

COMMONWEALTH OF PENNSYLVANIA  
PENNSYLVANIA PUBLIC UTILITY COMMISSION

**ORIGINAL**

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In the Matter of: :  
: :  
Application of Hidden Valley :  
Utility Services, LP - Water; :  
Application of Hidden Valley :  
Utility Services, LP - Wastewater. :  
For approval to offer, render, :  
furnish, or supply water and :  
wastewater services to the public :  
in Hidden Valley, PA. :  
: :  
Public Input Hearing :  
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Docket Nos. 210717  
A-230101

**DOCUMENT**

Pages 62 through 138 Summit Highlands Room  
1 Craighead Drive  
Hidden Valley, Pennsylvania

**DOCKETED**

Thursday, October 7, 2004

OCT 27 2004

Met, pursuant to notice at, 7:00 p.m.

BEFORE: JOHN H. CORBETT, JR., Administrative Law Judge

APPEARANCES:

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**Commonwealth Reporting Company, Inc.**  
700 Lisburn Road  
Camp Hill, Pennsylvania 17011

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

ADMINISTRATIVE LAW JUDGE JOHN CORBETT:

1 We're on the record at this time. This is the time and  
2 place that the Pennsylvania Public Utility Commission  
3 has set aside for a public input hearing on the  
4 applications of Hidden Valley Utility Services, LP at  
5 Dockets Nos. A-210117 and A-230101. My name is John  
6 Corbett. I am the Administrative Law Judge that the  
7 Commission has assigned to preside over the hearings in  
8 this case and to render an initial decision for the  
9 Commission to consider.

10 At this time I want to introduce to you  
11 some of the people involved in this case. To my far  
12 left, to your right, is Carl Engleman who represented  
13 Hidden Valley Utility Services, LP. To my far right,  
14 to your far left is Charles Daniels Shields from the  
15 Office of Trial Staff for the Commission. To my  
16 immediate right is Erin Gannon from the Office of  
17 Consumer Advocate.

18 I want to take a minute or two now to  
19 summarize for you what this case is about. The present  
20 applications were filed as a direct result of an  
21 agreement to settle a complaint that Angela and David  
22 Boyter filed with the Commission against Hidden Valley  
23 Resort. Through these applications Hidden Valley  
24  
25

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1 Utility Services, LP seeks Commission approval to begin  
2 to offer, render, furnish or supply water and  
3 wastewater service to the public in Hidden Valley  
4 Pennsylvania.

5                   Six individuals have filed complaints  
6 against these applications. These individuals are  
7 Edwin C. Miller, Jack Martino, Jr., Douglas Brown, John  
8 Fiesta, Richard Brown and Edward MacKenzie. Angela and  
9 David Boyter intervened in this action as has the  
10 Office of Consumer Advocate. The Commissions Office of  
11 Trial Staff filed a protest to these applications.  
12 Hidden Valley Resort LP and Hidden Valley Foundation  
13 Incorporated have been made indispensable parties to  
14 this action.

15                   On August 5, 2004 the parties and I held  
16 a pre-hearing conference. During which we developed a  
17 litigation schedule and the parties agreed to consider  
18 mediation under the auspices of the Commissions  
19 mediator Mr. Hurbert Nurick. Due to the apparent  
20 success so far of that mediation process most of the  
21 parties asked me to suspend the litigation schedule so  
22 that they could concentrate their efforts on the  
23 mediation. I granted this request and I am now waiting  
24 for further word from the parties on the outcome of  
25 their mediation.

1                   Now the one litigation item that we did  
2 not suspend during the mediation process is tonight's  
3 public input hearing because we felt it was important  
4 to obtain your thoughts on these applications. The  
5 purpose of the public input hearing this evening is to  
6 obtain the testimony of those persons who claim to have  
7 an interest in the subject matter of this case. The  
8 Commission wants to hear from those people most  
9 affected by the current applications. Those customers  
10 within the proposed service territory of Hidden Valley.  
11 I am interested in hearing from you of hearing what you  
12 have to say about these applications.

13                   Your testimony will have a direct  
14 bearing on any settlement the parties may propose for  
15 this case or if the parties are unable to achieve a  
16 settlement the Commission will consider your testimony  
17 when deciding the merits of these applications.  
18 Evidentiary hearings may be held in the State Office  
19 Building in Pittsburgh if the medication is  
20 unsuccessful. During those hearings the applicant as  
21 well as the other parties will testify and they may  
22 respond to the testimony we hear this evening. I have  
23 one note of caution however. If you choose to testify  
24 tonight you will not be allowed to testify at any  
25 future evidentiary hearing. Each party is entitled to

1 only one bite of the apple.

2           As I stated if the mediation is  
3 unsuccessful in achieving a settlement hearings will be  
4 held, the record will close and I will submit a  
5 decision to the Commission within 90 days of the close  
6 of the record. The Commission may take several months  
7 after that to consider these applications.

8           With that background let me ask any of  
9 the individuals whom I introduced earlier whether they  
10 wish to make a statement before proceeding further with  
11 this hearing. Mr. Shields, do you wish to make an  
12 opening statement?

13           MR. SHIELDS: Good evening, folks. As  
14 the Judge indicated my name is Charles Daniel Shields.  
15 My title is prosecutor with the Commissions Office of  
16 Trail Staff. The Judge has given you some of the  
17 history let me just add to that by saying he is indeed  
18 correct you have Angie and David Boyter there to thank  
19 for the PUC assuming jurisdiction. After we received  
20 their complaint and Angie rang by boss, the chief  
21 prosecutor the OTS filed a complaint. We got involved  
22 in the proceeding. We got the folks from Hidden Valley  
23 down and after a little browbeating got them to agree  
24 to file these particular applications, which is now  
25 before the Judge.

1                   In this proceeding if you were to come  
2 to the hearings if we have evidentiary hearings you  
3 wouldn't see this type of set up. You would see the  
4 Judge up front of course and the attorneys down at the  
5 attorney's tables. We merely set it up this way. This  
6 isn't a panel; you're speaking to the Judge. We're  
7 merely parties here to the proceeding and we're  
8 entitled to ask you questions. They're usually not  
9 difficult questions. A lot of the questions that I ask  
10 and the Office of Consumer Advocate asks are follow-up  
11 questions so that we can pin down your testimony.

12                   The Judge is absolutely correct that we  
13 can and have used, the Office of Trial Staff and the  
14 Office of Consumer Advocate, can and have used  
15 testimony countless times, countless numbers of  
16 testimony at different public input sessions like this  
17 to sway both the Administrative Law Judge hopefully and  
18 the Commission regarding particular items about  
19 service. That's what usually comes up in public input  
20 sessions, about service.

21                   Now, the Judge also mentioned that we  
22 are having a mediation process. There is some progress  
23 in the mediation. We have not settled the case.  
24 Neither I nor the Office of Consumer Advocate would  
25 ever settle a case before we had an opportunity to hear

1 from you folks at public input sessions. Obviously,  
2 this is tremendous attendance. It looks like we're  
3 going to have a lot of good interesting input and  
4 hopefully we'll have some intelligent questions to ask  
5 you to follow up. If we do in-fact come to a --- in  
6 the subsequent mediation, if we do in-fact come to some  
7 sort of settlement you have my word and you can rest  
8 assured to the extent that there are service complaints  
9 that stand unresolved. If there are the types of the  
10 things that are going to affect the rates to be  
11 established in this proceeding. If there are topics  
12 that you bring up tonight that are going to effect the  
13 tariff provisions that provide for service, that  
14 provide for responses to questions that you have to the  
15 utility, which is going to be established and is going  
16 to be under the jurisdiction of this commission at the  
17 end of the proceeding.

18 Judge, thanks for the opportunity to  
19 speak and we look forward to your comments.

20 JUDGE CORBETT: Thank you. Ms. Gannon?

21 MS. GANNON: Thank you. As the Judge  
22 indicated my name is Eric Gannon. I'm here on behalf  
23 of the Office of Consumer Advocate. We are part of the  
24 Attorney General's Office in Pennsylvania. If you  
25 would like some more information about our office there

1 are some pamphlets on the table by the door. It just  
2 gives you a little bit more background about all the  
3 different things that we do.

4           In this case specifically, we have  
5 gotten involved on behalf of residential customers. We  
6 have two experts who are here with me tonight who are  
7 helping us work on the case. We have engineer Terry  
8 Fought who is helping. If you have any specific issues  
9 about service that you'd like to speak with him about  
10 during a break or at the end of the hearing I encourage  
11 you to do so. Also with me is Marilyn Kraus, who is an  
12 accountant with the Office of Consumer Advocate who is  
13 helping us look at the rates.

14           As the Judge mentioned not only is the  
15 company here to get certificated to be a regulated  
16 public utility they have also proposed to set rates,  
17 which are higher than the rates that are currently  
18 being charged to customers for water and wastewater  
19 service. So we are looking at that as well. I would  
20 encourage you to testify. I know that a number of  
21 people have signed up. If you haven't signed up please  
22 consider doing so. The information that you get onto  
23 the record that is recorded here tonight very much  
24 helps us in the proceeding. It is something that we  
25 can look back on as we go through the case and it is

1 something that is a formal part of the record in this  
2 case.

3 I think that's all. If you have any  
4 questions for me I'd be happy to talk with you at a  
5 break or after the hearing and thank you for this great  
6 attendance. We appreciate you being here.

7 JUDGE CORBETT: Thank you. Mr.  
8 Engleman?

9 MR. ENGLEMAN: Thank you, Your Honor.  
10 Ladies and gentlemen, my name is Carl Engleman. I  
11 represent Hidden Valley Utility Services. Thank you  
12 very much for coming tonight.

13 One of the things that Hidden Valley  
14 Utility Services has been made aware of are some  
15 service and operational issues that surround discolored  
16 water, the color of tea if you will, that some  
17 customers have been experiencing. Now the reason that  
18 this occurs is basically it's an operation and a  
19 utilization issue of the system. You have a system  
20 here that serves over 1,000 units and has just over 120  
21 full time customers or full time residents.

22 A lot of the time when you get this tea  
23 colored water it's during periods of rather high usage  
24 and you have the system being used by a lot of  
25 customers at one time. Now Hidden Valley Resort

1 previously and Hidden Valley Utility Services will  
2 continue the resorts practice of flushing the mains a  
3 number of times per year. Currently the mains are  
4 flushed four times per year and that has not alleviated  
5 a number of the complaints regarding tea colored water.

