

**STATE OF VERMONT
PUBLIC UTILITY COMMISSION**

Case No. 24-0969-INV

Tariff filing of Woodstock Aqueduct Company for a change in rates, pursuant to 30 V.S.A. § 225, effective for service rendered on or after May 16, 2024	
---	--

**PREFILED DIRECT TESTIMONY OF
CAROL FLINT**

**ON BEHALF OF THE
VERMONT DEPARTMENT OF PUBLIC SERVICE**

August 7, 2024

Summary: Ms. Flint's testimony presents an overview of Woodstock Aqueduct Company's recent customer service history. Additionally, this testimony provides information about comments and concerns from the public about the proposed 109.82% increase in Woodstock Aqueduct's overall revenue.

Prefiled Direct Testimony
of
Carol Flint

1 **Q1. Please state your full name, address, and occupation.**

2 A1. My name is Carol Flint. I am the Director of Consumer Affairs and Public Information
3 (“CAP”) for the Vermont Department of Public Service (“Department”). My business
4 address is 112 State Street, Montpelier, Vermont 05620.

5

6 **Q2. Please describe your educational background and experience.**

7 A2. I hold a Bachelor of Arts degree with a focus in Sociology from Norwich University
8 (Vermont College), Northfield, Vermont. I joined the Department as the CAPI
9 Director in February of 2016. Currently, I manage the Administrative Services and
10 CAPI Divisions. Previously, I served as Executive Director for BROCC—Community
11 Action in Southwestern Vermont beginning in 2014. Prior to that I worked at Capstone
12 Community Action for over 20 years, most recently as its Program Director for Family
13 and Community Support Services.

14

15 **Q3. Have you previously testified before the Vermont Public Utility Commission**
16 **(“Commission”)?**

17 A3. Yes. I have provided testimony previously in Docket Nos. 8701, 8881, and Case Nos.
18 17-1238-INV, 17-3112-INV, 17-3232-PET, 18-0409-TF, 18-0726-INV, 18-0974-TF,
19 18-3231-PET, 20-0654-CC, 21-4060-IRP, 22-0175-TF, 22-3673-PET, 22-4484-INV,
20 and 23-4353-PET, among others.

1 **Q4. What is the purpose of your testimony in this proceeding?**

2 A4. The purpose of my testimony is to summarize any consumer complaints received by
3 the Department to date and summarize the public comments provided to the
4 Commission and the Department by Woodstock Aqueduct Company's ("WAC")
5 customers regarding its petition for a 109.82% general revenue increase resulting in
6 proposed increases for the customer base charge of 209.81%, usage volume increases
7 of 233.33% and hydrant charges to the Town of Woodstock of 1056.92%. I also
8 provide recommended changes to WAC's quarterly billing statement to facilitate
9 further billing transparency to its customers.

10

11 **Q5. Please describe the Woodstock Aqueduct Company's consumer complaint**
12 **history.**

13 A5. Upon review of complaints from July 1, 2018, to July 30, 2024, CAPI found two
14 contacts from customers of WAC made to the Department within the last four years. A
15 customer complained in 2023 about having to pay for repairs to the service connection
16 (estimate of \$7,000 to \$8,000). Another customer inquired about regulatory responses
17 received from other agencies in Vermont. This inquiry was not coded as a complaint
18 against the Company.

19

20

21

1 **Q6. What is your opinion about the customer service that Woodstock Aqueduct**
2 **Company has provided in the past few years?**

3 A6. Complaint history is minimal. Public comments in this case raise some concerns that
4 were addressed by WAC's reply.

5

6 **Q7. Have consumers expressed concerns about WAC's current petition for a rate**
7 **increase to the Commission or directly to the Department?**

8 A7. Yes. There were four WAC customers who filed public comments in the case. The
9 Town of Woodstock filed a written comment in addition to three other customers. A
10 public hearing was held by the Commission on June 13, 2024, however no further
11 public comments were offered. The Department did not receive any other public
12 comments.

13

14 **Q8. What concerns have consumers expressed about WAC's current petition?**

15 A8. Customers are concerned about the magnitude of the increases, mention neglect of the
16 water system, reference missteps and mismanagement, repair issues dating back to
17 heavy rains last summer, and mischaracterizations in WAC's petition.

18

19 Larry Zeitlin commented about his concerns about the size of the rate increase,
20 indicating some increase would be reasonable but not the "excessive increase
21 proposed," thought it seemed punitive and a "blatant effort to coerce and accelerate a
22 potential purchase."

1 Edward Esmond sympathized with the current financial difficulties WAC is
2 experiencing but criticized the Company's management, particularly the replacement of
3 the main water pipe damaged by Tropical Storm Irene. This pipe was destroyed again
4 during the summer flooding in 2023. Temporary fixes resulted first in unsafe drinking
5 water according to Mr. Esmond, and then more "suitable temporary piping" is what is
6 currently in place.

7

8 Chris and Carole Sparkes' think the proposed rate increases are "ridiculous." They too
9 are critical of the management of the WAC and shared concerns about the July floods
10 and the lack of water for ten days. The Sparkes complain about poor water pressure and
11 the Company's lack of responsiveness.

