

FILE

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PUBLIC UTILITIES COMMISSION OF OHIO

IN THE MATTER OF THE APPLICATION OF CHRISTI WATER
SYSTEM, INC. FOR AN INCREASE IN RATES AND CHARGES

CASE #~~20-1762-EL-BGN~~

20.1428. WR. AIR

The following PUBLIC HEARING was held before
Attorney Examiner, Matthew J. Sandor.

Date and Time: Wednesday, September 1, 2021
6:00 p.m.

Place: The Northtowne Mall
1500 North Clinton Street
Defiance, Ohio

Reporter: Marie B. Fresch RPR RMR CRC
Registered Merit Reporter
Notary Public, State of Ohio

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1 MR. SANDOR: The Public
2 Utilities Commission of Ohio has scheduled for Public
3 Hearing at this time and place, Case Number
4 20-1428-WW-AIR, which is captioned In the Matter of the
5 Application of Christi Water System Inc. for an Increase
6 in Rates and Charges.

7 My name is Matthew Sandor and I am an Attorney
8 Examiner assigned by the Commission to hear this case.

9 Also with me this evening is Jill Kocher from our
10 Public Affairs Department, near the entrance, holding
11 the door open. Thank you.

12 At this time, I would like to take appearances of
13 counsel on behalf of the parties.

14 Hearing none, Christi filed its application on
15 August 24th, 2020, and filed an amended application on
16 September 24th, 2020 to increase its rates and charges
17 for water service to residents of the Christi Meadows
18 Subdivision, River Chase Properties, and Webco
19 Properties in the City of Defiance in Ohio.

20 Under the rates and terms proposed within the
21 application, Christi proposes a new consolidated rate
22 structure. Under the proposed rate design, a customer's
23 minimum bill would increase from \$26.89 to \$92.79, or
24 \$65.90 per month, a 245.07 percent increase. Also under
25 this rate structure, a customer using 400 cubic feet of

1 water would see their bill increase approximately 70%.

2 On April 7, 2021, the Commission Staff filed its
3 staff report, which recommends the commission reject the
4 proposed rate structure, and further recommends a
5 midpoint rate of return of 9.3% and an increase over
6 current revenue of 35.8 percent, which would generate a
7 revenue requirement of \$196,973.

8 Staff recommends a monthly charge of \$34.34 for the
9 first 50 cubic feet of water and one volumetric rate of
10 \$0.12307 for usage above 50 cubic feet.

11 Under Staff's recommended rate design and revenue
12 requirement, a customer's minimum bill would increase
13 from \$26.89 to \$34.34, or \$7.45 per month, a 27.69%
14 increase. Also under Staff's developed rates, a
15 customer using 400 cubic feet of water would see their
16 bill increased approximately 34.6%.

17 The purpose of this evening's hearing is to receive
18 comments from the public regarding Christi's application
19 in this case. This is not intended to be a question and
20 answer session, but instead is your opportunity to let
21 the Commission know what you think about the applicant's
22 request. Subsequent to this hearing, the Commission
23 will review the application, staff report, the record
24 from this hearing, filed comments, and other applicable
25 documents to reach a decision regarding Christi's

1 application.

2 Tonight's hearing is being transcribed by a court
3 reporter. If you plan to testify, please speak clearly
4 so that the court reporter can accurately reflect your
5 comments on the record. Also, if you have prepared a
6 written statement, it would be helpful if you provide a
7 copy to the court reporter for reference to ensure the
8 transcript is accurate.

9 After I finish with this introduction, we will
10 begin by inviting individuals on the sign-in sheet to
11 speak about the application. Each person who signed up
12 to testify will be permitted to speak once. Before you
13 present your testimony, we will ask you to take an oath
14 or affirmation that what you're about to say is the
15 truth. We'll also ask you to state your name and
16 address for the record. You will then provide your
17 thoughts on Christi's application. The parties to the
18 case and myself will be permitted to ask you questions
19 about your statement. The testimony that you provide
20 tonight will be considered part of the official record
21 in this case, and as mentioned earlier, it will be
22 reviewed by the Commission before a final decision is
23 made on the application.

24 A couple of other notes. If you decide you do not
25 want to testify when we read your name from the sign-in

1 sheet, you can merely pass to the next witness. If you
2 decide that you prefer to file written comments in the
3 case docket, the Commission Staff can answer your
4 questions about how to do that. Also, once you finish
5 testifying, or if you're just here to observe, you may
6 leave the hearing at any time you wish. We ask that you
7 do so quietly.