6                   Therefore, as a matter of protection  
7 what Hidden Valley Utility Services has done is that  
8 they have contacted a local water quality assurance  
9 firm. They have used the buying power of the company,  
10 if you will, to guarantee for a period of six months  
11 after the petition for Certificate of Public  
12 Convenience has been approved by the Public Utility  
13 Commission for each customer to be able to purchase  
14 installed a particulate water filter to be placed on  
15 your individual units at a cost \$149 to the customer.  
16 This is well over a 25 percent savings over the normal  
17 cost of such a particulate filtration system.

18                   These systems --- if you install one of  
19 these systems this does not compromise the quality of  
20 the water that will be delivered to you from Hidden  
21 Valley Utility Services under the Safe Drinking Water  
22 Act and under the Public Utility Code. Hidden Valley  
23 Utility Services has a duty to provide you safe,  
24 adequate and reasonable service and water that meets or  
25 exceeds all applicable, maximum contaminate levels that

1 have been set by EPA and DEP respectively. That will  
2 not change. The only thing that would change is that  
3 you would have the added measure of protection against  
4 this tea colored water entering your home and having  
5 you being inconvenienced by this.

6 Thank you very much.

7 JUDGE CORBETT: Thank you. This is a  
8 legal proceeding tonight and if you wish to ask  
9 questions of anyone up here or any of the experts that  
10 the OCA has brought tonight you'll have an opportunity  
11 either during a break in the hearing or after the  
12 hearing to talk to them. The purpose of tonight's  
13 hearing is to obtain testimony from you the interested  
14 parties to this action. Now, I have received a number  
15 of the sign-in sheets that the parties have signed.  
16 The room is overflowing. I just want to make sure that  
17 everyone who wishes to testify signs in and that way  
18 we'll have a record of who wishes to be heard here  
19 tonight.

20 Now, as I indicated we've placed the  
21 sign-in sheets for people to print their names,  
22 addresses and telephone numbers if you wish to speak at  
23 this hearing. I'm going to shortly call that list.  
24 When called you'll be asked to come forward to testify.  
25 The Commissions policy regarding public input hearings

1 gives you three options. The first is that you may  
2 testify formally under oath or affirmation and be  
3 subject to cross examination. The second option is  
4 that you may make an unsworn or unaffirmed statement.  
5 Your statement will be off the record and it will not  
6 be subject to cross examination. The Court Reporter  
7 will not transcribe your statement and I will not  
8 consider it in any decision that I write. The third  
9 option is that you may provide information to the  
10 Commissions Trial Staff or the Consumer Advocate for  
11 their possible use at any further evidentiary hearings  
12 in this case at their discretion.

13 I strongly urge you to testify under  
14 oath so the Commission can review your testimony to the  
15 extent it meets the rules of evidence. If you take an  
16 oath or affirmation the Court Reporter will transcribe  
17 your statement. Your statement will then become a part  
18 of the official record of this case. It may be  
19 considered by me as well as the Commission in deciding  
20 this matter. Now, since you are a witness the  
21 attorney's may ask you questions about your testimony.  
22 You should not become upset by the questioning or feel  
23 that you are under personal attack. Such questioning  
24 is entirely normal for this type of legal proceeding.  
25 I ask you simply to listen to the questions that are

1 asked of you and that you answer the questions to the  
2 best of your ability. If any questions are improper I  
3 will let you know.

4                   At this time I will call the names of  
5 those people who have signed the witness's lists. As I  
6 call your name please stand and remain standing until I  
7 have called the last name. I will then ask you to take  
8 the oath or affirmation of a witness if you wish to  
9 testify on the record. Ken Orie, Mark Terdle, Alicia  
10 Thompson, Pat Sharkey, Diane Whitcomb, Peter Castelli,  
11 Joan Collins, David Knapp, Shawn Griffith, Mary Staley  
12 and David Powers.

13 Whereupon,

14                   ALL PROSPECTIVE WITNESSES  
15 having first been duly sworn, testified as follows:

16                   JUDGE CORBETT: Please have a seat. I  
17 have a few more observations before I call the first  
18 witness. First, if you are reading from a prepared  
19 statement and you have an extra copy of your statement  
20 with you please give it to the Court Reporter before  
21 you testify. Second, this is a legal hearing; everyone  
22 who is called to testify is a member of the public.  
23 Each witness has the right to give their testimony free  
24 from any interruptions, comments from others and the  
25 like. If there is any interruption of the witnesses

1 testimony I will recess the hearing until order is  
2 restored. Third, to allow as many of you as possible  
3 to particulate I may have to impose time limits.  
4 Please keep your remarks concise and to the point. If  
5 someone before has said what you are going to say you  
6 can simply say that you agree with what they said and  
7 it will have just as much validity as their previous  
8 testimony. Finally, I ask that you confine your  
9 remarks to the issues involving these applications for  
10 service.

11                   If you have any questions about this  
12 matter you can talk to the attorneys here after the  
13 hearing. If you have another concern about a matter  
14 involving Hidden Valley or another utility or the  
15 Commission you can call the Commissions Bureau of  
16 Consumer Services and let me give you those number now.  
17 Those numbers are 1-800-782-1110 or 1-717-783-5187 or  
18 you can call the Office of Consumer Advocate at 1-800-  
19 684-6560.

20                   With that I'll call the fist witnesses  
21 for this hearing. What I may do is I may call three  
22 witnesses at a time and that way the three witnesses  
23 can come up. The first will come to the podium and the  
24 other two can have a seat up front and that way it will  
25 move things along a little quicker if we can. Thank

1 you. Ken Orie, Mark Terdle, Alicia Thompson. Mr.  
2 Terdle you can have a seat hear (indicating) and Ms.  
3 Thompson, you can have a seat there (indicating.)  
4 Whereupon,

5 KENNETH ORIE

6 having first been previously duly sworn, testified as  
7 follows:

8 JUDGE CORBETT: Would you begin, sir, by  
9 giving us your full name and spell your last name for  
10 the Court Reporter, please?

11 THE WITNESS: My name is Ken Orie, O-R-  
12 I-E.

13 JUDGE CORBETT: What is your address,  
14 sir?

15 THE WITNESS: 2425 South Ridge Plaza.

16 JUDGE CORBETT: What is your occupation,  
17 sir?

18 THE WITNESS: I am a metallurgical  
19 engineer.

20 JUDGE CORBETT: For what company, sir?

21 THE WITNESS: A company called ISG  
22 Plate, International Steel Group.

23 JUDGE CORBETT: All right. Are you a  
24 current customer of Hidden Valley water, wastewater  
25 services?

1 THE WITNESS: Yes, sir.

2 JUDGE CORBETT: You may proceed, Mr.  
3 Orie. Thank you.

4 DIRECT TESTIMONY

5 THE WITNESS: First I would like to  
6 thank the Office of Consumer Affairs for notifying me  
7 of this hearing. I otherwise would not have known. I  
8 have not had access to any of the documents that were  
9 presented to the PUC or anybody else, and actually this  
10 afternoon tried to find those documents before 5:00 and  
11 no one knew where they were. So that said I have a  
12 couple of pass outs that I would like to give the  
13 Commission if I may.

14 JUDGE CORBETT: What are these pass  
15 outs, sir?

16 THE WITNESS: They are a summary of the  
17 private companies providing water and sewer in  
18 Pennsylvania with like typographical and geographical  
19 similarities to Hidden Valley.

20 JUDGE CORBETT: All right. How many  
21 copies of that document do you have, sir?

22 THE WITNESS: Enough.

23 JUDGE CORBETT: For the record we'll  
24 have the graph marked as Public Input Hearing Exhibit  
25 No. 1 and what appears to be a spreadsheet marked as

1 Public Input Hearing Exhibit No. 2.

2 (Whereupon, the documents were marked as  
3 Public Input Hearing Exhibit Nos. 1 and 2 for  
4 identification.)

5 THE WITNESS: With your permission, Your  
6 Honor, I have several extra copies if anyone in the  
7 audience would like a copy.

8 JUDGE CORBETT: All right. You may  
9 proceed Mr. Orie.

10 MR. ENGLEMAN: Your Honor, if I may,  
11 are objections permitted?

12 JUDGE CORBETT: Yes.

13 MR. ENGLEMAN: To place on the record,  
14 Your Honor, Hidden Valley Utility Services would like  
15 to object to the admission of the handed exhibits on  
16 the grounds that they are not relevant to the present  
17 proceeding. The present proceeding here regards the  
18 Hidden Valley Utility Services application and the  
19 rates that are proposed to be charged by Hidden Valley  
20 Utility Services. No other utilities rates are  
21 relevant to this proceeding regardless of the  
22 characterization the witness has given as to the  
23 geographical and system size and/or features.

24 JUDGE CORBETT: All right. The  
25 objection is noted and it will be taken under

1 advisement and I'll make a ruling after that record is  
2 complete.

3 THE WITNESS: If I may, Your Honor, that  
4 information, while I recognize and that will be part of  
5 my second question. I recognize that comparative rates  
6 are not necessarily the be all and end all of the rate  
7 adjustment. They're provided for information for like  
8 communities.

9 The first question I have is given that  
10 the tax exempt status provided by a municipal authority  
11 can you explain, sir, why Hidden Valley chose not to  
12 become a municipal authority and it is because you  
13 would have had to give up control?

14 JUDGE CORBETT: Okay. Let me explain  
15 something, Mr. Orie. In my opening remarks I indicated  
16 that we were going to receive this evening testimony  
17 from you and the other witnesses who are going to  
18 testify here this evening, if you have questions for  
19 any of the attorneys, for anyone sitting up here you  
20 can ask those questions after the hearing. I know that  
21 this may be different than some of the other public  
22 meetings that you may have attended in the past but  
23 this is a hearing, this is a legal proceeding. These  
24 are attorneys up here, I'm a Judge. We are here to  
25 hear your testimony. If you have something that you

1 want to tell us about Hidden Valley, the service you  
2 receive, the quality of that service, what your  
3 concerns are with regard to the applications that are  
4 pending before the commission I will be glad to hear  
5 that, sir. We are not here to listen to your questions  
6 or take questions.

