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2 In the Matter of: : Case No. 07-1112-WS-AIR 4 In the Matter of the Application of Ohio 5 American Water Company for: Authority to Increase Its: 6 Rates and Charges. 7 **PUBLIC HEARING** 8 before Richard Bulgrin, Attorney Examiner, at the Harvest Assembly of God Church, 8075 Dellinger Road, Galloway, Ohio, called at 6:00 p.m. on Monday, August 18, 2008. 12 13 14 15 16 17 18 19

BEFORE THE PUBLIC UTILITIES COMMISSION OF OHIO

20

| 21 | ARMSTRONG & OKEY, INC. |
|----|-----------------------------------|
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2

| 1 | APPEARANCES: |
|----|---|
| 2 | Bricker & Eckler, LLP By Ms. Sally W. Bloomfield |
| 3 | and Thomas J. O'Brien |
| 4 | 100 South Third Street Columbus, Ohio 43215-4291 |
| 5 | On behalf of the Company |
| 6 | ALSO PRESENT: |
| 7 | Ms. Hartman Fergus, |
| 8 | Commissioner, Ohio Public Utilities Commission. |
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| 1 | Monday Evening Session, |
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| 2 | August 18, 2008. |
| 3 | |
| 4 | COMMISSIONER FERGUS: Good evening. My |
| 5 | name is Ronnie Fergus. I'm a Commissioner with the |
| 6 | Public Utilities Commission of Ohio, and seated to my |
| 7 | left is Dick Bulgrin, who is an attorney-examiner |
| 8 | with the Public Utilities Commission. |
| 9 | On behalf of my colleagues, I would like |
| 10 | to thank you for taking the time to attend tonight's |
| 11 | hearing regarding the application by Ohio American |
| 12 | Water to increase rates for water and wastewater |
| 13 | service. |
| 14 | Tonight is your opportunity to tell the |
| 15 | PUCO your thoughts on Ohio American's request. We, |
| 16 | as commissioners, value the statements given at these |
| 17 | hearings as it provides us with insight into the |
| 18 | consumer experience with the company. We read all |
| 19 | the transcripts and the testimony presented at these |

- 20 hearings, along with the letters that you all have
- 21 sent in and other correspondence submitted by
- 22 consumers in the case record.
- When a utility requests a rate increase
- 24 from the PUCO, several steps are taken to review the

- 1 company's financial condition and ensure that the
- 2 company is fulfilling its obligations to customers.
- 3 As part of this process, the PUCO staff thoroughly
- 4 reviews the company's application and prepares a
- 5 Staff Report which advises the Commission on staff's
- 6 recommendations on how to handle a rate case. The
- 7 Commission is not bound by the recommendations of the
- 8 Staff Report, and we may implement some or we may
- 9 reject others. The company and intervening parties,
- 10 like the Ohio Consumers' Counsel and the City of
- 11 Marion and Dragoo Management, Inc., have already been
- 12 given an opportunity to file objections to the
- 13 staff's recommendations.
- Tonight is your opportunity to voice your
- 15 opinions on this case. The Commissioners thoroughly
- 16 review the company's application, the PUCO Staff
- 17 Report, the filings of all the intervening parties,
- 18 and the testimony that are given at the local
- 19 hearings, like this one. Your statements at

- 20 tonight's hearing are an important part of the case
- 21 process.
- In a minute I'm going to turn this over
- 23 to Dick Bulgrin, who is an attorney-examiner with the
- 24 PUCO and he will be conducting tonight's hearing, but

- 1 before I do that, I just want to explain a little bit
- 2 about the process so you won't be intimidated by it.
- 3 It's going to sound at first a little like the Law
- 4 and Order TV show that some of you may watch. We
- 5 have a judge, who is Dick, a court reporter to my
- 6 right, and lots of attorneys in the room, but once we
- 7 get through some of the legal formality, this really
- 8 is intended to be a customer-friendly process for you
- 9 to voice your opinion about this case.
- The parties to this case, the company,
- 11 the PUCO Staff, the Ohio Consumers' Counsel, the City
- 12 of Marion, and Dragoo Management, Inc., probably have
- 13 attorneys here in the room tonight, and they are
- 14 allowed to ask you questions if you give sworn
- 15 testimony, which Dick will explain in a minute. But
- 16 don't worry. This isn't Perry Mason or Judge Judy so
- 17 if any of this attorneys start acting as if it is
- 18 Perry Mason or Judge Judy, believe me, we will step
- 19 in

- if you want to make your views known and
- 21 you are still a little nervous to get up in front of
- 22 the public and testify, you can simply put down your
- 23 thoughts on a piece of paper, on a letter, and we
- 24 have staff in the room that can tell you how to get

- 1 that to the Commission. I know a lot of you know how
- 2 to do that. The file is full of the letters from
- 3 Ohio American consumers, so if there anyone who still
- 4 wants to submit more, please do so. The
- 5 Commissioners will review those letters along with
- 6 everything else in the file.
- 7 I will now turn things over to the PUCO
- 8 attorney-examiner, Dick Bulgrin, who is conducting
- 9 this hearing, and he will go into more depth and
- 10 explain to you the process in tonight's hearing.
- Thank you.
- 12 THE ATTORNEY EXAMINER: Thanks, Ronnie.
- 13 The Public Utilities Commision of Ohio as set forth
- 14 for public hearing, local hearing, in Case
- 15 No. 07-1112-WS-AIR, which is the application of Ohio
- 16 American Water Company to Increase Its Raise in Its
- 17 Entire Service Area for Water and Sewer Service.
- 18 My name is Dick Bulgrin, and I'm the
- 19 attorney-examiner assigned by the Commission to

- 20 conduct these hearings. If you have not already done
- 21 so, there is a sign-up list in the back with the PUCO
- 22 personnel, and if you want to testify, make sure you
- 23 get on one of these sheets so we can call your name
- 24 because we will just take you in order.

| 1 | I guess we will start with the |
|----|--|
| 2 | appearances from the company. |
| 3 | MS. BLOOMFIELD: Your Honor, on behalf of |
| 4 | Ohio American Water, Sally W. Bloomfield and Thomas |
| 5 | J. O'Brien from the law from of Bricker & Eckler. |
| 6 | THE ATTORNEY EXAMINER: Anybody from the |
| 7 | OCC? |
| 8 | (No response.) |
| 9 | THE ATTORNEY EXAMINER: Okay. On |
| 10 | November 13, 2007 Ohio American Water filed an |
| 11 | application at the PUCO to increase its rates. The |
| 12 | rates proposed would generate approximately \$5.5 |
| 13 | million in additional revenue for the company. |
| 14 | The PUCO staff filed its report of |
| 15 | investigation on May 28, 2008. In preparation of |
| 16 | that Staff Report, the PUCO staff conducted site |
| 17 | visits, interviewed company employees and government |
| 18 | officials, reviewed company records and performed |
| 19 | analyses of data, including financial information |

- 20 collected from the company.
- 21 After reviewing the application and
- 22 financial information, the PUCO staff recommended a
- 23 revenue requirement increase of 3.2 to 3.5 million
- 24 dollars.

