER BROWN-BLAND: Other questions  
11 for this witness?

12 MS. JOST: No. Thank you.

13 COMMISSIONER BROWN-BLAND: Questions by  
14 the Company?

15 MS. SANFORD: No questions. Thank you,  
16 Ms. Sellers.

17 COMMISSIONER BROWN-BLAND: All right.  
18 Watch your step. You may step down. Are there any  
19 other witnesses?

20 MS. JOST: If we could just see if  
21 Mr. Waterman has reconsidered.

22 MR. WATERMAN: I'm okay.

23 MS. JOST: Thank you. We don't have any  
24 others signed up.

1           COMMISSIONER BROWN-BLAND: Ladies and  
2 gentlemen, customers, we've come to the end of this  
3 public hearing. I remind you that you can follow  
4 this proceeding at our -- on our website at  
5 www.ncuc.net and you do that by using the Docket  
6 Number W-218, Sub 573.

7           I advise you that the Company will within  
8 20 days of tonight file a report addressing your  
9 service issues. A number of you raised significant  
10 issues and the Company and its representatives as  
11 well as the Public Staff will be here for a few  
12 minutes tonight and either get your contact  
13 information. Or if you have direct questions, you  
14 saw at the beginning there were a number of  
15 representatives here, so they heard you, I am sure.  
16 And if you -- as I say, when they file the report,  
17 you'll be able to go out on the website and see  
18 that.

19           The hearing, the evidentiary hearing I  
20 will remind you again is scheduled for January 9th,  
21 2023. It will be in this hearing room.

22           Is there anything else to come before the  
23 Commission tonight?

24           MS. JOST: Not from the Public Staff.



1                   COMMISSIONER BROWN-BLAND: All right.  
2 Again, thank you for abiding by our procedures, and  
3 we wish you safe travels home and this hearing is  
4 adjourned.

5                   (The proceedings were adjourned)  
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## C E R T I F I C A T E

I, KIM T. MITCHELL, DO HEREBY CERTIFY that  
the Proceedings in the above-captioned matter were  
taken before me, that I did report in stenographic  
shorthand the Proceedings set forth herein, and the  
foregoing pages are a true and correct transcription to  
the best of my ability.

Kim T. Mitchell

Kim T. Mitchell

NORTH CAROLINA UTILITIES COMMISSION