7 THE WITNESS: All right. Then I will  
8 phrase my questions in the form of testimony in that I  
9 believe number one, that Hidden Valley has not acted  
10 financially responsible or managerially responsible by  
11 not choosing to become a municipal authority in  
12 administering public water and sewer at a tremendous  
13 tax disadvantage. I would say that the rates that are  
14 proposed are --- borderline, not only highest in the  
15 state probably highest in the country.

16 I would say that it is not my  
17 understanding that Hidden Valley has not contracted or  
18 subcontracted any consultants specializing in water or  
19 wastewater infrastructure in an attempt to minimize  
20 operating costs or make operations more efficient.  
21 Ergo, the rates that they have proposed are very highly  
22 out of line. I guess that's all I can say at this  
23 point.

24 JUDGE CORBETT: Okay. Mr. Shields, do  
25 you have any Cross Examination?

1 MR. SHIELDS: Yes, I do, Judge. Just a  
2 couple questions.

3 CROSS EXAMINATION

4 BY MR. SHIELDS:

5 Q. Mr. Orie, what is the current municipality that  
6 governs Hidden Valley, if you know?

7 A. I do not think a municipality governs Hidden  
8 Valley. It's my understanding that Hidden Valley  
9 provides utility services as a de facto utility.

10 Q. No. I guess what I meant is ---.

11 A. This is Jefferson Township, Somerset County.

12 Q. If you know what percentage of Jefferson  
13 Township does the Hidden Valley land cover?

14 A. I do not know.

15 MR. SHIELDS: That's all I have, Judge.

16 Thanks.

17 JUDGE CORBETT: Ms. Gannon?

18 MS. GANNON: Yes, Your Honor.

19 CROSS EXAMINATION

20 BY MS. GANNON:

21 Q. Just to clarify, are you a full time or a part  
22 time resident of Hidden Valley?

23 A. I am a part time resident hopefully to be a full  
24 time resident.

25 MS. GANNON: That's all. Thank you.

1 JUDGE CORBETT: Mr. Engleman?

2 MR. ENGLEMAN: Thank you, Your Honor.

3 CROSS EXAMINATION

4 BY MR. ENGLEMAN:

5 Q. Mr. Orie, are you familiar with the requirements  
6 for the set up and operation of a municipal authority?

7 A. Only somewhat.

8 Q. What is the extent of your knowledge as to those  
9 requirements?

10 A. Counsel that I have.

11 Q. So your testimony is that you received advice of  
12 counsel that Hidden Valley Utility Services could  
13 become a municipal authority?

14 A. That's correct.

15 Q. But you have no other independent basis for that  
16 knowledge?

17 A. I am not a municipal engineer, no.

18 MR. ENGLEMAN: No further questions.

19 JUDGE CORBETT: Thank you, Mr. Orie,  
20 thank you very much.

21 THE WITNESS: Do I have rebuttal?

22 JUDGE CORBETT: Yes, you do, sir.

23 THE WITNESS: Do you have any reason to  
24 doubt what I say, sir.

25 JUDGE CORBETT: Again, Mr. Orie, I know

1 you're not an attorney but we're not here to answer  
2 questions, sir. If you want to give testimony we'll  
3 allow you to do that, sir.

4 THE WITNESS: Fine.

5 JUDGE CORBETT: Thank you very much.  
6 Thank you for coming.

7 Mark Terdle.

8 Whereupon,

9 MARK TERDLE

10 having first been previously duly sworn, testified as  
11 follows:

12 JUDGE CORBETT: Would you begin please  
13 by giving us your full name, sir?

14 THE WITNESS: Mark Terdle.

15 JUDGE CORBETT: Would you spell the last  
16 name for the Court Reporter, please?

17 THE WITNESS: T-E-R-D-L-E.

18 JUDGE CORBETT: Where do you reside, Mr.  
19 Terdle?

20 THE WITNESS: My address is 2328 South  
21 Ridge Drive here at Hidden Valley.

22 JUDGE CORBETT: What is your occupation?

23 THE WITNESS: I'm a Certified Public  
24 Accountant.

25 JUDGE CORBETT: Who is your employer?

1 THE WITNESS: I'm self-employed.

2 JUDGE CORBETT: Okay. I take it by your  
3 part time residence here that you are a customer now of  
4 Hidden Valley Water Service?

5 THE WITNESS: Yes. I'm a full time  
6 resident by the way.

7 JUDGE CORBETT: Okay. Full time  
8 resident?

9 THE WITNESS: Yes.

10 JUDGE CORBETT: Thank you. You may  
11 proceed, sir. You may give us your testimony.

12 DIRECT TESTIMONY

13 THE WITNESS: My testimony primarily  
14 concerns the proposed rate increases. I did not  
15 prepare anything so I may ramble a little bit but I'll  
16 try to get to the point. I feel that everyone should  
17 participate equally in the cost of the water. All the  
18 residents and the resort. At this point in time the  
19 resort owns 71 units as part of the homeowners  
20 association. As of June 30<sup>th</sup>, there was over \$47,000  
21 of water bills that were unpaid to the water company  
22 from those units. I'm not sure whether these numbers  
23 are factoring into the proposed rate changes but I feel  
24 that when you separate the Hidden Valley Utility  
25 Services versus Hidden Valley Resort the resort should

1 be treated as a customer just like anyone else. The  
2 resort should be forced to pay their bills and those  
3 numbers should be factored in to any potential rate  
4 increases.

5                   At the same time whenever we or any  
6 other resident builds a home we're charged a tap-in  
7 fee. The resort builds several homes each year and I  
8 can't say this for sure but my inclination is that no  
9 tap-in fees are being paid in to the proposed utility  
10 service. Now, that's probably too new to know but  
11 those are my concerns. There is an expanding  
12 infrastructure and a decaying infrastructure. There  
13 are revenues available for the enhancement of that  
14 infrastructure and there is a revenue sharing issue as  
15 far as who is receiving water and who is paying for the  
16 water. Those are primarily my concerns and I'd like  
17 those issues factored into a potential rate increase.

18                   JUDGE CORBETT: Thank you, sir. Mr.  
19 Shields?

20                   MR. SHIELDS: I have no questions,  
21 Judge.

22                   JUDGE CORBETT: Ms. Gannon?

23                   MS. GANNON: No questions, thank you.

24                   CHAIRMAN MCNULTY: Mr. Engleman?

25                   CROSS EXAMINATION

1 BY MR. ENGLEMAN:

2 Q. Mr. Terdle, what is your --- what's the basis of  
3 your assertion that there are unpaid bills from Hidden  
4 Valley Resort outstanding to Hidden Valley Foundation.

5 A. I said of June 30<sup>th</sup>. I am the chairman of the  
6 Foundation Audit Committee. This afternoon I reviewed  
7 the independent audit of the Foundation, which bills  
8 and collects the water bills from all residence and  
9 remits monies to the resort when they're collected.  
10 That assertion was from the independent auditors hired  
11 by the Foundation to review the water bills and to  
12 issue their opinion on the financial statements.

13 Q. Thank you, sir. As far as the tap-in fees, you  
14 said that you couldn't say for sure as to whether tap-  
15 in fees were paid by Hidden Valley Resort?

16 A. That's true.

17 Q. Okay. So ---.

18 A. My concern isn't whether they've been paid in  
19 the past or not. My concern is that in the future that  
20 they be paid along with any other resident who may  
21 decide to build a home here.

22 Q. Do you know whether the proposed rates actually  
23 call for tap-in fees?

24 A. No, I don't. I just wanted to bring it to the  
25 committee's attention that they should.

1 MR. ENGLEMAN: No further questions,  
2 Your Honor.

3 JUDGE CORBETT: Okay. Anything further  
4 then, Mr. Terdle?

5 THE WITNESS: No.

6 JUDGE CORBETT: Thank you very much,  
7 sir, for coming.

8 Alicia Thompson.

9 Whereupon,

10 ALICIA THOMPSON

11 having first been previously duly sworn, testified as  
12 follows:

13 JUDGE CORBETT: Would you begin please  
14 by giving us your full name and spell your last name  
15 for the Court Reporter, please?

16 THE WITNESS: Alicia Thompson,  
17 T-H-O-M-P-S-O-N.

18 JUDGE CORBETT: What is your address,  
19 please?

20 THE WITNESS: My address is 1614  
21 Snowfield Court here at Hidden Valley. I'm a full time  
22 resident.

23 JUDGE CORBETT: What is your occupation?

24 THE WITNESS: Sales and marketing.

25 JUDGE CORBETT: For what product or what

1 employer?

2 THE WITNESS: Seven Springs Mountain  
3 Resort Real Estate.

4 JUDGE CORBETT: Okay. Are you a current  
5 customer of Hidden Valley?

6 THE WITNESS: Yes, I am.

7 JUDGE CORBETT: Okay. Would you give us  
8 your statement, please?

9 DIRECT TESTIMONY

10 THE WITNESS: I've been a home owner  
11 here for over 15 years and a full time resident for the  
12 past three years. The issues that I have had with the  
13 water department include my washing machine filling  
14 with mud and numerous mud showers, which I refer to as  
15 spa treatments. Water pressure drops and numerous  
16 service interruptions especially in the past couple  
17 years since I've been here full time.

18 My concerns have to do with the  
19 infrastructure. Whether it was installed and/or  
20 whether it is being maintained properly. Whether the  
21 monies were going where they were supposed to have been  
22 going all this time. Are we paying for these  
23 inadequacies twice? Another concern that I had is the  
24 rate increase. I analyze my personal bill as a single  
25 person household my average usage is 4500 gallons per

1 quarter and my bill would increase from \$111.25 to  
2 \$187.36 and that would represent a 60 percent increase.

3 I think that is pretty exorbitant.

4 I'm concerned about the impact that this  
5 will also have on property values here as well.

6 Finally, I was concerned or questioning whether all  
7 various options have been considered including the  
8 establishment of a municipal water authority.