8 The Commission appreciates your participation in
9 tonight's hearing and we want everyone who has signed up
10 to testify to have the opportunity to do so. For that
11 reason, please keep your statement to a reasonable
12 length of no more than five minutes. At this time, we
13 will begin with the testimony.

14 All right. So our first witness is Katherine M.
15 Voff.

16 THE WITNESS: I have never --

17 MR. SANDOR: One moment,
18 Ms. Voff, I need to swear you in.

19 KATHERINE VOFF

20 Being first duly sworn, testified as follows:

21 MR. SANDOR: Please state and
22 spell your name for the record.

23 THE WITNESS: Katherine Voff,
24 K A T H E R I N E, Voff, V as in Victor, O F F.
25 Address.

1 MR. SANDOR: And please state
2 your address.

3 THE WITNESS: 2173 Hawthorne
4 Drive, and that's Defiance.

5 MR. SANDOR: Okay, please
6 proceed.

7 THE WITNESS: I had two
8 questions that I had wrote down. The first one is, why
9 the increase in the first part? I don't understand
10 what's going on there.

11 And not knowing how any of this works, I've never
12 lived in this type of an environment before. Has the
13 water plant, the water equipment, however it's referred
14 to, has it been maintained correctly; has things been
15 kept up-to-date?

16 And I guess there is things that, because I have
17 only lived here for ten years, there is things that
18 these two ladies, as well as Terry and Galen, of course
19 they know more. So I'm kind of being cautious with what
20 I say, but -- and I need a better understanding of what
21 you just read about what the increase will be at one
22 point.

23 You know, we thought it was about \$7 or something.
24 Is that \$7 a gallon? Not a gallon, I know it's not a
25 gallon. You know what I mean? Or is it just an

1 additional, say, let's just say ten dollars on your
2 bill? I need a better understanding of that.

3 MR. SANDOR: So, thank you.
4 And, again, we'll take that as your testimony unless you
5 have anything to add after this, but we'll, any
6 questions we add, or answers -- we'll try to answer to
7 the best of our ability any of your questions after the
8 proceeding.

9 THE WITNESS: Okay.

10 MR. SANDOR: During the
11 proceeding, we just like to take people's testimony and
12 their thoughts and feelings about the application; okay?

13 THE WITNESS: Um-hmm.

14 MR. SANDOR: Okay, any other
15 additional testimony besides what you've given?

16 THE WITNESS: No.

17 MR. SANDOR: All right.

18 Thank you.

19 MS. KOCHER: The company is
20 here too.

21 MR. SANDOR: Let's go off the
22 record.

23 (Discussion held off the record).

24 MR. SANDOR: All right. I
25 believe we actually have someone from the Applicant

1 here. Sir, if you could please identify yourself.

2 MR. BEILHARZ: Yes. Terry
3 Beilharz, I operate the Christi Water System.

4 MR. SANDOR: All right, thank
5 you. And I believe Mr. Beilharz is here to help answer
6 any questions anyone that's in attendance may have after
7 we're done with the hearing.

8 Okay. Let's proceed with our next witness. And
9 again, you're welcome to stand up in place or come up to
10 the podium. That is Galen Locher.

11 MR. LOCHER: I pass.

12 MR. SANDOR: Pass. All
13 right. Thank you.

14 Our next witness is Michael L. Bishop.

15 MR. BISHOP: I can pass.
16 Mine is more of a question than statement, so I'll pass.

17 MR. SANDOR: Okay, very well.

18 Next witness is Susan Tack.

19 MS. TACK: I don't really
20 have any questions.

21 MR. SANDOR: Also, please
22 raise your right hand.

23 SUSAN TACK

24 Being first duly sworn, testified as follows:

25 MR. SANDOR: Please state and

1 spell your name for the record.

2 THE WITNESS: Susan Tack,
3 S U S A N, T A C K. I live on 2125 Hawthorne Drive.

4 MR. SANDOR: Okay, thank you.
5 Please proceed with your testimony.

6 THE WITNESS: I don't really
7 have any questions, other than I just wondered what the
8 justification is for such a high increase. Are they
9 going to upgrade the system? Are they improving things?
10 Is there something that needs fixed? I understand that
11 an increase might be necessary, but not a high increase.
12 My water bill is already high enough.

13 MR. SANDOR: Okay. Is that
14 it? Okay. Thank you.

15 And again, like we said, any questions you may
16 have, hopefully, Mr. Beilharz will address as best as
17 possible after.