| 1 | In each water rate case the staff |
|----|---|
| 2 | conducts infrastructure inspections, reviews plant |
| 3 | and financial reports and assesses the quality of |
| 4 | service provided to customer. The staff has shared |
| 5 | its concern about Ohio American's progress towards |
| 6 | meeting service quality benchmarks that were set in |
| 7 | the last rate case and have made recommendations to |
| 8 | achieve these goals. |
| 9 | The local public hearings schedules in |
| 10 | this case are only one aspect of the process of the |
| 11 | case. The evidentiary hearing was actually opened on |
| 12 | August 14 and will be continued through, I believe, |
| 13 | it's Tuesday, August 26, so if you would like another |
| 14 | opportunity to come and testify, we're doing it then |
| 15 | but you have to come to the PUCO offices downtown. |
| 16 | But the purpose of tonight's hearing is |
| 17 | to receive your comments regarding Ohio American |
| 18 | Water's application, and, as you know, there's a |
| 19 | court reporter present, and she will be transcribing |

- 20 this hearing, and so we ask that you speak clearly
- 21 and limit your comments as much as possible because
- 22 we have quite a few people to get through tonight.
- At this time I'll begin calling witnesses
- 24 forward who wish to give statements. Before you

| 1 | begin your statement, I will ask for your name and |
|----|---|
| 2 | address, and if you would spell your last name if |
| 3 | it's not a common one. |
| 4 | Your testimony will be considered part of |
| 5 | the official record of the case to be reviewed by the |
| 6 | Commissioners before they make their final decision. |
| 7 | I'll swear you in, and attorneys for the company will |
| 8 | be permitted to ask you questions. We appreciate |
| 9 | your patience and anyone who wishes to make a |
| 10 | statement will be able to do so. Please be |
| 11 | considerate of others waiting to testify and keep |
| 12 | your statements to a reasonable period of time. |
| 13 | Andy Hickemann. |
| 14 | |
| 15 | ANDY HICKEMANN |
| 16 | being first duly sworn, as prescribed by law, was |
| 17 | examined and testified as follows: |
| 18 | DIRECT TESTIMONY |
| 19 | MR. HICKEMANN: Andy Hickemann, |

- 20 H-I-C-K-E-M-A-N-N, 810 Formation Court, Galloway
- 21 43119.
- I'll make it real brief. The main reason
- 23 I'm even here, too, is that a few years ago, actually
- 24 it was October 14th of 2005, I filed a formal

- 1 complaint. There was 78 subscribers attached to
- 2 that. I just got the Opinion and Order on this case,
- 3 05-1275-WW-CSS, back, and the PUCO denied -- well,
- 4 actually, they ruled that there was -- they just said
- 5 we lost. It was two years, and I don't know how to
- 6 explain it. We worked real hard. We had a good
- 7 lawyer, Brian Murphy, and they had a lot of lawyers
- 8 at Bricker & Eckler, and we had from their office
- 9 e-mails, I mean I could go on and on if you all want
- 10 me to.
- 11 You can go to the PUCO site and look it
- 12 all up. It's pretty amazing. Just, you know,
- 13 reading the Opinion and Order just right here it
- 14 says: "Complainant notes that Ohio American's
- 15 general manager conceded that his employees told him
- 16 that the water softening problems arose, in part,
- 17 because there were times that the equipment was not
- 18 operating' and that 'the treatment plant has been
- 19 poorly maintained.' Moreover, Mr. Hehemann notes

- 20 that the general manager stated that 'it is very
- 21 apparent that Ohio American is not able to meet the
- 22 softening requirements with any significant degree of
- 23 reliability.' Finally, Complainant claims that Ohio
- 24 American employees investigating the softening issue

- 1 stated that they were 'investigating the problem and
- 2 have found a lot more than they bargained for."
- 3 These were from interoffice e-mails with the company.
- 4 Now, I could go on and on. There's a lot
- 5 more to this. The evidence was there. When I viewed
- 6 the webcast from the Commission where the Opinion and
- 7 Order reaches their desk and they make their
- 8 decision, I couldn't get over the fact that Alan
- 9 Schriber sat up there and said: You know, I'm
- 10 disturbed by what's going on with this company, but
- 11 we just didn't have enough data.
- 12 I think we showed with all the motions
- 13 and all the proceedings that we went with, I just
- 14 can't believe it. So I'm here to say today here we
- 15 are at another rate case, and, you know, they are
- 16 softening now. That's one thing that did come out of
- 17 this. Thanks, Tom.
- 18 Steve Kennedy has been doing a great job
- 19 testing the water every day. I've been testing it.

- 20 There is few times I was testing they are getting
- 21 better. We are definitely seeing some things, but we
- 22 can't afford this. This is ridiculous, and the PUCO
- 23 should be ashamed. It's wrong what they are doing to
- 24 us out here. I want to go on record that something

| 1 | needs to be done with these commissioners. They are |
|----|--|
| 2 | in there too long. I think there should be term |
| 3 | limits. |
| 4 | THE ATTORNEY EXAMINER: Thank you. |
| 5 | William Eblin. |
| 6 | |
| 7 | WILLIAM EBLIN |
| 8 | being by me first duly sworn, as hereinafter |
| 9 | certified, deposes and says as follows: |
| 10 | DIRECT TESTIMONY |
| 11 | MR. EBLIN: My name is William Eblin, |
| 12 | E-B-L-I-N. I live at 8406 Fairbrook Avenue in |
| 13 | Galloway, Ohio 43119. I have been a resident of |
| 14 | Galloway since 1995, and I grew up in southern Ohio |
| 15 | on a farm where we had a well, so I know what hard |
| 16 | water is. |
| 17 | I got to admit, I'm pretty disappointed |
| 18 | in our water heater. When American Water came in and |
| 19 | they bought out Citizens Utility, they said, you |

- 20 know, we are going to make a commitment to improve
- 21 our water quality. This is going to be something
- 22 that is not just going to take care of your problems
- 23 today, but help your community in the future.
- And over this whole period of time the

- only changes they have done is they painted the water
- 2 tower and they have done some changes over there at
- 3 the treatment facility, and those are normal
- 4 maintenance items, and now they're coming to me as a
- 5 citizen and saying: Well, we need you to pay more
- 6 money to cover the expenses of our maintenance
- 7 because it's more than what we thought we could
- 8 handle.
- 9 I feel as a member of this area and a
- 10 person that drinks water every day that I should not
- 11 have to go out to Kroger or Giant Eagle and whatever
- 12 and buy water for my wife to drink because she is
- 13 dissatisfied with the water we have in our own
- 14 community. Times are tough, everybody knows that,
- 15 and they're not going to get any easier any other
- 16 time, and I think if the water company could justify
- 17 and show exactly how they have improved the water, I
- 18 just feel like they haven't done that.
- 19 I mean, painting the tower, working on

- 20 some of the treatment facilities, things like that,
- 21 that's part of doing business. My father told me
- 22 when I was younger if something is worth paying for,
- 23 then pay for it, but if it's not, then you should
- 24 say: Why am I going to pay this much if it's not

| 1 | worth | 1+9 |
|---|-------|-----|
| 1 | worm | 11. |

- 2 You see that every day. Every day we're
- 3 consumers. Every day we compare this to that to try
- 4 to get the most for our money and I don't have a
- 5 problem. If it's worth it, if I feel I'm getting
- 6 what I'm paying for, then I don't have a problem with
- 7 that. That's all I'm asking them to do, is to try to
- 8 demonstrate to me how they are going to justify such
- 9 a high increase with no changes.
- I mean, my house was built in 1977. I
- 11 still have the same original lines that are run into
- 12 it. We all know that with the Darby accord there's
- 13 plans to put other houses in here. How are they
- 14 going to account for that in the future? How are
- 15 they going to help this community that they want to
- 16 be part of?
- 17 And to me that's the thing, I feel
- 18 betrayed because when they came in, you know, there
- 19 were promises made, and I just feel like they haven't