9 JUDGE CORBETT: Does that conclude your  
10 statement then, Ms. Thompson?

11 THE WITNESS: That's it.

12 JUDGE CORBETT: How many persons are in  
13 your household?

14 THE WITNESS: One.

15 JUDGE CORBETT: Okay. Mr. Shields, do  
16 you have a Cross Examination?

17 MR. SHIELDS: I know the OCA will,  
18 Judge, but I'll ask just a couple questions.

19 CROSS EXAMINATION

20 BY MR. SHIELDS:

21 Q. Ms. Thompson, the service interruptions that you  
22 mentioned over the last couple years. Is there any  
23 correlation of time of year, are they bunched together,  
24 are they periodic? Is there any further classification  
25 or clarification you can provide as to when they've

1 occurred? How about the numbers of times?

2 A. Usually when I'm getting ready to go to work. I  
3 don't really know.

4 Q. Just a ball park, in the last three years how  
5 many service interruptions have you had, ballpark?

6 A. Probably three or four. One lasted three days.

7 Q. When you say three or four you mean over that  
8 three year period?

9 A. Yes.

10 MR. SHIELDS: That's all I have, Judge.

11 Thanks.

12 JUDGE CORBETT: Ms. Gannon?

13 MS. GANNON: Thank you.

14 CROSS EXAMINATION

15 BY MS. GANNON:

16 Q. Ms. Thompson, just to get further clarification,  
17 you had mentioned having mud in your washing machine?

18 A. Yes.

19 Q. Can you explain in a little more detail what  
20 that means?

21 A. It means that my whites load that was in there  
22 was no longer white when it got done. It filled with  
23 water and it was ---.

24 Q. How often does that happen, or has that  
25 happened?

1 A. Lately it has been improved. In the last few  
2 months I'd have to say it has been improved but up  
3 until that time again, I can't pinpoint it to a  
4 particular time, service, etcetera. The only thing  
5 that I can pinpoint to usage is the drop in water  
6 pressure which does occur holiday weekends, high usage.

7 Q. Where is your home located geographically? Is  
8 it at a higher location?

9 A. It is. It is --- I'm near the water tower or  
10 the water tank.

11 MS. GANNON: Thank you.

12 JUDGE CORBETT: Mr. Engleman?

13 MR. ENGLEMAN: Thank you, Your Honor.

14 CROSS EXAMINATION

15 BY MR. ENGLEMAN:

16 Q. Ms. Thompson, just further clarification about  
17 your washing machine filling up with mud and mud  
18 showers. Was this discolored water or were there ---?

19 A. Well, there are definitely suspended  
20 particulates in it.

21 Q. But it wasn't as if your washing machine  
22 actually filled up with a solid mass?

23 A. It was not a solid mass, no. It would be  
24 something that I would consider non-potable though.

25 MR. ENGLEMAN: Thank you, nothing

1 further.

2 JUDGE CORBETT: Anything further, Ms.  
3 Thompson?

4 THE WITNESS: No.

5 JUDGE CORBETT: Thank you very much for  
6 coming.

7 THE WITNESS: Thank you for allowing me  
8 the opportunity.

9 JUDGE CORBETT: All right. I'll call  
10 the next three witnesses. Pat Sharkey, come to the  
11 podium. Diane Whitcomb and Peter Castelli have a seat  
12 up front.

13 Whereupon,

14 PATRICE SHARKEY

15 having first been previously duly sworn, testified as  
16 follows:

17 JUDGE CORBETT: Would you begin please  
18 by giving us your full name and spell your last name  
19 for the Court Reporter, please?

20 THE WITNESS: My name is Patrice  
21 Sharkey, S-H-A-R-K-E-Y.

22 JUDGE CORBETT: What is your address?

23 THE WITNESS: 34 Craighead Drive.

24 JUDGE CORBETT: And that's in Hidden  
25 Valley?

1 THE WITNESS: Yes, it is.

2 JUDGE CORBETT: What is your occupation?

3 THE WITNESS: I'm retired.

4 JUDGE CORBETT: Before you retired what  
5 did you do for a living?

6 THE WITNESS: I taught high school  
7 physical education.

8 JUDGE CORBETT: Okay. Are you a full  
9 time resident?

10 THE WITNESS: I'm part time. I would  
11 like to be full time.

12 JUDGE CORBETT: I take it that by the  
13 fact that you are a part time resident you are a  
14 customer of Hidden Valley?

15 THE WITNESS: Yes, I am.

16 JUDGE CORBETT: All right. You may give  
17 us your statement, please.

18 DIRECT TESTIMONY

19 THE WITNESS: I am very much concerned.  
20 I agree with the woman who spoke earlier that there is  
21 muddy debris in the water. Tea would be an  
22 understatement. It's so orange and rusty looking that  
23 it's discolored the toilets; it's discolored the  
24 shower, the tub. Shower curtains have to be thrown  
25 away because they can't be cleaned. I can't launder my

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1 clothes at Hidden Valley. I have to take them home. I  
2 have to bring in water every time we're up here and  
3 then I have to try and calculate how many gallons of  
4 water I will need to offer people that come to my home.  
5 How many times will I make coffee? How many times  
6 will I offer somebody a glass of water?

7                   So those are the kinds of things that I  
8 have to plan for a weekend. When I spoke with Glen  
9 Fodder a number of years ago about the orange water he  
10 told me that the water lines at Hidden Valley in the  
11 older section were so old that they would sag in the  
12 areas of the ground because of settling and the areas  
13 that had sagged the pipes had dipped down. The water  
14 of course would lay in those lower sections and that  
15 was the reason that the water was orange. Because the  
16 rust was in the bottom parts of those like dips in the  
17 pipe and when there was usage it would eventually start  
18 to wash out the orange that was laying in the bottom of  
19 the pipes.

20                   Now my concern is, is it only something  
21 that's in the older part of Hidden Valley? Is it in  
22 everybody's water? It sounds like it might be. Will  
23 this rate increase benefit us by getting new pipes, new  
24 infrastructures, I guess. Those are my concerns. I  
25 know that I can't drink the water. I can't wash with

1 it. I can't do laundry with it. It takes me twice as  
2 much water to try and clean my facilities once I'm  
3 here. Would I like to be full time, yes, but I don't  
4 think I can afford to carry in that much water. I  
5 don't even know how I would try to figure out how much  
6 I would need in a week.

7 JUDGE CORBETT: Thank you. You  
8 mentioned someone's name. I believe it was Glen  
9 Fodder?

10 THE WITNESS: Yes.

11 JUDGE CORBETT: Can you tell us first of  
12 all who is this individual?

13 THE WITNESS: Glen was in charge of the  
14 water department here at Hidden Valley when I spoke  
15 with him about it and my hot water tank was also ruined  
16 because of the orange sediment in it.

17 JUDGE CORBETT: When did you have this  
18 conversation with Mr. Fodder?

19 THE WITNESS: That would have been  
20 probably about three years ago.

21 JUDGE CORBETT: Is Mr. Fodder still  
22 employed with Hidden Valley?

23 THE WITNESS: I believe he's vice  
24 president of Hidden Valley. Now I don't believe he is  
25 part of the water department. I'm not really sure of

1 the actual structure of the Hidden Valley family.

2 JUDGE CORBETT: Okay. Thank you. Have  
3 you completed your statement?

4 THE WITNESS: Yes, I have.

5 JUDGE CORBETT: Okay. Mr. Shields, you  
6 may Cross Examine.

7 CROSS EXAMINATION

8 BY MR. SHIELDS:

9 Q. Ms. Sharkey, the conditions you described about  
10 your water, could you tell us is that all the time,  
11 some of the time, is there --- first of all is it all  
12 the time?

13 A. Yes, it is all the time.

14 MR. SHIELDS: Then that relieves of me  
15 asking any further questions. Thank you. That's all I  
16 have, Judge.

17 JUDGE CORBETT: Ms. Gannon?

18 CROSS EXAMINATION

19 BY MS. GANNON:

20 Q. Ms. Sharkey, with regard to your hot water tank  
21 that you said was ruined ---?

22 A. Yes.

23 Q. How was it ruined by the water?

24 A. The amount of sediment was so deep in it that it  
25 had clogged up the bottom filament, you know the

1 electric element.

2 MS. GANNON: Thank you. That's all.

3 JUDGE CORBETT: All right. Mr.

4 Engleman?

5 MR. ENGLEMAN: No questions, Your Honor.

6 JUDGE CORBETT: Anything further then,

7 Ms. Sharkey?

8 THE WITNESS: Nothing.

9 JUDGE CORBETT: Thank you very much for  
10 coming.

11 THE WITNESS: Thank you.

12 JUDGE CORBETT: Diane Whitcomb.

13 Whereupon,

14 DIANE WHITCOMB

15 having first been previously duly sworn, testified as  
16 follows:

17 JUDGE CORBETT: Would you begin please  
18 by giving us your full name?

19 THE WITNESS: Diane Whitcomb,

20 W-H-I-T-C-O-M-B.

21 JUDGE CORBETT: Where is your address,  
22 ma'am?

23 THE WITNESS: 1310 Westridge Drive here  
24 at Hidden Valley.

25 JUDGE CORBETT: What is your occupation?

1 THE WITNESS: I'm a nurse practitioner.

2 JUDGE CORBETT: Okay. Are you a full or  
3 part time resident?

4 THE WITNESS: I'm a full time resident.

5 JUDGE CORBETT: I take it then that you  
6 are a customer of Hidden Valley?

7 THE WITNESS: Yes.

8 JUDGE CORBETT: Would you give us your  
9 statement, please?

10 DIRECT TESTIMONY

11 THE WITNESS: I came tonight because I  
12 am very concerned about the quality of the water. The  
13 things that the other people talked about with the  
14 brownness the sediment --- we purchased a townhouse on  
15 Pine Court. At that time all of the commodes and sinks  
16 had been stained from years of this sediment. I could  
17 not again do laundry, although I tried. The brownness  
18 of the water was very unpredictable. It could even be  
19 that the wash water was clear and the rinse water was  
20 brown.

21 When we moved to Westridge we had a  
22 filtration system put in because of the concerns that  
23 we had had before with the brown water. I have with me  
24 tonight, Your Honor, the filter that was on for three  
25 months. We were not there for almost the last month.

1 When we came home and turned on the water it was brown.  
2 Tea is an understatement. I realize we can't put this  
3 into words (witness displays water filter.) This  
4 filter three months ago was pure white. I do not know  
5 what is in here. I don't know if it is a substance  
6 that can harm us. If it is something we can or cannot  
7 take into our bodies and be healthy. That's my  
8 statement for tonight.

