

**Proponent Testimony
Public Utilities Committee Hearing
House Bill No. 87**

Chairman Representative Stautberg and members of the Public Utilities Committee.

The annual water rate increases by Ohio American Water are killing our community! That is not an exaggeration. Mid-Ohio Regional Planning Commission and Westerville's former Mayor both confirmed our fear that if we have more increases in our water rates our community will deteriorate and negatively effect the whole area. When a family with children has to pay \$150.00 or more a month for water, they either let their property maintenance decline or move. Homes are losing value. Homes are now on the market much longer than a few years ago and as some people are desperate to sell, they lower the selling price. Realtors are telling prospective buyers about our high water bills. Even those of us who have been in our homes 40 years or more find ways to save which lower the value of our homes – we never water our lawns, have fewer flowers, and we do fewer upgrades. We're paying in a lot more ways than just what is obvious as financial outlay.

We are suffering and our beautiful community is dying just because of this investor owned, private water company which is to us a monopoly.

This company does not care about us. We're not "customers" just "consumers" to feed off of. I'd like to share some examples.

- The quality of our water is terrible and that's not new but at times it's even worse than in previous years.
- The constant problem is the powder left when any water spot dries. It even spots the clean dishes in the dishwasher after using Jet Dry. If left for a couple days on a counter surface, it takes scouring to remove.
- Intermittently the water is brown and at times it smells of chlorine or another odd odor.
- When I complained about the quality of the water, a representative stated he was surprised that I had quality complaints since the company had not had any complaints for 2 years! That is curious. I wrote last year, as many of our residents did. I have copies of my letters and I'm sure others do, too.
- Later I received an OAW letter which stated "Often cloudy water is due to tiny air bubbles, but those typically dissipate with time." Really?
- Last summer they "notified us" about their plan to flush the hydrants. They had the meter readers place an 8X11 paper at the door – ours was stuck in the handle of the garage! I wonder if their Annual Report lists a mailing cost for that "service"? At our Association meeting several residents commented about either the lateness of the notice or not getting one at all. The water bill also states the time – an 8 day span - when they will flush the hydrants, so am I supposed hold my laundry for all that time? Is that public service?
- They have no local phone number. We can not get connected to the local office. I called the 1-800 number and asked for the local phone number. I was told that all customer calls were taken in the company office and relayed to the local offices by email.
- Because we were promised that our December, January and February usages would establish our summer rate the next year, guess what. They "estimated" for February. Our usage had been 1 or 2 ccfs for the 10 months in 2009. They charge

us for 7 ccfs! They had not indicated it was estimated. I called. They read it and guess what – the actual reading was 2! Is that manipulation? They didn't over estimate mine this year, but they did several others. As Chair of the Huber Ridge Area Association people call about issues. Although the stories are numerous and essentially the same, I'll share just one. Recently a widow called me exasperated! She had just spent 3 days trying to get resolution about the same issue. She usually uses 2 ccfs and her February bill estimated at 5 ccfs used. OAW took care of that, they put in a new meter and it registers 0. No history.

- When discussing the cost of water in public documents, AW use 7 ccfs as the average water usage, when the actual average usage in our community is 10 ccfs or more. So what they purport is that the average family pays only X when we pay almost twice that.
- When they recently responded to hard water issues, they said customers could buy water softeners!
- We know this company could care less about our people, but it wasn't crystal clear until they explained the benefits of their proposed 3 year rate increase last year. They said, in part " ... customers would know in advance what the rate increases will be and thus **be better able to manage their finances....**" How arrogant!

I would like to share just a brief list of our personal sacrifices to save money on water.

- We maintain a constant vigilance on any water coming from the spigot to the drain – we turn the water off while lathering hands, then back on to rinse, then off; we turn the water off while brushing teeth, then on... you get the idea. That may be okay for a week while camping, but just see how quickly it becomes irritating.
- No daily showers; no soaking in a hot bath to relieve old arthritic joints or heaven forbid, enjoyment!
- No hot water to wash your face every morning.
- We flush as infrequently as possible.
- We never offer to take iced tea or lemonade to a potluck.

And with all that, as we are conserving, we live with the nagging fear, knowing OAW, that they will find a way to support their CEOs and stockholders no matter what we do.

I'm sure you have the PUCO details about OAW's financial misstatements, accounting inconsistencies, overestimated need for income, and a cost structure that does not match the current business climate. But what chokes us is their promise in their Annual Report to keep our feet to the fire with annual rate increases so they can satisfy their stockholders and pay exorbitant (\$3 million) annual salaries and bonuses to their CEOs.

We love our community. Please help us keep it!

I urge you pass HB 87 to limit the amount of money Ohio American Water can pass on to us as they seek these almost annual, exorbitant, rate increases. Without the passage of this bill, we understand that we will have to pay the \$1 million they have in legal costs for the last increase. OAW gains, lawyers gain, stockholders gain, and without this bill, we pay.

Thank you for your time and consideration.

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