

ILLINOIS COMMERCE COMMISSION

CASE NO. 11-_____

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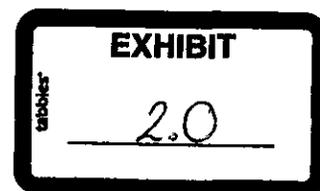
CHIEF CLERK'S OFFICE
Illinois Commerce Commission

DIRECT TESTIMONY OF

BRUCE T. HAAS

ON BEHALF OF

FERSON CREEK UTILITIES CO.



**DIRECT TESTIMONY OF
BRUCE T. HAAS
ON BEHALF OF FERSON CREEK UTILITIES CO.**

1 **Q1. PLEASE STATE YOUR NAME, PRESENT POSITION AND BUSINESS**
2 **ADDRESS.**

3 A1. My name is Bruce T. Haas and I am the Regional Director of Operations for the Midwest
4 Region of Utilities, Inc. ("UI"), which includes Illinois, Indiana, Kentucky and
5 Tennessee. My business address is 110 Queen Parkway, West Columbia, South Carolina
6 29169.

7 **Q2. WHAT ARE YOUR DUTIES IN YOUR CURRENT POSITION?**

8 A2. In my current position, I am responsible for making sure our customers receive adequate,
9 efficient, reliable, environmentally safe and least-cost water and wastewater utility
10 service. As such, I am responsible for all operations personnel, facilities, maintenance
11 and capital projects as well as other operational issues. In addition, I am responsible for
12 communications with state and federal regulators, including state utility commissions,
13 public staffs in the states that have them, and environmental authorities.

14 **Q3. PLEASE DESCRIBE YOUR PROFESSIONAL BACKGROUND.**

15 A3. I first began my employment as a meter reader and maintenance worker in 1978 for Lake
16 Holiday Utilities Corp., a subsidiary of Ferson Creek Utilities Co.'s parent, Utilities, Inc.
17 During the next several years, I was promoted to Operator and Operating Manager

1 positions for a number of Utilities, Inc. subsidiary systems, while earning various water
2 and wastewater licenses in Illinois and Ohio, including the highest levels of water
3 treatment and wastewater treatment licenses from the Illinois EPA. I eventually became
4 the Area Manager for the Peoria, Illinois region, overseeing the water and wastewater
5 facilities in this area. In 1989, I relocated to Charlotte, North Carolina taking on the
6 position of Area Manager for several areas for Carolina Water Service, Inc. of North
7 Carolina, a sister subsidiary under UI, along with the operations of two large UI-
8 subsidiary systems located in York County, South Carolina. While in Charlotte, I was
9 promoted to Regional Manager, during which time I also obtained various water and
10 wastewater licenses in Water Treatment, Water Distribution, Wastewater Collection, and
11 Backflow/Cross-Connection certifications from the State of North Carolina while taking
12 night courses towards a degree in Civil Engineering Technology. I also earned the
13 highest levels of water and wastewater certifications for Water Treatment, Water
14 Distribution, Wastewater Treatment and Wastewater Collection from the State of South
15 Carolina. Additionally, I have successfully completed the utility regulation seminar
16 sponsored by NARUC. In 2002, I was promoted to my current position of Regional
17 Director and given responsibility for the Company's systems in South Carolina and
18 Georgia. Following a reorganization of various Regions within UI in mid-2010, I
19 accepted the position as Regional Director for the Midwest Region.

20 **Q4. HAVE YOU TESTIFIED PREVIOUSLY BEFORE THE ILLINOIS COMMERCE**
21 **COMMISSION ("COMMISSION")?**

22 A4. Yes.

1 **Q5. HAVE YOU TESTIFIED BEFORE ANY OTHER PUBLIC UTILITY**
2 **COMMISSIONS?**

3 A5. Yes. I have testified before the commissions in North Carolina and South Carolina.

4 **Q6. WHAT IS THE PURPOSE OF YOUR TESTIMONY IN THIS PROCEEDING?**

5 A6. My testimony provides support for Ferson Creek Utilities Co. (“FCUC” or “Company”)
6 request to adjust water and sewer rates. In particular, my testimony describes: (1) the
7 Company’s service territory and its water and wastewater system operations; (2) capital
8 improvements made to the water and wastewater systems; (3) water quality; and (4)
9 customer complaints.

10 **I. SYSTEM DESCRIPTION AND OPERATION**

11

12 **Q7. PLEASE GENERALLY DESCRIBE THE COMPANY’S SERVICE TERRITORY**
13 **AND WATER SYSTEM.**

14 A7. FCUC provides water service in Campton Township, Kane County, Illinois to 378 water
15 and 370 wastewater utility customers. The potable water is supplied from two ground
16 water wells which are treated chemically with sodium hypochlorite and fluoride before
17 flowing into the distribution system. Phosphate (Sea Quest) is also added to the finished
18 water for the purpose of iron sequestration and corrosion control of the water mains. The
19 potable water distribution system pressure is maintained through three hydro-pneumatic
20 tanks of 14,000 gallons of capacity each and a fourth hydro-pneumatic tank of 11,700
21 gallons of capacity for a total of 63,700 gallons of hydro-pneumatic storage. The FCUC
22 water distribution system is approximately 29,400 linear feet (LF) in length. FCUC does
23 not provide fire protection but has flushing hydrants located throughout the system for

1 seasonal flushing and maintenance purposes. The wastewater collection system is
2 approximately 52,400 LF in length and includes two (2) duplex-type sewage lift stations.