9 JUDGE CORBETT: Okay. Thank you. Mr.  
10 Shields?

11 MR. SHIELDS: Thank you, Judge.

12 CROSS EXAMINATION

13 BY MR. SHIELDS:

14 Q. Ms. Whitcomb, would you accept the  
15 characterization of that filter as being milk chocolate  
16 colored?

17 A. I think it is closer to dark chocolate.

18 Q. Thank you for the clarification and I agree with  
19 you. I'd like to pin down, you said that filter was in  
20 for three months and I thought I heard you say that you  
21 folks weren't in the house the last month?

22 A. We've not been in the house last month. It has  
23 been used on two weekends.

24 Q. So that really represents two months?

25 A. A two to two and a half month usage, yes. There

1 are only two people in the house.

2 Q. What is the circumference of that filter, if you  
3 know, just ballpark? It looks to be about what, three  
4 inches?

5 A. Four. You're welcome to it if you want it.

6 Q. Thank you, but I've taken many back before. How  
7 often during the course of the year would you change  
8 that filter normally?

9 A. Well, I'm going to start changing it a lot more  
10 often. I had been changing it every three months. I  
11 think I'm going to back up to every one or two months.  
12 The filter, I buy the better filter. These are \$25  
13 each filter and that's at Lowe's, not to give them the  
14 business but that's the Lowe's price.

15 Q. There is a disparity in those filters. How in  
16 your opinion does that filter improve the quality of  
17 the water, if it does?

18 A. In my new home at the moment, we've been there  
19 since December; my white commodes have not yet turned  
20 brown.

21 Q. Are you experiencing the same discoloration even  
22 with that filter?

23 A. Today I did when I turned the --- well, the  
24 other day when we came home it did when I turned the  
25 water on. When the filter gets to where it needs to be

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1 cleaned, yes, then we have that same muddy water.

2 Q. How about when the filter is new?

3 A. When the filter is new the water appears to be  
4 clean.

5 Q. Thank you very much, Ms. Whitcomb.

6 MR. SHIELDS: That's all I have, Judge.

7 JUDGE CORBETT: Thank you. Ms. Gannon?

8 MS. GANNON: Thank you.

9 CROSS EXAMINATION

10 BY MS. GANNON:

11 Q. Just to clarify. You had said that the filter  
12 was in for a period of three months, how many days were  
13 you here using water during that three month period?

14 A. Two full months and then our home was used two  
15 weekends this last month.

16 Q. Thank you. Where is the filter installed?

17 A. The filter is installed in the basement where  
18 the water comes in, then it goes through the meter,  
19 then the filter, then the water either goes into the  
20 cold water or into the hot water tank.

21 MS. GANNON: That's all. Thank you.

22 JUDGE CORBETT: Mr. Engleman?

23 MR. ENGLEMAN: No questions, Your Honor.

24 JUDGE CORBETT: Thank you, Ms. Whitcomb

25 for coming in. Thank you very much. Mr. Castelli?

1 Whereupon,

2 PETER CASTELLI

3 having first been previously duly sworn testified as  
4 follows:

5 DIRECT TESTIMONY

6 THE WITNESS: My name is Peter Castelli,  
7 C-A-S-T-E-L-L-I. I live in Hidden Valley at 2306 South  
8 Ridge. I'm a diagnostic radiologist at Somerset  
9 Hospital and I have pretty much the same complaint as  
10 the last two. Homeowners, I have the filters that I  
11 brought changed every month, and they're ten micron  
12 filters. I change them religiously between 20 and 25  
13 days, sometimes 30 days and they're always the same  
14 color, maybe darker.

15 We definitely stain your skin; you stain  
16 everything in the house that comes in contact with the  
17 water. I have a fifth filter, which I didn't bring  
18 that I had to put in front of my reverse osmosis  
19 because I didn't believe that the filters were  
20 adequately cleaning the water for my family to drink.  
21 So I use reverse osmosis for drinking water and cooking  
22 with the other water. That fifth filter had to be put  
23 on the reverse osmosis system because the reverse  
24 osmosis system would clog even with these four filters  
25 that I change every 25 days. So that filter has to be

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1 changed also each month.

2 I believe that the service that we're  
3 receiving at Hidden Valley isn't adequate. I just  
4 don't think it is right for human consumption. I'm  
5 concerned for my family. I think everybody in this  
6 room is concerned for their loved ones. I think that  
7 for the money that we're paying, you know, we love the  
8 resort, we love our lives here. We'd like to live  
9 healthily here and I'm concerned from that standpoint.

10 JUDGE CORBETT: How many persons are in  
11 your household, Dr. Castelli?

12 THE WITNESS: It varies. I have  
13 children in college and then my wife and the children  
14 aren't home in the summer. So during the summer months  
15 it's me and during the regular year it can be anywhere  
16 between four of us in the household to six.

17 JUDGE CORBETT: Thank you. Mr. Shields?

18 MR. SHIELDS: I'd be interested in  
19 seeing the filters, Judge.

20 JUDGE CORBETT: All right.

21 THE WITNESS: Let me make a donation.  
22 If you'd like to throw them out afterwards you  
23 certainly may. I have plenty of those and I can get  
24 plenty of them for you every 25 days.

25 CROSS EXAMINATION

1 BY MR. SHIELDS:

2 Q. The one I'm holding up that is milk chocolate,  
3 is that representative of the other filters?

4 A. All four that are in the bag look like that.  
5 That's probably --- they've been worse.

6 Q. You said they're ten micron filters; is that  
7 right?

8 A. Ten microns.

9 Q. On the reverse osmosis filter that you  
10 mentioned, you said it clogs. Is it sediment that  
11 clogs with or ---?

12 A. Same as that. It's sediment and whatever iron  
13 or whatever chemical or element that makes it that dark  
14 and that thick. It's almost like --- I wouldn't say  
15 it's a syrup but I would definitely say that there is a  
16 high degree of --- it's thick and it's inspissated  
17 meaning it's very tenacious. That it's not something  
18 that would flow easily. It would be --- well, I guess  
19 we could say a little syrupy.

20 Q. So it inhibits the process itself is what you're  
21 saying?

22 A. Yes, it does. It clogs the reverse osmosis  
23 filters so I had to put a fifth filter other than those  
24 four right in front of the reverse osmosis unit. That  
25 has allowed me to only change the reverse osmosis

1 filters every two months, which is about six times more  
2 frequent than I'm supposed to.

3 MR. SHIELDS: That's all I have. Thank  
4 you.

5 JUDGE CORBETT: All right. Ms. Gannon?

6 MS. GANNON: I don't have any questions,  
7 thank you.

8 JUDGE CORBETT: Mr. Engleman?

9 CROSS EXAMINATION

10 BY MR. ENGLEMAN:

11 Q. Mr. Castelli, you stated that you believe the  
12 water is unfit for human consumption; is that correct?

13 A. Well, I said I hope everybody can have a health  
14 life drinking the water and I'm concerned about their  
15 health. I'm concerned about the water. That's what I  
16 said, and I say that without having any official power  
17 to document that the water is unhealthy other than what  
18 I can show you tonight.

19 Q. So you haven't performed any water tests on the  
20 water in your system, or the water that you're getting  
21 in your home?

22 A. I have not had a chemical analysis of the water.  
23 All I have is my filters.

24 Q. Do you have any idea whether the water meets or  
25 exceeds any maximum contaminant levels?

1 A. I don't have any scientific data to base my  
2 comments. I only have the filters and the frequency  
3 that I have to change them.

4 Q. So your testimony is based on the appearance of  
5 the water only not physical and chemical properties of  
6 the water?

7 A. Absolutely correct.

8 MR. ENGLEMAN: Thank you. No further  
9 questions.

10 JUDGE CORBETT: Thank you, Doctor. I'll  
11 call the next three witnesses, Jean Collins, David  
12 Knapp and Shawn Griffith.

13 Whereupon,

14 JEAN COLLINS

15 having first been previously duly sworn testified as  
16 follows:

17 JUDGE CORBETT: Ms. Collins, would you  
18 begin by giving your full name and spell your last name  
19 for the Court reporter, please?

20 THE WITNESS: Yes. My name is Jean  
21 Collins, C-O-L-L-I-N-S. What I have to say is  
22 basically what ---.

23 JUDGE CORBETT: Just a second. A few  
24 preliminaries first.

25 THE WITNESS: 1562 Snowfield Drive.

1 JUDGE CORBETT: That is in Hidden Valley  
2 here?

3 THE WITNESS: Yes.

4 JUDGE CORBETT: What is your occupation?

5 THE WITNESS: I am retired.

6 JUDGE CORBETT: Before you retired how  
7 were you employed?

8 THE WITNESS: I was employed by the  
9 United Steel Workers of America International  
10 Headquarters.

11 JUDGE CORBETT: Okay. Are you a full or  
12 part time resident of Hidden Valley?

13 THE WITNESS: Part time.

14 JUDGE CORBETT: So you are a customer of  
15 Hidden Valley?

16 THE WITNESS: Yes.

17 JUDGE CORBETT: Okay. You may give us  
18 your statement, please.

19 DIRECT TESTIMONY

20 THE WITNESS: My statement is basically  
21 the same as the two people before me. We have just had  
22 a water filter installed it will be a week Friday,  
23 tomorrow. The plumber said that the filter should be  
24 changed every three to four weeks. As of Sunday I had,  
25 which was two days later, the water was completely

1 rusty. I called Hidden Valley on Monday and they said  
2 they were flushing the lines, which is basically what I  
3 think they say they do. It's very sporadic. Sometimes  
4 you flush a toilet or take a shower and it's clear,  
5 relatively clear, and sometimes it's rusty. I refer to  
6 it as rusty. I've had the same problems with laundry.  
7 We have been in this townhouse for --- it will be a  
8 year in November. We've replaced two toilets and two  
9 faucets because of the pitting and the discoloration in  
10 then through the years from the water. That's  
11 basically my statement.