18 Okay. Then our next witness is Danielle Small.

19 MS. SMALL: I'm here.

20 MR. SANDOR: Please raise
21 your right hand.

22 DANIELLE SMALL

23 Being first duly sworn, testified as follows:

24 MR. SANDOR: Please state and
25 spell your name for record.

1 THE WITNESS: Danielle Small,
2 D A N I E L L E, S M A L L.

3 MR. SANDOR: And then please
4 state your address.

5 THE WITNESS: 3121 Sandlewood,
6 S A N D L E W O O D, Drive.

7 MR. SANDOR: Please proceed
8 with your testimony.

9 THE WITNESS: Okay. So, I
10 have lived at Lake Christi Meadows for about eight years
11 now.

12 Our bills have been continuously fluctuating back
13 and forth. We've had some water pipe issues, one of
14 which has still never been fixed in the last four years.
15 Our main line that comes into our house from the street
16 is broken and remains broken. Thankfully, we have
17 something on the inside of our house that will allow us
18 to shut it off should there be an issue.

19 My last bill that I received said that my husband
20 and I used no water for the month, but we were charged.
21 I don't know how that happens, because we do wash our
22 clothes and take showers, so I'm not sure how we got a
23 zero usage on it. That has happened multiple times.

24 We have no bill that is itemized that tells us what
25 the charge is for. It is a very simple, this is what

1 our last reading was, this is what the reading is now,
2 and this is the dollar amount that just gets charged.

3 I have never received anything that says how much
4 the water costs for us at Lake Christi Meadows or how
5 much our usage is. If that's something I missed, it's a
6 possibility, but again, the first time that I've ever
7 seen any type of written charges have been when these
8 papers were filed and the increase was made.

9 Oh, and the other item that we have is also to the
10 best of our knowledge, there is no flushout at the end.
11 I live in a cul de sac, so the only flushout we have is
12 at the end of the street. So we get all the dirty
13 cruddy water. And there is a flushout -- I guess we can
14 ask that later.

15 So, there are, there are items that go along with
16 having water, having clean water, and paying for your
17 water to go to your house, that I believe that we are
18 not receiving out at Lake Christi Meadows. And we're
19 just looking for -- what?

20 MS. McNEAL: You came here
21 from the city.

22 MR. SANDOR: One second.
23 Hold on, let's let her speak. One person at a time.

24 THE WITNESS: As she said, we
25 get the water from the city. The city doesn't give us

1 our bill. The bill goes to Lake Christi. Lake Christi
2 Meadows or Christi Water System, as far as I know,
3 doesn't do anything with that water. That water just
4 travels through a pipe that gets, at the end of the
5 county, and that water still comes to us.

6 How that bill gets taken care of, I'm not sure.
7 That would be something that would be great to know as
8 well, but there is nothing that gets done with that
9 water; it goes through a pipe.

10 As far as I know, Lake Christi Water just charges
11 us whatever they want to charge us. I've never received
12 anything that says what that water is, how much the
13 usage is, how much that charge is past a certain point.
14 Like I said, maybe I'm missing something, but there is a
15 disconnect somewhere and that needs to be fixed.

16 MR. SANDOR: How many years
17 have you lived at your address?

18 THE WITNESS: Eight.

19 MR. SANDOR: And has this,
20 the issues that you described been a problem since you
21 moved into this address?

22 THE WITNESS: Absolutely.

23 MR. SANDOR: Okay.

24 THE WITNESS: I had a mess-up
25 with our bill the first three months we were there, I

1 had to contact and contact and contact, and it took a
2 month or two before I could get the correct person, that
3 I could get a hold of the right place, so that the water
4 bill could be transferred over. It's been from the very
5 beginning we've had multiple issues.

6 MR. SANDOR: All right. I
7 have no further questions.

8 THE WITNESS: Okay.

9 MR. SANDOR: Thank you very
10 much for your testimony.

11 And we have reached the end of the list of people
12 who signed up to testify. Is there anyone else present
13 tonight that would like to testify before we end the
14 hearing? Okay.

15 Let's start, I saw your hand first, sir. If you
16 could please stand and raise your right hand.

17 JIM SEYMOUR

18 Being first duly sworn, testified as follows:

19 MR. SANDOR: Please state and
20 spell your name for the record.

21 THE WITNESS: Jim Seymour,
22 S E Y M O U R.

23 MR. SANDOR: Please state --

24 THE WITNESS: 4133 Christi
25 Shores.

1 MR. SANDOR: Please proceed
2 with your testimony.

3 THE WITNESS: I want to
4 dovetail on what the young lady said. We've lived in
5 Lake Christi Meadows for seven years, and we've had
6 absolutely no idea of why we're being charged and the
7 amount we got charged for our water bill.

8 There's never been any rhyme nor reason. There is
9 never, like her, we've had issues with our, our checks
10 supposedly never showing up. And when we call to try to
11 resolve the issue, somebody is always, you know, it's
12 never somebody there; they always got to call you back.