12

13 Ray Bourgeois, Chair, Woodstock Selectboard expressed the Town's opposition to the
14 rate increase and its burden on the Town's budget and taxpayers. Mr. Bourgeois states
15 "While the filing makes casual mention of the possibility of an acquisition by the Town,
16 we wish to clarify to the Public Utility Commission that we are actively pursuing a
17 transaction." He asks that the rate implementation be delayed so that the Town would
18 have time to move forward with its negotiations or put forth a new budget to taxpayers.

19

20 **Q9. Did WAC respond to public comments? Was that response satisfactory?**

21 **A9.** Yes, WAC made a filing in this case to address comments filed by the public. The
22 Company's response explained many of its management decisions and seemed to

1 adequately address those concerns represented by its customers. At the same time, the
2 requested rate increase is exceptionally high.

3

4 **Q10. Are consumers concerned about the affordability of this rate increase?**

5 A9. Yes, the Town of Woodstock's complaint addressed affordability by reference to the
6 town's budget but did seem to indicate that the Town would or could raise taxes to
7 address the need. Additionally, the Town of Woodstock raised concerns that if the full
8 rate increase was implemented it could place WAC as the third highest rates for water
9 in Vermont behind only South Royalton and Richmond. Chair Ray Bourgeois states
10 that:

11 The proposed increase in the Base Charge from \$240.00 to \$503.56 per year and
12 the Variable Charge based on customer usage volumes from \$0.02961 to
13 \$0.06560 per cubic foot would move Woodstock residents into the 99th
14 percentile of water rates on a population basis across the state, and behind only
15 Richmond and Royalton Fire District among water systems with 500+
16 connections.

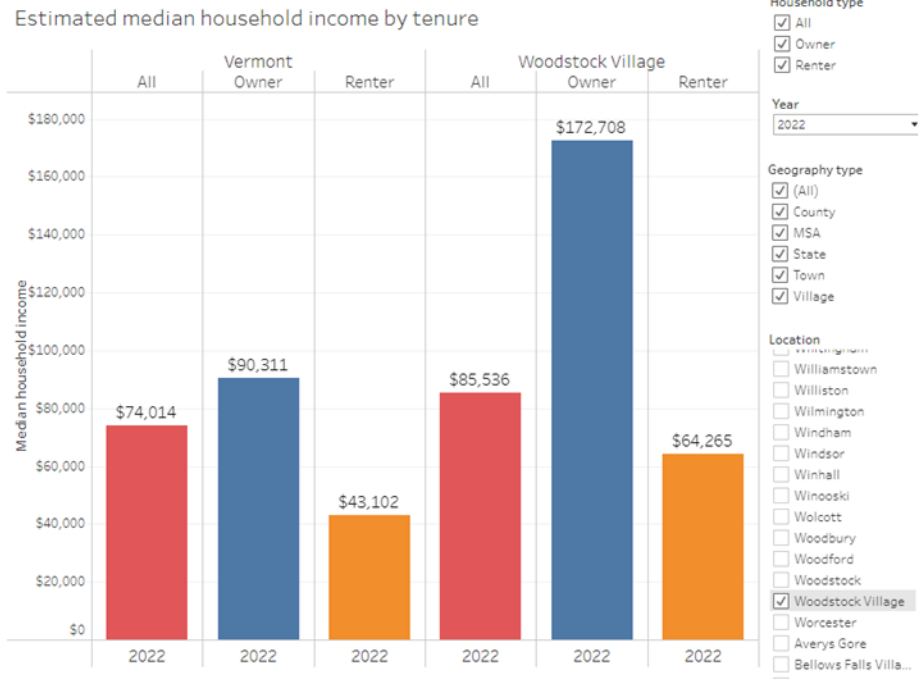
17 Yet Woodstock Village residents enjoy incomes significantly higher than that of the
18 average Vermonter. Individual households and small businesses will certainly have
19 different experiences and realities than the average Woodstock Village resident income
20 provided in Figure 1. We cannot know the impact on vulnerable residents, low-income
21 customers and small businesses and as such are prudent in our review and consideration
22 of all rate increases. However, critical affordability concerns are not supported by the
23 data available.

1

Median household income



Census tract map (external site)



Source:
U.S. Census Bureau: American Community Survey 5-year estimates (Table B25119), U.S. Decennial Census (for years 2010 and earlier)

2

3

Figure 1 - <https://www.housingdata.org/profile/income-employment/median-household-income>