- 20 fulfilled those.
- Thank you for your time.
- THE ATTORNEY EXAMINER: Thank you.
- Linda Scalf.
- 24 ---

| I | LINDA SCALF |
|----|---|
| 2 | being first duly sworn, as prescribed by law, was |
| 3 | examined and testified as follows: |
| 4 | DIRECT TESTIMONY |
| 5 | MS. SCALF: Linda Scalf, S-C-A-L-F, 8630 |
| 6 | Brookville Road, Galloway. |
| 7 | I just have a few things. I moved down |
| 8 | here in '83. For the first few months I did not have |
| 9 | a water softener so I put a water softener in. I |
| 10 | just had to have it removed a month or so ago because |
| 11 | I couldn't afford it, and now when you take a shower, |
| 12 | you can't even lather up a rag or anything to get any |
| 13 | soap, and it's kind of ridiculous. |
| 14 | And also the water company is not that |
| 15 | friendly because they sent a letter out saying if you |
| 16 | have a problem about the tower being painted or |
| 17 | anything to give them a call. I live right in front |
| 18 | of the water tower, and I called them, and the woman |
| 19 | said: Put in the last three initials of the person |

- 20 on the letter.
- I did that. I was clicked over on the
- 22 phone and a woman said: Leave a message. I'll be
- 23 back August 22. So you can't even talk to a person
- 24 at the company. If you do want to talk to anybody,

- 1 same way. If you want to get your water bill
- 2 extended because your payday falls the day after it's
- 3 due, they won't even give you an extra day. It
- 4 either has to be paid or they're coming out to cut
- 5 off your water.
- The same way if you're a month behind.
- 7 They won't even wait to see if you are going to pay
- 8 the full amount the day the water amount is
- 9 technically due. They want to shut it off the day
- 10 before or two or three days before and then come
- 11 charge you that money, plus the money you owe for the
- 12 previous water bill. And you can't talk to anyone.
- 13 You have to talk to the people that collect your
- 14 money over the phone. And they took out the payment
- 15 place up here at the Dairy Mart and didn't even let
- 16 anybody know that because I went to go pay a bill and
- 17 they said: I'm sorry, we don't take the payments
- 18 anymore. They took them away from us.
- That's all I have to say.

| 20 | THE ATTORNEY EXAMINER: Thank you. |
|----|-----------------------------------|
| 21 | Lisa Carrico. |
| 22 | |
| 23 | |
| 24 | |

| 1 | LISA CARRICO |
|----|---|
| 2 | being first duly sworn, as prescribed by law, was |
| 3 | examined and testified as follows: |
| 4 | DIRECT TESTIMONY |
| 5 | MS. CARRICO: My name is Lisa Carrico |
| 6 | C-A-R-I-C-O. And I live at 8485 Silverbell Avenue, |
| 7 | Galloway. And I'm here just because I don't feel |
| 8 | I can't our water bill is so high right now, I |
| 9 | don't feel like we are even getting our money's worth |
| 10 | at all. We are paying all this money out every |
| 11 | month, and I still have to order from Aqua Falls |
| 12 | water because the water is just so nasty. Fill a pan |
| 13 | and it's white, and I refuse to cook with that |
| 14 | And Linda said about taking showers. You |
| 15 | have to use a glob of soap, nothing works. And I |
| 16 | don't feel like we are getting other money's worth |
| 17 | and they want more money. |
| 18 | THE ATTORNEY EXAMINER: Thank you. |
| 19 | Bob Carrico. |

- Please state your name and address.
 MR. CARRICO: Robert Carrico, 8485
 Silverbell Avenue.

 - ARMSTRONG & OKEY, INC., Columbus, Ohio (614) 224-9481

| 1 | ROBERT CARRICO |
|----|--|
| 2 | being by me first duly sworn, as hereinafter |
| 3 | certified, deposes and says as follows: |
| 4 | DIRECT TESTIMONY |
| 5 | MR. CARRICO: As my wife mentioned about |
| 6 | the water, going back, we get the water tank full of |
| 7 | that white stuff in the bottom of it. We having been |
| 8 | dealing with that stuff for years. You know, if you |
| 9 | want to come out and keep raising the bills every |
| 10 | time we turn around, we don't know what we are going |
| 11 | to get out of this. |
| 12 | They paint the tower. A lot of people |
| 13 | come around and say: We're going to fix up the paint |
| 14 | splashes and stuff. We heard a lot of neighbors |
| 15 | complaining about that. Nobody came around yet to |
| 16 | look at it, the paint on vehicles or paint on their |
| 17 | houses or anything like that. So we are trying to |
| 18 | figure out why you guys want to raise the prices up |
| 19 | when nobody has taken care of that yet. |

| 20 | That's pretty much about all I got. |
|----|-------------------------------------|
| 21 | THE ATTORNEY EXAMINER: Thank you. |
| 22 | Joseph Leonard. |
| 23 | |
| 24 | |

| 1 | JOSEPH LEONARD |
|----|--|
| 2 | being first duly sworn, as prescribed by law, was |
| 3 | examined and testified as follows: |
| 4 | DIRECT TESTIMONY |
| 5 | MR. LEONARD: Joseph Leonard. |
| 6 | 5211 Bonita place, Columbus, Ohio, 43232. |
| 7 | THE ATTORNEY EXAMINER: Thank you. |
| 8 | MR. LEONARD: What is upsetting, I hear |
| 9 | everything here is about Galloway. I think we should |
| 10 | start having meetings in the area where they got the |
| 11 | water. In our area I've been there 40 years, I've |
| 12 | replaced I'm on m fourth hot water tank, and I may |
| 13 | have to replace myself. I've had kidney stones three |
| 14 | times. |
| 15 | The water is real bad and you can't drink |
| 16 | it. Our neighborhood, we're not the richest people. |
| 17 | It's rough on us to pay our bills. As far as the |
| 18 | only good thing I got to say about the water service |
| 19 | is the service department is very good. It ain't all |

- 20 negative, but the water is very bad. If you can do
- 21 anything to help us, I'd like to see some more
- 22 meetings held. That way we can talk about the
- 23 quality of that particular water. This is spread out
- 24 so far you are going to hear about things that don't

| 1 | affect me. If you have meetings down in the other |
|----|---|
| 2 | areas, I'd sure appreciate it. |
| 3 | Thank you, and that will be it. |
| 4 | THE ATTORNEY EXAMINER: Thank you. |
| 5 | Willetta Hutchison. |
| 6 | State your name and address. |
| 7 | MS. HUTCHISON: Willetta Hutchison, |
| 8 | H-U-T-C-H-I-S-O-N, 231 Greenlake Street, in Galloway, |
| 9 | Ohio 43119. |
| 10 | |
| 11 | WILLETTA HUTCHISON |
| 12 | being by me first duly sworn, as hereinafter |
| 13 | certified, deposes and says as follows: |
| 14 | DIRECT TESTIMONY |
| 15 | MS. HUTCHISON: My house was the fourth |
| 16 | house built in the Darby Estates, and I won't go back |
| 17 | that far to tell you all the problems that we have |
| 18 | had. But I am a widow, and these prices that they |
| 19 | are planning on increasing I can't take. I have I |

- 20 have social security disability only and I'm not able
- 21 to meet all this. I'm one person living in a home,
- 22 and my water bill is ridiculous. And I have to buy
- 23 water from Kroger's, as the other gentleman spoke,
- 24 because I can't drink it. The water tastes horrid.