12 JUDGE CORBETT: Okay. Mr. Shields?

13 MR. SHIELDS: I have no questions,  
14 Judge.

15 JUDGE CORBETT: Ms. Gannon?

16 MS. GANNON: If I could just have a  
17 minute.

18 JUDGE CORBETT: Sure.

19 CROSS EXAMINATION

20 BY MS. GANNON:

21 Q. Ms. Collins, you said that you called the  
22 company when you most recently had the rusty problem?

23 A. Yes.

24 Q. That problem was after having a filter installed  
25 two days before?

1 A. Friday the filter was installed and Sunday  
2 morning we took mud showers.

3 Q. And the company said that they were flushing the  
4 lines?

5 A. Yes. This filter was supposed to be good for  
6 roughly a month.

7 MS. GANNON: That's all I have. Thank  
8 you.

9 JUDGE CORBETT: Mr. Engleman?

10 MR. ENGLEMAN: No questions, Your Honor.

11 JUDGE CORBETT: Thank you very much, Ms.  
12 Collins, for coming in.

13 THE WITNESS: Thank you.

14 JUDGE CORBETT: Mr. Knapp?

15 Whereupon,

16 DAVID KNAPP

17 having first been previously duly sworn testified as  
18 follows:

19 JUDGE CORBETT: Would you begin please  
20 by giving us your full name and spell your last name  
21 for the Court Reporter, please?

22 THE WITNESS: My name is David Knapp,  
23 K-N-A-P-P.

24 JUDGE CORBETT: What is your address,  
25 sir?

1 THE WITNESS: 410 Imperial Road.

2 JUDGE CORBETT: That's here at Hidden  
3 Valley?

4 THE WITNESS: Hidden Valley,  
5 Pennsylvania.

6 JUDGE CORBETT: Are you a full or part  
7 time resident?

8 THE WITNESS: Part time.

9 JUDGE CORBETT: What is your occupation,  
10 sir?

11 THE WITNESS: I'm retired.

12 JUDGE CORBETT: Before you retired what  
13 did you do, sir?

14 THE WITNESS: I was a corporate officer  
15 of Westinghouse Electric Corporation.

16 JUDGE CORBETT: Okay, sir. You may give  
17 us your statement, please.

18 DIRECT TESTIMONY

19 THE WITNESS: My wife and I have been  
20 residents of --- or have owned property at Hidden  
21 Valley for 20 years and over the years I've written  
22 letters or complained to the Hidden Valley Water  
23 Service. I went through my file and I found one letter  
24 dated 1994. I have others but I just couldn't find  
25 those.

1 I have two real issues. The first is  
2 what I consider to be the exorbitant rates we pay for  
3 water. Currently we're paying \$30 a quarter for a  
4 facility fee and \$18 per thousand for usage. Now my  
5 home community we used to pay three tenths of a cent  
6 and while I know --- you cautioned Mr. Orie that  
7 comparisons aren't relevant I think they are.

8 I took the time to check the rates at  
9 Seven Springs, which is a resort as the crow flies  
10 maybe five miles from here. I made a quick  
11 calculation. At Seven Springs for 10,000 gallons a  
12 quarter, which is probably family usage representative  
13 of family usage it would cost you \$8.80 per 1000  
14 gallons. At Hidden Valley the same usage per quarter  
15 would cost you \$21 per 1000 gallons of usage. I think  
16 that is a huge disparity.

17 Secondly, my wife and I have had the  
18 same experience with what counsel terms a tea water. I  
19 would say it's a black tea more often than it is green  
20 tea. I didn't bring any filters but we have the same  
21 filters that the Doctor uses at his home, and we get  
22 the same result. We change them at least once a  
23 quarter. It's interesting over the course of the 20  
24 years we've lived here or been here at least in the  
25 summer or part time we've had the quote, brown water on

1 average maybe twice a summer. This year it has been  
2 seven times. We've called Glen Fodder who is in  
3 charge of the water service and I think almost every  
4 occasion and to his credit he always answers the call.  
5 We don't always get clean water immediately and what  
6 we do is run the faucets to try to run it out and  
7 generally that helps, but it's also not easy on the  
8 pocketbook. We're paying one and eight tenth cents per  
9 gallon for that water we're wasting simply to clean the  
10 system.

11 Those are my two concerns. The rate  
12 which we pay and the fact that we're not getting clean  
13 water as we would hope.

14 JUDGE CORBETT: Does that conclude your  
15 statement, sir?

16 THE WITNESS: That's my statement, yes.

17 JUDGE CORBETT: Thank you. Mr. Shields?

18 MR. SHIELDS: Thank you, Judge.

19 CROSS EXAMINATION

20 BY MR. SHIELDS:

21 Q. Mr. Knapp, the seven times you referenced when  
22 you had discolored water this summer can you give us a  
23 general idea what the duration was for each of those  
24 occurrences?

25 A. Oh, gosh, duration. I'd say it would range from

1 one hour to three or four hours.

2 MR. SHIELDS: That's helpful. That's  
3 all I have, Judge. Thanks.

4 JUDGE CORBETT: Okay. Ms. Gannon?

5 MS. GANNON: Thank you.

6 CROSS EXAMINATION

7 BY MS. GANNON:

8 Q. Do you know how much the filters cost that you  
9 replace every quarter?

10 A. You know, I really don't. They're the same  
11 filters, the ten micron that was given as testimony. I  
12 don't know what those cost.

13 Q. How many filters do you have installed, just the  
14 one?

15 A. Yes. We just have one filter.

16 Q. When you have a clean or new filter installed do  
17 you still have the problems with the tea colored water?

18 A. Yes.

19 Q. You still have it?

20 A. Yes. Incidentally we had a filter replaced last  
21 week and we've since had quote, brown water.

22 MS. GANNON: That's all I have. Thank  
23 you.

24 JUDGE CORBETT: Mr. Engleman?

25 MR. ENGLEMAN: No questions, Your Honor.

1 JUDGE CORBETT: All right. Thank you,  
2 Mr. Knapp. Thank you very much, sir for coming in.  
3 Shawn Griffith.

4 Whereupon,

5 SHAWN GRIFFITH  
6 having first been previously duly sworn, testified as  
7 follows:

8 JUDGE CORBETT: Would you begin sir by  
9 giving us your full name and spell your last name for  
10 the Court Reporter, please?

11 THE WITNESS: My name is Shawn Griffith,  
12 G-R-I-F-F-I-T-H.

13 JUDGE CORBETT: All right. Where do you  
14 live, Mr. Griffith?

15 THE WITNESS: 36 Craighead, Hidden  
16 Valley.

17 JUDGE CORBETT: What is your occupation,  
18 sir?

19 THE WITNESS: I'm an attorney.

20 JUDGE CORBETT: You're not an attorney  
21 with any firm that is participating in this case?

22 THE WITNESS: No. I'm self employed.

23 JUDGE CORBETT: Okay. Are you a full or  
24 part time resident of Hidden Valley?

25 THE WITNESS: Full.

1 JUDGE CORBETT: So you are a customer of  
2 Hidden Valley?

3 THE WITNESS: I am.

4 JUDGE CORBETT: Okay. Would you give us  
5 your statement, please?

6 DIRECT TESTIMONY

7 THE WITNESS: I'm here to comment on  
8 pricing generally and then secondly specifically as it  
9 correlates to our very poor quality of water. First I  
10 think that utilities should be available in pretty  
11 close comparison with those around. I think that there  
12 would an industry standard set by the municipalities  
13 nearby, especially Seven Springs and the idea that we  
14 pay two and a half times as much is I think outrageous.

15 Now specifically as to our quality of  
16 water as it corresponds to the price that we pay I  
17 think I can reiterate what many people have said. The  
18 few times that I have washed my laundry here, I usually  
19 don't because it does stain my laundry and so I  
20 actually stopped using my washer. I shower every other  
21 day at my grandmothers house because often times, in  
22 fact, all the time my water is discolored and I  
23 consider that a great euphemism. Also I consider tea  
24 colored a euphemism, but that's beside the point.

25 So every other day I shower --- I won't

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1 drink it. I don't know if it is fit for human  
2 consumption but I'm not willing to consume it because  
3 it is always at least rusty. Sometimes clumpy for lack  
4 of a better word. Like it comes out instead of flowing  
5 --- there are several times --- I've only lived here  
6 four months and at least three or four times during the  
7 day where I didn't have any water service. So turn a  
8 knob or flush a toilet or whatever and there was no  
9 water. I would say that averaged at least once a month  
10 because like I said I've only lived here four months.

11 In my opinion we're not being served the  
12 benefit of our bargain. We're paying for a service  
13 that isn't there and when it is there it's such poor  
14 quality that we can't use it. We can't use it for our  
15 laundry, don't want to drink it and probably shouldn't.  
16 Don't want to shower in it, probably shouldn't. In my  
17 opinion until it's clean it should be free to us, let  
18 alone raising the rates. Also, where as I appreciate  
19 you folks looking into a filtration system if that  
20 would actually remedy our dirty water, which judging by  
21 the other peoples filters I think it would be a band  
22 aid rather than a cure. But if that would actually  
23 remedy our problem I think that should be free to us  
24 rather than \$150 a pop. That's my statement.

25 JUDGE CORBETT: Thank you. Mr. Shields?

1 MR. SHIELDS: Thank you, Judge.

2 CROSS EXAMINATION

3 BY MR. SHIELDS:

4 Q. Mr. Griffith, on the occasions where you  
5 mentioned approximately once a month since you've been  
6 there for four months what is the duration of time  
7 where you don't have any water at all?

8 A. Three or four hours.

9 MR. SHIELDS: That's all I have, Judge.

10 JUDGE CORBETT: All right. Ms. Gannon?

11 MS. GANNON: No questions. Thank you.

12 JUDGE CORBETT: Mr. Engleman?

13 MR. ENGLEMAN: No questions, Your Honor.

14 JUDGE CORBETT: Thank you very much, Mr.  
15 Griffith for coming in. Thank you. I'll call the last  
16 two witnesses who have signed in, Mary Staley and David  
17 Powers. Come forward Ms. Staley. I'll have to testify  
18 from the podium.

19 Whereupon,

20 MARY STALEY

21 having first been previously duly sworn testified as  
22 follows:

23 JUDGE CORBETT: Would you begin by  
24 giving us your full name and spell your last name for  
25 the Court Reporter, please?