13 I agree. Lake Christi Meadows, the water
14 department does absolutely nothing. I've never seen
15 them replace any water mains. I've never seen them up
16 any of the piping or anything on our street.

17 I know that the valve that goes into our house in
18 the yard, I don't see how that sucker works, because of
19 the cap that's on there has busted, and it's been like
20 that for six years.

21 I'm just wondering why after seven years with no
22 rhyme nor reason, no, we have no idea how much per
23 gallon our water costs. We have no idea what Defiance
24 is charging Lake Christi Meadows per gallon. All of a
25 sudden, they want to raise it 200 and some percent now?

1 I think somebody ought to look into that a little
2 more in depth than just passing it off. Thank you.

3 MR. SANDOR: Thank you for
4 your testimony.

5 Please stand. Please raise your right hand.

6 RENATE McNEAL

7 Being first duly sworn, testified as follows:

8 MR. SANDOR: Please state and
9 spell your name for the record.

10 THE WITNESS: Renate McNeal,
11 R E N A T E, M C N E A L.

12 MR. SANDOR: Please state
13 your address.

14 THE WITNESS: 4104 West
15 Rolling Meadows.

16 MR. SANDOR: All right.
17 Please proceed with your testimony.

18 THE WITNESS: I have lived in
19 Christi Meadows for 50 years. We were the first family
20 to move out there. I am happy that we have water. That
21 when I turn my faucet on, I have water. I'm happy I
22 have sewer. I have no complaints. Terry has tried to
23 do his best with what he can do.

24 I have had a problem with my shutoff. They came
25 and fixed it. I know if it's between the house and my

1 shutoff, I'm responsible for that; I understand that.

2 And I think if what you guys agree to is \$7 and
3 some cents more a month, that's a very reasonable
4 amount. Everything increases and there is lots of
5 things that need to be done, that we don't know what's
6 involved.

7 He doesn't have a water system. He buys it from
8 the city and it's going to us. The bill has to be,
9 somebody has to come and read our meter. Then somebody
10 has to go and figure the bill out. It comes -- I've
11 never had any problems. I don't understand being there
12 50 years and not having any problems and all of a sudden
13 people move in and they have problems right and left.

14 That's all I have to say. I'm not against the
15 increase that was mentioned on the paper. Thank you.

16 MR. SANDOR: Okay. Thank you
17 for your testimony.

18 Is there anyone else present tonight that would
19 like to testify before we end the hearing?

20 You can only testify once, I'm sorry.

21 Yes, sir. Please stand. Please raise your right
22 hand.

23 MR. KENT BEILHARZ: I don't want to
24 testify. I'm Terry's son and I guess I want to just
25 help him with any questions.

1 MR. SANDOR: You're Terry's
2 son?

3 MR. KENT BEILHARZ: Yes.

4 MR. SANDOR: Could you please
5 identify yourself and also what position you have.

6 MR. BEILHARZ: I'm Kent
7 Beilharz. I'm company secretary and accountant.

8 MR. SANDOR: Thank you. It
9 sounds like Kent will be available after the hearing as
10 well this evening.

11 Anyone else? Last chance.

12 All right. That concludes the witnesses who signed
13 up to testify. Thank you everyone for their
14 participation this evening.

15 We would also like to thank Northtowne Mall for
16 allowing us to use their facilities in order to conduct
17 this public hearing in person with you this evening.

18 The hearing is now concluded. And the hearing
19 transcript will be submitted on the record for the
20 Commission's consideration in this case.

21 Thank you all again. Have a nice evening.
22 (Off the record).

23

24

25

C E R T I F I C A T E

I, Marie B. Fresch, Registered Merit Reporter, and Notary Public in and for the State of Ohio, duly commissioned and qualified, do hereby certify that the witnesses were duly sworn prior to the taking of testimony, that the testimony of said witnesses was taken by me in machine shorthand and was thereafter reduced to typewritten form by me and that the foregoing transcript is a true and accurate record of the testimony so given by the witnesses and that this Public Hearing was taken at the time and place specified in the foregoing caption.

I further certify that I am neither counsel for, related to, nor employed by any of the parties to the action in which this proceeding was taken; and, further, that I am not a relative or employee of any attorney or counsel employed by the parties hereto, nor financially interested, or otherwise, in the outcome of this action; and that I have no contract with the parties, attorneys, or persons with an interest in the action, as defined in Civil Rule 28(D).

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my seal of office at Norwalk, Ohio, on the 6th day of September, 2021.


MARIE B. FRESCH, RPR RMR CRC
Notary Public, State of Ohio
My Commission expires: 10-9-2023