| 1 | I can't use it for the coffeepot maker because it |
|----|--|
| 2 | stops it up. |
| 3 | Any other complaints I can give you, and |
| 4 | there are plenty of them, but I don't think you need |
| 5 | that, but we do not need this increase because, like |
| 6 | I say, one person, the price that they are trying to |
| 7 | propose for us, I cannot make and I will lose my |
| 8 | house. |
| 9 | THE ATTORNEY EXAMINER: Thank you . |
| 10 | Scott Holland. |
| 11 | |
| 12 | SCOTT HOLLAND |
| 13 | being by me first duly sworn, as hereinafter |
| 14 | certified, deposes and says as follows: |
| 15 | DIRECT TESTIMONY |
| 16 | MR. HOLLAND: Scott Holland, 932 Master |
| 17 | Drive, Galloway, Ohio. |
| 18 | The last increase that Ohio American |
| 10 | received in '06 was a 14.4 increase. Since that time |

- 20 the water has been disgusting. The pressure is not
- 21 there. We have Aqua Falls and bought water also
- 22 because you cannot drink it. It smells of chemicals.
- 23 It tastes bad. Ohio American has not done anything
- 24 since the last time. No way they should get an

| 1 | increase of 33 percent for this time. |
|----|--|
| 2 | When we lived in Columbus, our water bill |
| 3 | for a quarter was \$90 for three of us. With this |
| 4 | increase the water bill would be the same as for a |
| 5 | quarter in Columbus, \$90 a month, and that's not |
| 6 | counting watering the grass. With the rate costs |
| 7 | they charge us now, we can't afford to water the |
| 8 | grass. |
| 9 | That's all I have. |
| 10 | THE ATTORNEY EXAMINER: Thank you. |
| 11 | Eric Leu. |
| 12 | |
| 13 | ERIC LEU |
| 14 | being first duly sworn, as prescribed by law, was |
| 15 | examined and testified as follows: |
| 16 | DIRECT TESTIMONY |
| 17 | MR. LEU: My name is Eric Leu, L-E-U. I |
| 18 | live at 8877 Lakefield Court, Galloway 43119. |
| 19 | The Ohio consumers have endured a rash of |

- 20 price increases in recent history, the cost of
- 21 gasoline, diesel, electric, food, and now potentially
- 22 water. Throughout these increases the consumer has
- 23 had no choice but to find ways to survive. This
- 24 means we travel less and we spend less and we find

| | 1 | ways | to | stretch | a | dollar |
|--|---|------|----|---------|---|--------|
|--|---|------|----|---------|---|--------|

- 2 This is a technique that has been lost on
- 3 big business. The proposed rate increase is not just
- 4 felt in the check I write every month; the water
- 5 provided by Ohio American Water has other costs. I
- 6 have to maintain a softener system. I go through a
- 7 coffeepot every year. I buy cleaners for my shower
- 8 head and my faucets. I can't can vegetables or meat
- 9 any more because they're ruined. In less than ten
- 10 years I replaced my hot water tank. These water
- 11 bills also affect the resale value of my home.
- These are the costs that aren't figured
- 13 in your rate increase, but I still have to bear them,
- 14 and we, the Ohio consumers, continue to do that. I
- 15 pay an average of 85 to 90 a month on water. This is
- 16 double the Columbus water bill. I don't see double
- 17 the quality.
- An article 10/27/07 in the West Side
- 19 Messenger indicates that Ohio American Water received

- 20 a rate increase last year and now they want another.
- 21 To me this is poor planning on their part, and we
- 22 shouldn't have to pay for it. Allowing this rate
- 23 increase is a virtual slap in the face to the
- 24 consumer. Our rates are outrageously high as it is.

| 1 | It is embarrassing to explain our water bill to |
|----|--|
| 2 | somebody outside Ohio American Water coverage. |
| 3 | When I moved out here, I was much younger |
| 4 | and less informed. I didn't look into these water |
| 5 | bills, and, of course, no realtor is going to bring |
| 6 | it up. But I can assure the township that as your |
| 7 | water rates go up, your population will decrease and |
| 8 | so will your tax base and I'll be one of them. There |
| 9 | are already several foreclosed homes in my area. |
| 10 | There's three within half a mile. That number, too, |
| 11 | will increase as these water rates go up, and should |
| 12 | this rate go through, I promise to use every outlet |
| 13 | through the consumer that I can find to voice my |
| 14 | opinion about Ohio American Water, PUCO, and the |
| 15 | township. That's all I got. |
| 16 | THE ATTORNEY EXAMINER: Thank you |
| 17 | Jacob Shiplet. |
| 18 | |
| 19 | JACOB SHIPLET |

- 20 being first duly sworn, as prescribed by law, was
- 21 examined and testified as follows:
- 22 DIRECT TESTIMONY
- MR. SHIPLET: Jacob Shiplet, 8671 March
- 24 Place 43119. I don't know how to follow that. As

- 1 he said, the last rate hike was March 7, 2007,
- 2 roughly 14 percent. Now they come to us again
- 3 looking for roughly another 30 percent, in a year and
- 4 a half, just under a year and a half. They got their
- 5 last rate hike that they were in agreement with the
- 6 OCC and PUCO. They have had violations several
- 7 times, as stated previously. They have not continued
- 8 to soften the water the way they said they were going
- 9 to. They have maintained at best.
- I also just received a letter from the
- 11 Ohio EPA dated August 8 in which they were in
- 12 violation numerous times. People that live pretty
- 13 close to the water plant have complained of very
- 14 strong odors to the fact that they have to close
- 15 their windows at times, and I just don't think --
- 16 that's not right to have to close your windows. You
- 17 are trying to save money on your electric bill which
- 18 is high, as previously stated. You have to keep up
- 19 with all the other bills going up.

- Our bill is already double what the City
- 21 of Columbus pays, and now we are supposed to pay
- 22 another 30 percent. Explain how that is fair. The
- 23 PUCO looked at the rate hike and they said they were
- 24 asking for 40 percent more than what the PUCO thought

- 1 they should get. They are asking for \$5.5 million in
- 2 revenue, and that the highest end the PUCO said was
- 3 3.5 million, as you stated here. PUCO needs to take
- 4 that into account by any means.
- 5 But as Ohio American Water said that on
- 6 the average bill what their rates were, if you took
- 7 the PUCO's high end, we would save over \$100 a year
- 8 if the PUCO would say you can only have 3.5 million
- 9 instead of the 5.5. 100 is an entire water payment
- 10 for a month.
- 11 I think they need to be in compliance
- 12 with the OCC and the PUCO and the penalties need to
- 13 be stiffer this time around. They have not put into
- 14 effect the summer and winter billing cycles as stated
- 15 with the previous agreement. This is, as I stated,
- 16 the second rate hike in less than a year and a half,
- 17 and over almost 50 percent increase from previous.
- We never know how much water leaves their
- 19 plant, and it is never accounted for. We never hear

- 20 that number. On their last agreement with the OCC
- 21 and PUCO they said less than 15 percent. We have
- 22 never seen a number that says different. Also on
- 23 their 2007 year-end review that they released to the
- 24 public, the water samples that we have, almost all of