1 THE WITNESS: Mary Staley, S-T-A-L-E-Y.

2 JUDGE CORBETT: Where do you live, Ms.  
3 Staley?

4 THE WITNESS: We're at 1303 Westridge.

5 JUDGE CORBETT: That is in Hidden  
6 Valley?

7 THE WITNESS: That's in Hidden Valley.

8 JUDGE CORBETT: What is your occupation?

9 THE WITNESS: I am a teacher naturalist  
10 right now.

11 JUDGE CORBETT: Okay. Are you a full  
12 time or part time resident of Hidden Valley?

13 THE WITNESS: Full time.

14 JUDGE CORBETT: So I take it that you  
15 are a customer of Hidden Valley Water Service?

16 THE WITNESS: Certainly.

17 JUDGE CORBETT: All right. Would you  
18 give us your statement, please?

19 DIRECT TESTIMONY

20 THE WITNESS: We have lived in this  
21 house at 1303 Westridge since the fall of 1988, 16  
22 years, year round. We're currently using our fourth  
23 hot water heater, electric, in that time. However, the  
24 house was built in '84 so it had four years of use  
25 before we came on one of the hot water heaters.

1 JUDGE CORBETT: Would you try to keep  
2 your voice up a little bit so that people in the back  
3 can here. Okay?

4 THE WITNESS: Okay. We're --- in case  
5 they didn't hear this we're on our fourth hot water  
6 heater since the house was built in 1984, although  
7 we've only owned since '88. We do think and have  
8 thought from the start that the cost is excessive. We  
9 actually, because the cost is so high we've tried  
10 various water saving devices on the faucets and the  
11 showers. I brought a sample of what comes through,  
12 which is not a color solution, this is a little  
13 different. Our water saving attachments so to speak,  
14 which are added on to --- you replace what is already  
15 on the faucet with a water conserving attachment. They  
16 get filled with a mineral deposit of some kind that I  
17 have called Glen Fodder about. That was probably three  
18 years ago that I did speak with him about it.

19 He told me this is something that they  
20 had coated the inside of the pipes with in order to  
21 neutralize the acidity of the water, which was  
22 evidentially a method to neutralize the low ph high  
23 acidity. If you'd like to see these little deposits  
24 that clog our ---.

25 JUDGE CORBETT: You can pass that over

1 to Mr. Shields.

2                   THE WITNESS: It helps to put it over a  
3 dark --- over the 16 years that we've lived here we  
4 have noticed that the quality of the water has  
5 declined. I don't know what reason there might be but  
6 I notice an increasing amount of chlorine in the water.  
7 The only times that we actually have had colored water  
8 has been after I believe a pipe has broken. I usually  
9 call about it and often times in the winter there are  
10 frozen broken pipes in the Hidden Valley community and  
11 so the water would be turned off for those repairs and  
12 then when it was turned back on again we would get this  
13 very dark brown water that we need to flush out.

14                   Other times would be when our house  
15 water to replace a hot water heater when you turn your  
16 entire household water off at the main valve, turning  
17 it back on again I have to go around to every faucet  
18 and bleed them to get rid of the brown. Although we do  
19 have stained shower curtains and there is --- it's an  
20 orange stain and we have orange, a general orange stain  
21 in our tubs and toilets. However it is removable, it  
22 isn't permanent.

23                   So as the others have mentioned the  
24 rates if they're due to be increased to the amount that  
25 we understood was proposed by the Hidden Valley water

1 folks that would take our water --- at current rates we  
2 pay about \$64 a month although we get quarterly bills.

3 At the suggested rates we would be paying \$93 almost  
4 \$94 dollars at the proposed rates that we heard both  
5 from the Hidden Valley Homeowners Foundation Office and  
6 from the Office of Consumer Advocates. We heard from  
7 both those places. I called to ask, what are the  
8 proposed rates.

9 That's --- well, I do have one further  
10 thing. If the lines are flushed on a regular basis I  
11 would suggest that the residents of Hidden Valley be  
12 notified in advance so that they would know this brown  
13 water is coming. I don't really think we in our house  
14 in Westridge have as much problem as many other people  
15 do, but I see in the Somerset County Daily American  
16 that Berlin or Meyersdale or any number of little towns  
17 in Somerset County they give their residents a notice  
18 that the water will be off or they will be flushing the  
19 lines on a certain date. That's the end of my  
20 statement.

21 JUDGE CORBETT: Mr. Shields, any Cross?

22 MR. SHIELDS: Just a wee bit, Judge.

23 CROSS EXAMINATION

24 BY MR. SHIELDS:

25 Q. Ms. Staley, you mentioned the fact that you've

1 noticed an increase in chlorine?

2 A. I have definitely.

3 Q. Can you tell us approximately how long ago that  
4 began?

5 A. I would say I began noticing the smell of the  
6 chlorine probably three years ago and I know that some  
7 people are advised that as soon they can smell the  
8 chlorine maybe they ought to start filtering their  
9 water that they drink. But as of now we're drinking  
10 and using water unfiltered.

11 Q. Just so I'm clear. Is it your testimony that  
12 you've never ever received notice of a flushing?

13 A. I have never ever received notice of a flushing.  
14 MR. SHIELDS: Thank you. That's all I  
15 have, Judge.

16 JUDGE CORBETT: Thank you. Ms. Gannon?

17 MS. GANNON: Thank you.

18 CROSS EXAMINATION

19 BY MS. GANNON:

20 Q. You had mentioned that after there's been a  
21 water interruption that you would experience the rusty  
22 water; is that correct?

23 A. Yes.

24 Q. How frequent are interruptions?

25 A. They're frequent in the winter. How frequent

1 I'm sure it varies by winter. The last two winters  
2 have been very cold and I think perhaps there were more  
3 interruptions, but also we had a new building that went  
4 in next --- we're in a townhouse building and a new  
5 townhouse building was built next door to ours further  
6 along the line. We had some turning off and turning on  
7 probably with the plumbing that was put into their.  
8 Those buildings were --- Diane Whitcomb in fact lives  
9 in one of those new units. They started living in them  
10 last winter.

11 Q. When you say that there were more interruptions  
12 during the last two winters approximately how many  
13 interruptions did you experience?

14 A. I haven't documented the number of  
15 interruptions.

16 Q. Just approximately.

17 A. I would say maybe four or five throughout the  
18 coldest months.

19 Q. How often would those interruptions last?

20 A. You know, they might be four or five hours. I  
21 usually called the homeowners office and find out. Or  
22 they will call me actually. The homeowners foundation  
23 office has called I think people who live here year  
24 round and said the water will be off. I've received a  
25 few phone calls like that over the years.

1 Q. When they have called what has been the  
2 explanation for the water being off?

3 A. Oh, that a pipe is broken or a repair is being  
4 done or something they're working with the water system  
5 in some way.

6 MS. GANNON: Thank you.

7 JUDGE CORBETT: Mr. Engleman?

8 CROSS EXAMINATION

9 BY MR. ENGLEMAN:

10 Q. Ms. Staley, you stated that there were  
11 approximately four to five interruptions. Was that  
12 four to five interruptions the last two winters, each  
13 of the last two winters?

14 A. Oh, I'm sorry. Probably per winter.

15 Q. So it was per winter and not per month?

16 A. Oh, no, per winter. That's a total guesstimate.

17 Q. You stated you would receive some discolored  
18 water after a service interruption?

19 A. Yes.

20 Q. What was the duration of each event of this  
21 colored water if you know?

22 A. Not more than I could just run the water for two  
23 or three minutes and be rid of. At each faucet though  
24 throughout the house.

25 Q. So it would be two or three minutes at each

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1 faucet?

2 A. Yes. It's like there's this one onslaught of  
3 color in the water and then I get rid of it and then  
4 it's gone.

5 MR. ENGLEMAN: Thank you very much.  
6 Nothing further, Your Honor.

7 JUDGE CORBETT: Thank you for coming,  
8 Ms. Staley.

9 THE WITNESS: Thank you.

10 JUDGE CORBETT: Mr. Powers.

11 Whereupon,

12 DAVID POWERS

13 having first been previously duly sworn testified as  
14 follows:

15 JUDGE CORBETT: Would you begin by  
16 giving us your full name and spell your last name for  
17 the Court Reporter, please?

18 THE WITNESS: David Powers, P-O-W-E-R-S.

19 JUDGE CORBETT: Where do you live, Mr.  
20 Powers?

21 THE WITNESS: 4 Lakeview Drive.

22 JUDGE CORBETT: Where is that located?

23 THE WITNESS: Hidden Valley.

24 JUDGE CORBETT: Are you a full time or  
25 part time resident?

1 THE WITNESS: Full time.

2 JUDGE CORBETT: What is your occupation,  
3 sir?

4 THE WITNESS: Medical sales rep.

5 JUDGE CORBETT: Okay. So I take it you  
6 are a customer of Hidden Valley water?

7 THE WITNESS: Yes.

8 JUDGE CORBETT: You may give us your  
9 statement, sir.

10 DIRECT TESTIMONY

11 THE WITNESS: My testimony would be  
12 concerning actually what we're discussion the rate  
13 increase. My main concern is if the service that we  
14 are getting now is in poor quality and as you can hear  
15 the testimony from everybody behind me how it justifies  
16 actually an increase from what it is actually presently  
17 right now.

18 The quality issue is concerning me a  
19 great deal. I just had a daughter and I have photos to  
20 show you since actually Wednesday of this week till  
21 present I have been giving my daughter a bath and I  
22 have pictures that it is totally brown putting her in  
23 the bathtub. Now maybe when you fill up that water  
24 glass you can't tell but when you fill up a bathtub,  
25 you fill up a pot it is definitely evident.

1                   This was a very big concern of mine. So  
2 I notified the DEP to come in to test the water. After  
3 he came in and I have water samples from when there is  
4 heavy silt in the water that could not even penetrate  
5 through a filter that I brought in. A friend of mine  
6 gave me a filter for the faucet and to revert back  
7 everybody that has these filters I feel bad for them.  
8 Not only do they have to pay high rates for water but  
9 they have to go out and buy and pay for a plumber to  
10 hook up the system, a filtration system and filters  
11 beyond the high prices they're paying and they still  
12 can't get good quality of water.

13                   To fast forward here. The DEP came back  
14 --- it tested the water. On that present day there was  
15 no harm to anybody to drink it, but he was very  
16 concerned to the fact of what he found in the water.  
17 So he called me and said he was initiating a full scale  
18 investigation asking for tests and everything for  
19 everybody to make sure the facility was up to part so  
20 to speak. I have not heard what happened to those  
21 results of what he requested but I was glad that he  
22 came down and responded to our request because we were  
23 very concerned about it.