4

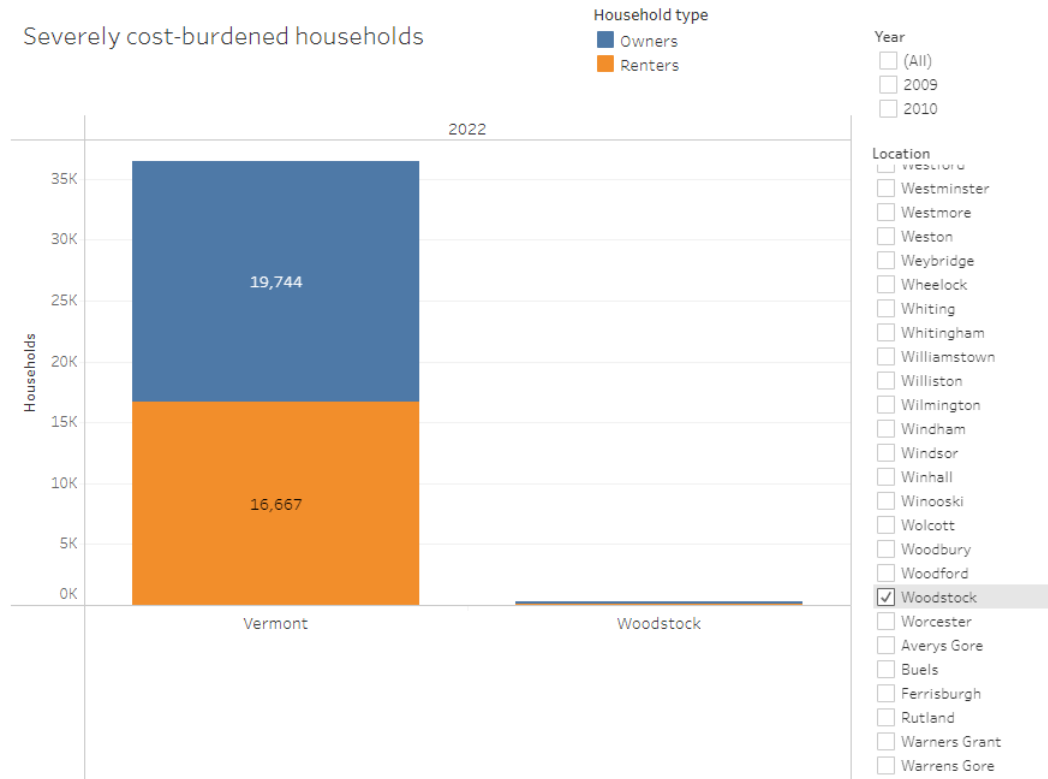
5

Although this rate increase is exceptionally steep, Woodstock residents on whole are

6

not considered to be severely cost burdened households by their housing expenses.

Severe cost-burden



Source:
 U.S. Census Bureau: American Community Survey 5-year estimates (Table B25070, B25091)

Description:
 This table shows households in the selected area that are severely cost-burdened, or paying 50% of their household income or more towards housing expenses. This can include rent, mortgages, real estate taxes, various insurances, mobile home costs, and/or condominium fees as well as the estimated average monthly cost of utilities. 30% is the federal standard of housing affordability. When households spend more than 50% of their income on rent, they are at high risk of eviction or foreclosure.

1
 2
 3
 4
 5
 6
 7
 8
 9

Figure 2 <https://www.housingdata.org/profile/housing-needs/cost-burdened-households>

Although the Woodstock Town Plan does mention the WAC and the need for fire suppression, the Plan indicates that WAC reported “facilities are continually being upgraded and expanded to meet increasing demand.” Concerns are noted that “High river currents resulting from Tropical Storm Irene caused damage to the distribution piping. It appears essential that Woodstock should work closely with the Woodstock Aqueduct Company and initiate an analysis of this vital resource and to assure an

1 adequate water supply and modernization of the system, and if water for fire
2 protection cannot be provided by the Woodstock Aqueduct Company, then alternative
3 water supplies should be provided by developers to take care of fire protection needs.”
4

5 **Q11. Do you wish to make any recommendations?**

6 A11. Yes. The Department makes recommendations regarding WAC’s billing. In response
7 to the Department’s discovery inquiry, CAPI received a copy of the Company’s
8 residential and commercial bills. CAPI recommends that WAC include
9 the following breakdown of information on its residential and commercial bills: (i) the
10 dollar amount of the bill that is the base rate, (ii) the dollar amount of the bill that is
11 usage over the base rate, (iii) total customer consumption included in the base rate and
12 consumption over the base rate. WAC’s response indicated this recommendation was
13 unaffordable due to software costs but agreed to assess that need at some point in the
14 future. The Department’s recommendation is reasonable and consistent with
15 consumer expectations for accurate billing. However, WAC’s point about the potential
16 for Town acquisition of the utility is well taken. If the Town has not taken substantial
17 steps to acquire the utility within six months of the order in this case, the Department
18 respectfully offers the condition that WAC be ordered to perform the suggested
19 assessment and to report the results to the Department and the Commission with the
20 expectation that implementation of these billing changes will be made unless the costs
21 are unreasonably steep.
22
23

1 **Q12. Does this conclude your testimony?**

2 A12. Yes.

1

Affidavit of Carol Flint

2

I, Carol Flint, do hereby swear and affirm under the penalty of law that the information provided

3

in my testimony filed on behalf of the Vermont Department of Public Service on August 7,

4

2024 is true and accurate to the best of my knowledge and belief, and that I have personal

5

knowledge of, and am able to testify as to, the validity of the information contained in my

6

testimony. I understand that if the above statement is false, I may be subject to sanctions by the

7

Commission pursuant to 30 V.S.A. § 30.

8

Date: August 7, 2024

By: /s/ Carol Flint