- 1 them were from 2006 and 2005 and not anything
- 2 subsequent so we don't know if the barium or chromium
- 3 or fluoride or any of those chemicals are higher or
- 4 lower than they were previously because they were not
- 5 being tested.
- 6 As stated, there was a softener error in
- 7 April 2008. We also don't know if this has been
- 8 corrected, so maybe put a plan in place for the next
- 9 time or hopefully there won't be a next time. And
- 10 also I know the violation that just came out
- 11 August 8, I know today was their date to respond to
- 12 that, and they haven't had a chance to rebut on that,
- 13 but I also think that shows to the PUCO and OCC they
- 14 have not tried to do anything in a year's time. They
- 15 have had that many violations.
- 16 I just don't understand how they can ask
- 17 for 36 percent when they haven't kept in compliance
- 18 with their old one. Why should we pay more? Are we
- 19 fixing their screw-ups? I just don't understand.

| 20 | Thank you. |
|----|-----------------------------------|
| 21 | THE ATTORNEY EXAMINER: Thank you. |
| 22 | Susan Stewart. |
| 23 | |
| 24 | |

| 1 | SUSAN STEWART |
|----|---|
| 2 | being first duly sworn, as prescribed by law, was |
| 3 | examined and testified as follows: |
| 4 | DIRECT TESTIMONY |
| 5 | MS. STEWART: My name is Susan Stewart |
| 6 | and I swear so tell the truth, the whole truth, and |
| 7 | nothing but the truth, so help me God. |
| 8 | I live at 650 Platoon Drive Galloway, |
| 9 | Ohio. |
| 10 | The only thing I have to say, a lot of us |
| 11 | not here didn't come because they didn't think it was |
| 12 | going to do any good. We are working class people. |
| 13 | A lot of us haven't gotten raises. A lot of us live |
| 14 | on a set income. We have to make ends meet. |
| 15 | 36 percent is way too much. If you give |
| 16 | them any kind of increase, give them a smaller one. |
| 17 | Give us a break because a lot of us are having |
| 18 | trouble making ends meet. |
| 10 | THE ATTORNEY EXAMINER: Thank you |

| 20 | Francis Brezing. | |
|----|------------------|--|
| 21 | | |
| 22 | | |
| 23 | | |
| 24 | | |

| 1 | FRANCIS BREZING |
|----|--|
| 2 | being first duly sworn, as prescribed by law, was |
| 3 | examined and testified as follows: |
| 4 | DIRECT TESTIMONY |
| 5 | MS. STEWART: Francis Brezing, 1455 |
| 6 | Spindler Road, Columbus, Ohio 43228. |
| 7 | I'm a professional engineer for the state |
| 8 | of Ohio so I understand water systems. I am |
| 9 | concerned because this water, our water costs with |
| 10 | this increase, are going to be way out of line for |
| 11 | what the City of Columbus charges. Our system did |
| 12 | not have the complications of the old lines or other |
| 13 | problems that the City of Columbus has and we are |
| 14 | still paying much more. |
| 15 | As you heard from everybody, our quality |
| 16 | is poor. We have a softener. We have carbon |
| 17 | filters, and we still buy bottled water. They |
| 18 | repaired the line, did not clear the line, ruined my |
| 19 | softener with dirt, which now has to be replaced. |

- This is some of the suggestions I think
- 21 should be applied before we allow an increase.
- 22 Number one, make them go to some efficiency
- 23 standards. Instead of billing us every month, go to
- 24 billing every three months. Instead of reading our

- 1 meter every month, read meters every three months.
- 2 The electric company reads meters every other month.
- 3 The gas company reads meter every other month. We
- 4 are running the guy around at so many dollars a day
- 5 checking the meter every month.
- 6 Cut salaries of the management. These
- 7 managers are just making way too much money. I feel
- 8 this is how you should base your increase to this
- 9 company. You go to them and say: Okay, I want the
- 10 average salary of everybody above \$100,000 and how
- 11 much they are going to cut their salaries from the
- 12 CEO down. If they cut their salaries 30 percent, you
- 13 let them have a 30 percent increase. If they cut
- 14 their salaries 10 percent, you give them a 10 percent
- 15 increase. Make them set the rate by cutting their
- 16 salaries. And when I'm talking salaries, I'm talking
- 17 salaries, stock options, golf club memberships, free
- 18 cars, the works, everything. That's how you should
- 19 set this rate. If they're going to cause us pain,

Thank you very much.

20 they should have pain.

- THE ATTORNEY EXAMINER: Thank you.
- Emma Johnson.
- 24 ---

| 1 | EMMA JOHNSON |
|----|--|
| 2 | being first duly sworn, as prescribed by law, was |
| 3 | examined and testified as follows: |
| 4 | DIRECT TESTIMONY |
| 5 | MS. STEWART: Emma Johnson, my address is |
| 6 | 8567 Renaa Avenue, Galloway, Ohio. |
| 7 | I've lived down here for 20 years. When |
| 8 | I first moved out here, we had to have a \$3,000 water |
| 9 | softener put in the house. I won't go into the |
| 10 | details what that softening company found in the |
| 11 | water but it was atrocious. |
| 12 | I recently had to disconnect that water |
| 13 | softener because I can't afford the water that it |
| 14 | takes to recycle through every night. It takes five |
| 15 | to six gallons a night to recycle the water filter |
| 16 | and I can't afford it. My husband passed away a |
| 17 | couple years ago so I'm just left with my income |
| 18 | trying to maintain my home and pay these utility |
| 19 | bills. |

- I have a bill here, and you attorneys
- 21 over there that want to question me, that's fine,
- 22 too. One month, \$178.94, for one month's worth of
- 23 water. For what? The water still smells. The water
- 24 is not drinkable. Don't tell me you are putting

- 1 softener in the water because I don't believe you.
- Now, if you give them a 30 percent
- 3 increase, my water bill would have been \$232.62 that
- 4 month. Where is my Governor? Where is Strickland
- 5 at? I want to see the man that I voted for that was
- 6 supposed to make Ohio a better place for us to live
- 7 because I'm not seeing it here. I cannot pay my
- 8 mortgage and pay my utility bills. It has to be one
- 9 or the other. So what? Am I going have to board my
- 10 house up, leave it vacant because I can't afford this
- 11 anymore? I cannot.
- Oh, let's discuss the water tower. I've
- 13 already got a letter from the water company telling
- 14 me what all they've done to this water tower so far.
- 15 So what? Are you going to come back in six more
- 16 months for another increase because we are going to
- 17 have that son of a gun, too, because you did not send
- 18 me just a letter to keep me informed as to what
- 19 you're doing to it? That's going to be the next pay

- 20 increase, you guys come back and ask for \$200 a month
- 21 in water. It's ridiculous.
- We are not paying quarterly like Columbus
- 23 is, and they also have their trash included on their
- 24 water bill. We have to pay additional for that.