24                   That situation is very concerning to me  
25 especially when you have a child. Especially when

1 you're trying to give them a bath and you look down and  
2 it's just atrocious. I consistently have to drain my  
3 hot water tank to try to save the hot water tank from  
4 all the sludge and everything that accumulates in it.  
5 No sludge comes in. It's a matter of over a period of  
6 time it is created. So there is a lot of maintenance  
7 here for the price that they're asking us. I mean our  
8 time is money as everybody in this room. So not only  
9 do we have our added daily activities and chores but we  
10 have to maintain a water system in our house that is  
11 just not putting a filter on and be done with it and  
12 change it every six months. This is something for  
13 people that come up on the weekends that they come up  
14 twice a month and they have to change their filter.  
15 Imagine for us people that live here all year round  
16 what I have to do to make sure everything is safe for  
17 my family. That's my statement.

18 JUDGE CORBETT: Mr. Powers, you  
19 mentioned that DEP representative came out to  
20 investigate your water service. When did that occur,  
21 sir?

22 THE WITNESS: I think, and please don't  
23 hold me to this, maybe four or five months ago.

24 JUDGE CORBETT: Would you happen to know  
25 the name of the DEP representative?

1 THE WITNESS: Not off hand. I have the  
2 card in the house.

3 JUDGE CORBETT: All right.

4 THE WITNESS: He was male.

5 JUDGE CORBETT: Well, that narrows it  
6 down a little bit. Have you received any further  
7 reports from the DEP?

8 THE WITNESS: He sent a letter stating  
9 the fact of what he was requesting from Hidden Valley.

10 JUDGE CORBETT: All right. Mr. Shields,  
11 do you have any Cross Examination?

12 MR. SHIELDS: Just to note, Judge, you  
13 anticipated my one question.

14 CROSS EXAMINATION

15 BY MR. SHIELDS:

16 Q. Mr. Powers, if I give you my card could you give  
17 me a call or send me the name of that fellow from DEP,  
18 please?

19 A. Yes.

20 MR. SHIELDS: That's all I have.  
21 Thanks, Judge.

22 JUDGE CORBETT: All right. Ms. Gannon?

23 CROSS EXAMINATION

24 BY MS. GANNON:

25 Q. I just want to clarify. When you have problems

1 with the water I know you've said that it is brown, is  
2 that constant?

3 A. Put it this way, I've kept track of it on a  
4 monthly basis for a while and it was more than half of  
5 the days out of a month that the water was brown tea  
6 colored. Now granted on some days I don't fill up the  
7 bathtub but like just for instance just this week if  
8 you fill up a glass it's kind of unnoticeable but when  
9 you fill up a bathtub it's very noticeable.

10 Q. I believe you stated that you don't have a  
11 filter, an in-line filter installed in your house?

12 A. No, I do not.

13 Q. You have been using something on the faucet?

14 A. Yeah. I had a friend bring one of those adapter  
15 faucets.

16 Q. Do you drink the water?

17 A. No. I go down and get water and pay for  
18 additionally.

19 MS. GANNON: That's all. Thank you.

20 JUDGE CORBETT: Mr. Engleman?

21 MR. ENGLEMAN: I need to object to the  
22 characterization of the DEP employee's testimony as  
23 hearsay. The employee isn't here to testify himself  
24 and he's not been so identified but ---.

25 JUDGE CORBETT: All right. I'll look at

1 the record and I'll make the ruling on that later.

2 CROSS EXAMINATION

3 BY MR. ENGLEMAN:

4 Q. Mr. Powers, did you receive a copy of any water  
5 tests that were conducted by DEP?

6 A. No. I did not. He tested the water right in  
7 front of me and he said to me that the water coming out  
8 of the faucet right now is not --- he said it's not  
9 dangerous to drink but the water I had in the jar  
10 showing him he was very concerned about. He was also  
11 concerned about some levels. I don't know the minerals  
12 so to speak. I mean, this guy obviously loves his job  
13 because he could tell everything by tasting that water  
14 like a wine.

15 Q. You said he tested the water in front of you, do  
16 you know what substances were tested for?

17 A. No, I do not. He tested --- he brought his kit  
18 in from the car and he tested for x, y and z the  
19 standard test I guess that people do. I do not know.

20 Q. Did he take samples back to a lab?

21 A. Correct.

22 Q. He did?

23 A. He took some samples with him.

24 Q. Okay.

25 MR. ENGLEMAN: No further questions,

1 Your Honor.

2 JUDGE CORBETT: All right. Thank you  
3 very much, Mr. Powers for coming in, sir. Thank you.  
4 I have one additional witness, Celeste Emrick. Would  
5 you come forward, please?

6 Ms. Emrick, I do not believe that you've  
7 underwent the oath before. Would you raise your right  
8 hand to be sworn?

9 Whereupon,

10 CELESTE EMRICK  
11 having first been duly sworn, testified as follows:

12 JUDGE CORBETT: Would you begin please  
13 by giving us your full name and spell your last name  
14 for the Court Reporter, please?

15 THE WITNESS: My name is Celeste Emrick.  
16 My last name is spelled E-M-R-I-C-K.

17 JUDGE CORBETT: Where do you live, Ms.  
18 Emrick?

19 THE WITNESS: My address is 503 Kooser  
20 Circle, Hidden Valley. I'm a full time resident and  
21 I've been here full time for about six years.

22 JUDGE CORBETT: If you can possibly  
23 speak up as loud as you can because the people in the  
24 back cannot hear. Okay?

25 THE WITNESS: Yes.

1 JUDGE CORBETT: If you can get a little  
2 closer to the microphone. What is your occupation?

3 THE WITNESS: I'm a regional manager for  
4 the Pennsylvania Department of Health.

5 JUDGE CORBETT: Did you say you were a  
6 full or part time resident?

7 THE WITNESS: I'm a full time resident.

8 JUDGE CORBETT: So you receive water  
9 service from Hidden Valley?

10 THE WITNESS: Yes.

11 JUDGE CORBETT: Would you give us your  
12 statement, please?

13 THE WITNESS: Yes.

14 DIRECT TESTIMONY

15 THE WITNESS: I would pretty much  
16 reiterate what others have said in terms of my concern  
17 about the quality of water that we receive, the brown  
18 coloration in the water. I notice it in particular  
19 because on Saturday and Sunday morning it appears like  
20 around 9:30. It seems that after people have gotten up  
21 in the morning and showered, made breakfast you can  
22 almost where I live set your watch by it. Frequently  
23 I'm washing clothes. I end up washing loads of clothes  
24 two and three times. I have a filter at the water  
25 before the meter and I also have one at the kitchen

1 sink. It does not catch all of the debris or whatever  
2 it is that's coming in.

3 I have called the water department. I  
4 have written to the Board of Directors at Hidden  
5 Valley. Christmas Eve we had an inordinate amount of  
6 brown water that came through the water pipes. It  
7 probably took --- the water was off most of the day. I  
8 would say that it took two hours at least after the  
9 water was turned on for us to get water that was at  
10 least half way clear. We certainly not able to cook  
11 with that water that evening.

12 I am very appreciative of the  
13 opportunity to speak to all of you this evening. I  
14 also have concern about the rate increase. The water  
15 is very costly and the quality of it is very poor. In  
16 the six years that I've been here and I've owned my  
17 home and came intermittently over the weekends I've  
18 also replaced my hot water tank three times in that  
19 period of time. I really don't have anything more but  
20 I wanted to opportunity to at least address these  
21 concerns this evening.

22 JUDGE CORBETT: Thank you.

23 THE WITNESS: Thank you.

24 JUDGE CORBETT: Mr. Shields, do you have  
25 any Cross Examination?

1 MR. SHIELDS: No, I do not, Judge.

2 JUDGE CORBETT: Ms. Gannon?

3 CROSS EXAMINATION

4 BY MS. GANNON:

5 Q. Just to clarify, you said that in the morning  
6 after people have showered and eaten that's when the  
7 rusty or the discolored water increases; is that your  
8 statement?

9 A. Yes. That's primarily on Saturday and Sunday  
10 mornings because those are the only days that I'm here  
11 because I work Monday through Friday.

12 Q. But every week you experience the same thing?

13 A. Yes.

14 MS. GANNON: That's all I have. Thank  
15 you.

16 JUDGE CORBETT: Mr. Engleman?

17 MR. ENGLEMAN: No questions, Your Honor.

18 JUDGE CORBETT: Thank you, Ms. Emrick  
19 for coming in.

20 THE WITNESS: Thank you.

21 JUDGE CORBETT: Is there anyone else  
22 that wishes to testify that I have no called?

23 (No response.)

24 JUDGE CORBETT: Okay. Well, I certainly  
25 appreciate those of you who have testified this

1 evening. I appreciate all of you coming out this  
2 evening to attend this public input hearing. Your  
3 comments and your testimony will be taken most  
4 seriously by the parties who are working on this case  
5 and I can tell you your comments and your testimony  
6 will be most seriously considered by the Commission. I  
7 think you all and the hearing is now adjourned. Thank  
8 you very much. Have a good safe evening every one.

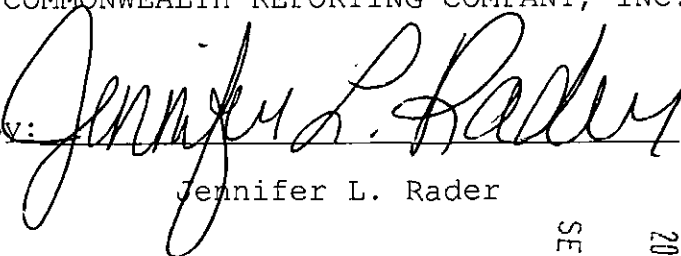
9 (Whereupon, at 8:30 p.m. the hearing was  
10 adjourned.)

11 \* \* \*

12 C E R T I F I C A T E

13 I hereby certify, as the stenographic reporter,  
14 that the foregoing proceedings were taken  
15 stenographically by me, and thereafter reduced to  
16 typewriting by me or under my direction; and that this  
17 transcript is a true and accurate record to the best of  
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