- 1 That's 80 some more dollars a month we have to pay
- 2 just to get our trash picked up.
- I have been to a lot of these meetings.
- 4 We complained about the water meter that used to be
- 5 on our house. They came out and changed the water
- 6 meter. My husband was still alive then. He asked
- 7 for them not to do it unless he was there because he
- 8 wanted to do a final reading on the meter. They
- 9 didn't do that. They came when they knew he would be
- 10 at work and they took the meter. Now I have this
- 11 little black thing on the front of my house that
- 12 doesn't tell you anything. You cannot see numbers.
- 13 You can't see anything. The little guy hooks his
- 14 little thing up on there and then takes off. I have
- 15 no idea even if these numbers on my bill is what that
- 16 meter is saying because I can't see them.
- 17 So, Governor Strickland, I have a message
- 18 for you. You are so worried about the houses that
- 19 are going into foreclosure and the bank repossessing,

- 20 what is going to happen when we lose our houses
- 21 because you guys keep giving these guys over here pay
- 22 increases, and for what? The quality of the water
- 23 still sucks, and what are we're paying for? Sucky
- 24 water. It doesn't make any sense to me.

| 1 | Oh, I can have a lot more to say, but I'm |
|----|--|
| 2 | starting to get upset and words will come out of my |
| 3 | mouth. So thank you. |
| 4 | THE ATTORNEY EXAMINER: Thank you. |
| 5 | Felecia Ray. |
| 6 | |
| 7 | FELECIA RAY |
| 8 | being first duly sworn, as prescribed by law, was |
| 9 | examined and testified as follows: |
| 10 | MS. RAY: Felecia Ray, R-A-Y, |
| 11 | 933 Military Drive, Galloway 43119. |
| 12 | We moved in in '01, and they were still |
| 13 | building. I think we were the sixth house in West |
| 14 | Point 2 on Military Drive, and I asked the guys that |
| 15 | were building and one of my neighbors, I was like: |
| 16 | Is this what the water bill is like every month? And |
| 17 | my neighbor said yes. Well, the building supervisor |
| 18 | said it should come down later. |
| 19 | So when I called American Water and asked |

- 20 them is this what my bill is going to be every month?
- 21 They said: Oh, as you build houses, your bill will
- 22 come down. As they build houses, my bill went up,
- 23 up, up.
- And I don't know if the people said

- 1 they're paying 80 and 90. There's four, my husband,
- 2 me and two children. Our bill has been over 100
- 3 just about every single month. This time we got a
- 4 bill for \$98. We were happy about \$98. We don't
- 5 water the grass. We do not water the flowers. The
- 6 kids do not fill up a pool or play in water. When we
- 7 go out of town, we do turn it off in the basement so
- 8 nobody else can even get to the water because it's
- 9 already over 100 a month as it is.
- And as you heard everyone say, the water
- 11 does not taste good. We get water brought in from
- 12 somewhere. That is our choice, but I even give the
- 13 water we buy to the dog because it does not taste
- 14 good. I'm not convinced that just drinking it
- 15 straight out of there is safe if it smells like it
- 16 smells.
- When you fill a glass up with water, you
- 18 have to wait for it to turn clear because it's white.
- 19 It looks like if you had milk in a class, poured the

- 20 milk out again, and then put water in it. That's how
- 21 the water looks. I don't know if that's very safe.
- 22 They say it's safe, but is it really safe to drink it
- 23 if it is that cloudy?
- And then seeing what it does to the

- 1 plumbing in my house, what is it going to do to the
- 2 plumbing in my body? I mean, I'm just not happy with
- 3 the way it looks, and the chlorine that you can smell
- 4 sometimes and the smell of eggs sometimes, I'm not
- 5 that sure that the water is that good for us to
- 6 drink.
- 7 And they're making improvements. And
- 8 when are the improvements going to stop? There's
- 9 only so much improvement you can do. Since they got
- 10 the last rate increase, they made improvements.
- 11 Well, you can only improve and improve and improve,
- 12 and at some point you should be done, and 36 percent,
- 13 you all, is a lot. That's not a little bit. That's
- 14 36 percent is a huge amount. It is for me and my
- 15 family.
- Thank you.
- 17 THE ATTORNEY EXAMINER: Thank you.
- Michael Higgins.
- MR. HIGGINS: I beg your indulgence. I

- 20 came in late.
- 21 THE ATTORNEY EXAMINER: State your name
- 22 and address.
- MR. HIGGINS: Michael Higgins,
- 24 984 Military Drive.

| 1 | |
|----|--|
| 2 | MICHAEL HIGGINS |
| 3 | being first duly sworn, as prescribed by law, was |
| 4 | examined and testified as follows: |
| 5 | DIRECT TESTIMONY |
| 6 | MR. HIGGINS: I came in a little late. I |
| 7 | missed all the introductions. Is there a company |
| 8 | officer from Ohio American Water present? |
| 9 | THE ATTORNEY EXAMINER: Yes. |
| 10 | AUDIENCE MEMBER: A corporate officer? |
| 11 | THE ATTORNEY EXAMINER: No, I don't think |
| 12 | a corporate officer. |
| 13 | AUDIENCE MEMBER: They have never had |
| 14 | company representation. They send lawyers and stuff, |
| 15 | other representatives. They have never had a person, |
| 16 | someone from the. I would submit that should be |
| 17 | considered. They don't care enough about this to |
| 18 | have anyone. Al Capone sent representatives to take |
| 19 | care of his stuff, too. |

- As I understand, they're allowed a
- 21 reasonable return in investment. As others have
- 22 said, most people think reasonable is a single digit,
- 23 maybe three, four percent. They just had I believe
- 24 14 percent a year ago, and they now want 30 percent.

- 1 I'd like it explained, you know, how they go from
- 2 reasonable of a single digit, maybe three to four
- 3 percent -- most groceries are lucky if they get a two
- 4 percent return and that's our food. You're talking
- 5 30 percent for our water.
- 6 That's based on extremely marginal,
- 7 questionable service they're providing. You're
- 8 hearing what everyone is saying. That was after the
- 9 court battle, you know, had to file charges where you
- 10 think you might be safe, too. I think PUCO needs to
- 11 consider what it's costing to citizens, the
- 12 taxpayers, the constituents in quality of life and
- 13 the cost of maintenance.
- 14 You're hearing people say they have to
- 15 replace items at a much more rapid rate than what
- 16 most people have to. They're replacing two and three
- 17 coffeepots a year. Shoot, coffeepots, I've known
- 18 folks down the hills that have them for decades, and
- 19 like folks said, you have had people that have drunk

- 20 well water before. Just totally they aren't
- 21 providing adequate service, they aren't providing to
- 22 their customers, yet they keep wanting us to foot the
- 23 bill.
- Obviously, painting the water tower they

| 1 | feel good, but I think you should see that ain't the |
|----|--|
| 2 | best thing they could spend their money on. |
| 3 | Thank you for your time. |
| 4 | THE ATTORNEY EXAMINER: Thank you. |
| 5 | Mark Kotur. |
| 6 | |
| 7 | MARK KOTUR |
| 8 | being first duly sworn, as prescribed by law, was |
| 9 | examined and testified as follows: |
| 10 | DIRECT TESTIMONY |
| 11 | MR. KOTUR: My name is Mark Kotur, |
| 12 | K-O-T-U-R. I reside at 651 Platoon Drive, Galloway |
| 13 | 43119. |
| 14 | I came in tonight with an open mind to |
| 15 | listen to concerns that all had. I've heard an |
| 16 | elderly lady on a fixed income, it's too much for |
| 17 | her. I heard this lady who is paying well over |
| 18 | \$100 a month in water. If this is analogous to |
| 19 | saying you are what you eat, does it not also apply |

- 20 to what you drink? I bring to bear here with the
- 21 same things that everyone else has brought here, and
- 22 I want to say with fierce conviction, and it needs to
- 23 be said again and again: 30 percent? 30 percent for
- 24 how long? For what?

| 1 | In my line of business I'm a |
|----|---|
| 2 | biologist, by the way, so I do understand water. |
| 3 | What are the deliverables? That's the question I'm |
| 4 | asking. In my line of work, if I'm going to be paid |
| 5 | X amount of dollars from a client. What do they get |
| 6 | for that? |
| 7 | I would like to see a list of numerical |
| 8 | data, some tangible evidence that says the bottom |
| 9 | line is the quality of the water. Where is it, if |
| 10 | there's a website, if there's some data that I may |
| 11 | look at it. Again, I'm open-minded. The data speaks |
| 12 | loudly. |
| 13 | In my house, I'm an empty nester at this |
| 14 | point. We have two people and Kita the wonder dog, |
| 15 | and so I bring to bear two people who work, and I pay |
| 16 | \$70 a month. Now, unless Kita, the wonder dog, my |
| 17 | German Shepherd, can turn on water, I don't know |
| 18 | where that water is going. So that brings the |

19 situation in which my wife and I are both gone from

- 20 the house 40 hours a week, and we're still spending
- 21 \$70 a month. I go through coffeepots, and I am an
- 22 avid coffee drinker. It seems like a woman who lives
- 23 in this area doesn't need to take calcium
- 24 supplements.

| 1 | So I will close out with saying that in |
|----|--|
| 2 | my line of work, when you propose what your |
| 3 | deliverables are, you also are held accountable. |
| 4 | What or who will be held accountable for the |
| 5 | 36 percent increase? But it brings to bear also to |
| 6 | me it's either mismanagement of funds or |
| 7 | mismanagement itself. |
| 8 | Thank you for your time. |
| 9 | THE ATTORNEY EXAMINER: Thank you. |
| 10 | Steve Kennedy. |
| 11 | |
| 12 | STEVE KENNEDY |
| 13 | being first duly sworn, as prescribed by law, was |
| 14 | examined and testified as follows: |
| 15 | DIRECT TESTIMONY |
| 16 | MR. KENNEDY: My name is Steve Kennedy. |
| 17 | I live at 6621 West Broad Street, Galloway, Ohio |
| 18 | 43119. I'm also one of the Prairie Township |
| 19 | trustees. |

- 20 My major issue right now when the rate
- 21 increase came is both the cost and quality. When it
- 22 came out in October, I personally made a
- 23 determination that there wasn't going to be a whole
- 24 lot I could do personally about the cost of the

- 1 increase, but I personally could add some
- 2 accountability to the hardness testing of the water.
- For years there's been complaints that
- 4 the hardness issues out here weren't being addressed
- 5 so I started testing. I started doing compliance
- 6 checks back in October. Every day this year I went
- 7 out and did compliance tests to verify that the
- 8 company was doing what the company says. My issue is
- 9 that the way the current tests are set up, the
- 10 company is allowed to test themselves. They only
- 11 test at the plant with staff personnel, only when the
- 12 plant is open, and then have they test verified by a
- 13 company-owned lab. Where is the accountability to
- 14 that? There is none.
- 15 From just me, you know, doing compliance
- 16 checks has brought the issues to the forefront. Back
- 17 in October there were numerous days they were well
- 18 above the 200 milligrams per liter mark. The current
- 19 stipulation states they stay between 120 and 150.

- 20 There has been ten times since December that there
- 21 has been a third-party lab verifying they have been
- 22 out of range, but the current stipulation doesn't
- 23 address for a third-party test. It only addresses
- 24 let the company do their own tests.

| 1 | From the current stipulation the company |
|----|---|
| 2 | should have been, in my opinion, fined three times |
| 3 | for being out of range with the last one being |
| 4 | July 2008. They were out of range on the 1st. Way |
| 5 | low in my book is good, and then on the 13th they |
| 6 | had another reading well above 200. The company |
| 7 | hasn't been fined in July, so I'm hoping the |
| 8 | accountability issues will be addressed in the next |
| 9 | stipulation. |
| 10 | The high cost harms every not just the |
| 11 | residents out here, but it harms every resident in |
| 12 | the township. When these house values out here go |
| 13 | down, it affects the whole township. We can't |
| 14 | continue to let this go on. If the company |
| 15 | determines they're going to keep up year after year |
| 16 | asking for these increases and we don't step up or |
| 17 | coming to the bat to see what we can do to address |
| 18 | it there's another trustee here. Anybody that has |
| 19 | any questions after this hearing, we will be in the |

- 20 back of the room. Thank you.
- THE ATTORNEY EXAMINER: Thank you.
- THE ATTORNEY EXAMINER: Thank you.
- 23 Anybody else?
- 24 AUDIENCE MEMBER: I wasn't on the list,

| 1 | but could I say something. |
|----|---|
| 2 | THE ATTORNEY EXAMINER: We have one over |
| 3 | here first and then you. |
| 4 | |
| 5 | NANCY KELLEY |
| 6 | being first duly sworn, as prescribed by law, was |
| 7 | examined and testified as follows: |
| 8 | DIRECT TESTIMONY |
| 9 | MS. KELLEY: My name is Nancy Kelly, |
| 10 | K-E-L-L-E-Y. I live 445 Heidelberg Court, Galloway. |
| 11 | My sister did not want me to come up here and testify |
| 12 | because of how I act, but I promised not to curse, |
| 13 | I'm in a church. |
| 14 | Anyway, I've been watching the attorneys |
| 15 | and representatives for the American Water Company, |
| 16 | and some of them act like they're just disconcerned, |
| 17 | they don't care. Well, during the painting of that |
| 18 | tower, I live right across from road from it, and my |
| 19 | car, my new car, was splattered with this paint. |

- 20 They sent people out. I contacted for those that
- 21 don't know what to do to contact the Ohio American
- 22 Water, and they will connect you with someone else.
- But they did come up, and they did -- I
- 24 contacted several people in our court. They said:

- 1 Well, yeah, I had that overspray. Yeah I had that
- 2 overspray. So we all got together, had the people
- 3 come up and clean.
- 4 I also have been doing everything that I
- 5 can to make my house energy efficient. Like everyone
- 6 said about their water softener, I don't use my water
- 7 softener. I can't afford it. I am on a fixed income
- 8 also. I can't afford it. My sister doesn't make a
- 9 whole lot of money, and she can't afford it. We're
- 10 splitting the bills and it's still too high,
- 11 especially for the water quality. And, people, you
- 12 know, I have an aquarium. My fish have died because
- 13 of this water. You know, I mean, I've got dogs.
- 14 They're losing their teeth because the water is so
- 15 bad.
- Well, you know, my sister is using a
- 17 Britta filter on her water. I buy bottled water. It
- 18 doesn't make any sense for us to have an increase
- 19 when the water company is not doing anything for us.

- 20 I mean, give us better water quality.
- I had my water tested. The guy said it
- 22 was so bad -- he said: You don't even want to hear
- 23 about it. I said: Okay, I don't. Well, what
- 24 happens, I had my pipes get rusted out. I'll

- 1 probably take that insurance that they give so they
- 2 can come under my house and fix the pipes that go to
- 3 street and fix my pipes going there. Why should we
- 4 have to buy that? Why don't we have better water so
- 5 we don't have to replace our things?
- 6 I have to replace our Bunn coffee maker
- 7 every year. I pay over \$100 for that. I don't want
- 8 to replace my water heater. I don't want to do
- 9 everything. I went out and bought new appliances
- 10 washer, dryer, refrigerator, stove to do the energy
- 11 efficiency, and it seems like I spent money for
- 12 nothing. Everybody is increasing their bills,
- 13 increasing their costs to all the consumers, and half
- 14 of us don't make that much money.
- 15 I retired out here. I came out here to
- 16 retire, and it's getting so bad I'm going to have to
- 17 move me, my sister, my five dogs, seven cats, an
- 18 aquarium, and my pond to go to a condo to be able to
- 19 afford anything, or else I'm going to have some

- 20 people, single people, move into my house to be able
- 21 to split the bill four ways, something like that.
- I mean, it's just ridiculous that the
- 23 prices -- the increase, that's almost a 50 percent
- 24 increase in a year and a half. 50 percent, that is

- 1 outrageous. What happens if we refuse to pay those
- 2 water bills? Oh, we get our water taken away. It
- 3 did not make any sense that we have to work so hard.
- 4 I have to work a second job to try to make ends meet.
- 5 It doesn't make any sense. I am just upset.
- 6 I want to contact Ohio American Water and
- 7 wish to speak to somebody in a high place because
- 8 this paint spray was all over my house, all over my
- 9 brand-new windows and my deck. I have a large deck,
- 10 and instead of putting a transparent stain on it, I
- 11 had to go with a color stain to cover up all the
- 12 splashes. I mean, it wasn't splotches. It was a
- 13 fine mist, you know.
- So, anyway, I'm going to contact you
- 15 guys. I want you guys to pay my water bill for the
- 16 last two or three months seeing how I had to power
- 17 wash my deck twice. I had to, you know, do the
- 18 windows that weren't cleaned. I can't say anything
- 19 about the house, but I don't appreciate the spray on

- 20 my deck, having to use water that I can't afford to
- 21 take it off.
- And I just don't appreciate the fact we
- 23 don't have good water. We're paying too much as is.
- 24 Improve the water for everybody. Then we might not

| 1 | get so mad if we have an increase that is reasonable. |
|----|---|
| 2 | I think 36 percent is outrageous. That is what I |
| 3 | have to say. |
| 4 | Thank you. |
| 5 | THE ATTORNEY EXAMINER: Thank you. |
| 6 | Yes, ma'am. |
| 7 | |
| 8 | JOANNE BURKE |
| 9 | being first duly sworn, as prescribed by law, was |
| 10 | examined and testified as follows: |
| 11 | DIRECT TESTIMONY |
| 12 | MS. BURKE: My name is Joanne Burke, |
| 13 | B-U-R-K-E. And I live at 788 Lakefield Drive, |
| 14 | Galloway, 43119. Everybody has been talking about |
| 15 | drinking the water, how it smells. I'll tell you at |
| 16 | the other end how bad it is. I live right across the |
| 17 | street from the sewage treatment plant. Bad as you |
| 18 | say the water smells, you ought to smell it from the |
| 19 | other end because, I mean, the other gentleman did |

- 20 mention that we had complained to the EPA, and we did
- 21 get some affirmative statements from them in saying
- 22 that, yes, the water company is in violation. They
- 23 were given ten days to correct these problems. The
- 24 last nine months I would say have been where I can't

- 1 spend time outside at all because the odors are so
- 2 putrid. It smells like S-H --.
- I have the phone number of the manager of
- 4 the plant. I called him last Sunday night at quarter
- 5 till 9:00, and I said: Can't you please help us? I
- 6 wanted to open my windows and keep them open and I
- 7 couldn't. It makes you gag when you go outside.
- 8 And he says: Well, the boys just aren't
- 9 giving enough oxygen to the sludge. He says: I'll
- 10 go in tomorrow and tell them to start increasing the
- 11 amount that they put for oxygen into the sludge.
- That was my answer. It didn't help a
- 13 whole lot. And he was also told by the EPA they need
- 14 to start hauling away the sludge at a more frequent
- 15 rate. I know that it cost money to get the waste
- 16 management trucks out there to haul it away. I live
- 17 across the street. It is horrid, and they're asking
- 18 for more money?
- They need to fix the water and make it

- 20 better to drink, but please take care of the other
- 21 end of it too, not just when we few neighbors who get
- 22 the drift of it. You guys are really lucky you live
- 23 over at the other end of it. You are at the water
- 24 treatment area where the fresh water is coming from.

| 1 | I'm at the other end and it's pretty nasty, |
|----|--|
| 2 | Thank you. |
| 3 | THE ATTORNEY EXAMINER: Thank you. |
| 4 | Anyone else? |
| 5 | |
| 6 | JAMIE MUELLER |
| 7 | being first duly sworn, as prescribed by law, was |
| 8 | examined and testified as follows: |
| 9 | DIRECT TESTIMONY |
| 10 | MR. MUELLER: My name is Jamie Mueller |
| 11 | 4959 West Broad Street, Prairie Township, Ohio, |
| 12 | M-U-E-L-L-E-R. |
| 13 | The problem does not affect just these |
| 14 | homeowners. It affects all us here in Prairie |
| 15 | Township and all of us in the respective school |
| 16 | districts. Ohio American, in my opinion, overpaid |
| 17 | for their acquisition. They didn't account for the |
| 18 | obsolescence of the equipment. There should be no |
| 19 | rate increase. The increase costs that these |

- 20 homeowners pay for their water comes off the bottom
- 21 line. That's less income they can pay for their
- 22 mortgage. It makes it more difficult to sell their
- 23 house, depreciation of the real estate values and
- 24 deteriorates the tax base. If they overpaid and

| 1 | can't operate within a reasonable rate, they should |
|----|--|
| 2 | give it back to their finance company. Thank you. |
| 3 | THE ATTORNEY EXAMINER: Thank you. |
| 4 | Anyone else? |
| 5 | |
| 6 | JOSEPH LEONARD |
| 7 | being previously sworn, as prescribed by law, was |
| 8 | examined and testified as follows: |
| 9 | REDIRECT TESTIMONY |
| 10 | MR. LEONARD: Joseph Leonard. I've been |
| 11 | here. I just got a couple more. |
| 12 | THE ATTORNEY EXAMINER: Additional |
| 13 | thoughts? |
| 14 | MR. LEONARD: Right. |
| 15 | THE ATTORNEY EXAMINER: Go ahead. |
| 16 | MR. LEONARD: I listened to all the |
| 17 | testimony and everything, but what I want to get at, |
| 18 | it's just one little small group. I'm the only one |
| 19 | that is outside of the area that spoke for the other |

- 20 areas. How many water plants does this hearing
- 21 represent? Three?
- THE ATTORNEY EXAMINER: I'm not entirely
- 23 sure, but there is another hearing in Westerville on
- 24 Wednesday.

| 1 | MR. LEONARD: Yes, but not in my area. |
|----|---|
| 2 | Can the PUCO do something to have a hearing at each |
| 3 | individual area where the water problem is in that |
| 4 | area? I mean this sounds like a pretty bad problem |
| 5 | in this area, but believe me, it's in other areas. |
| 6 | If we a get a hearing in our area, I would appreciate |
| 7 | it. |
| 8 | THE ATTORNEY EXAMINER: Okay. Thank you. |
| 9 | Anyone else? |
| 10 | (No response.) |
| 11 | THE ATTORNEY EXAMINER: If there is |
| 12 | nothing further, this hearing is adjourned. Like I |
| 13 | say, the next one will be Wednesday night in |
| 14 | Westerville. |
| 15 | Thank you. |
| 16 | (The hearing adjourned at 7:15 a.m.) |
| 17 | |
| 18 | |
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| 1 | CERTIFICATE |
|----|--|
| 2 | I do hereby certify that the foregoing is a |
| 3 | true and correct transcript of the proceedings taken |
| 4 | by me in this matter on Monday, August 18, 2008, and |
| 5 | carefully compared with my original stenographic |
| 6 | notes. |
| 7 | |
| 8 | Rosemary Foster Anderson, Professional Reporter and |
| | Notary Public in and for |
| 9 | the State of Ohio. |
| 10 | My commission expires April 5, 2009. |
| 11 | (RFA-8188) |
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Summary: Transcript Ohio American Water 8-18-08 electronically filed by Mrs. Jennifer D. Duffer on behalf of Armstrong & Okey, Inc.