3 **Q8. PLEASE DESCRIBE THE DUTIES OF THE STAFF AT FCUC.**

4 A8. Staff collects and tests water samples at the point of entry and distribution system and at
5 the Wastewater Treatment Plant (“WWTP”) on a daily basis. The staff also completes
6 daily operations, equipment repairs and maintenance of assets. They are responsible for
7 submitting complete and accurate monthly reports to the Illinois Environmental
8 Protection Agency (“IEPA”) and maintain compliance with all IEPA regulations. They
9 maintain the distribution system, order and safely store and identify necessary chemicals,
10 and complete field activities as well as respond to customer inquiries. Finally, the staff is
11 responsible for reading water meters every two months.

12 **II. CAPITAL IMPROVEMENTS**

13
14 **Q9. PLEASE DESCRIBE THE IMPROVEMENTS MADE BY THE COMPANY TO
15 ITS WATER SYSTEM.**

16 A9. Since the last rate case in 1984, FCUC has invested over a million dollars in total net
17 plant additions, which includes the capital projects listed below.

18 **Table 1 – Summary of Capital Projects**

No	Project ID	Description
1	1160601	ENGINEERING STUDY TO REHAB WWTP
2	1160602	REHAB SAND FILTERS AT FERSON CREEK WWTP
3	1160603	REHAB MAIN LIFT STATION AT FERSON CREEK
4	1160604	REHAB RETREAT CT. LIFT STATION AT FERSON CREEK
5	1160605	SEWER MAIN REPAIRS FOR I & I REDUCTION
6	1160607	REHAB BLOWER
7	1160608	WWTP REPAIRS

8	1160701	I & I RESEARCH AND REPAIR
9	2007032	REPLACE WELL #2
10	2008356	PAINT FOUR HYDRO TANKS

1

2 **Q10. PLEASE BRIEFLY DESCRIBE EACH OF THE CAPITAL PROJECTS LISTED**
3 **IN TABLE 1.**

4 A10. (1) Engineering Study to Rehab WWTP Filters – The sand filters utilized at the
5 WWTP are part of the IEPA-permitted treatment process were bypassed and could not be
6 utilized due to needed upgrades and repairs. An engineering study and cost evaluation
7 was performed to make the necessary modifications and upgrades to the filters in order to
8 allow them to be returned to service.

9 (2) Rehab Sand Filters at Ferson Creek WWTP – As a result of the preceding
10 engineering study, the sand filters were rehabilitated and returned to service at the
11 WWTP.

12 (3) Rehab Main Lift Station at Ferson Creek – One of the two aged pumps in the
13 main lift station at the Ferson Creek WWTP had stopped working. Both pumps were
14 replaced and steel cables were installed on the pump guide rail system for the purpose of
15 pulling the pumps in order to maintain the pumps. The control panel was also upgraded
16 to meet code requirements during this project.

17 (4) Rehab Retreat Ct. Lift Station – This lift station was also aged and one of the two
18 pumps had stopped functioning. Both pumps were replaced; the lift station was upgraded
19 and equipped with an alarm system to alert FCUC Personnel of functionality issues with
20 the equipment; the guide rails for both pumps were replaced as well as the upper guide
21 rail bracket due to corrosion and deterioration.

1 (5) Sewer Main Repairs for I & I Reduction – Sewer main upgrades were made to
2 sections that were discovered in need of replacement during video-taping investigations
3 in order to reduce the inflow and infiltration of rain water into the sanitary collection
4 system.

5 (6) Rehab Blower – FCUC WWTP is equipped with two blower units which provide
6 mixing and aeration for proper wastewater treatment. One of the two blowers installed in
7 1970 malfunctioned, leaving the WWTP at approximately half its air capacity
8 requirements. The blower was rebuilt to restore the WWTP aeration equipment to full
9 treatment capacity.

10 (7) WWTP Repairs – The clarifier sludge collector system at the FCUC WWTP
11 which includes chains and cables had deteriorated and broke. Without replacing these
12 chains and cables, the sludge collector system would not operate properly, and the
13 equipment could be lost in the bottom of the clarifier, requiring removing the WWTP
14 from service. These chains and cables were replaced, along with the replacement of two
15 aerator drop pipes which distribute air throughout the WWTP, so that FCUC did not risk
16 violating IEPA regulations for wastewater parameters.

17 (8) I & I Research and Repair – The inflow and infiltration within the sewer
18 collection system was still apparent. Additional video-taping of the sewer mains at
19 FCUC was conducted to search for additional areas which were allowing ground and/or
20 rain water to enter the collection system and make the necessary repairs.

21 (9) Replace Well #2 – Well #2 was unable to be used due to high turbidity issues,
22 along with mud and sand in the water from the well. Well #4 was drilled and installed to
23 replace Well #2.

1 (10) Paint Four Hydro Tanks – FCUC water pressure in the distribution system is
2 sustained by four underground hydropneumatic storage tanks. The interior of the tanks
3 were recoated to preserve the integrity of the tank metal and provide a longer life of the
4 assets.

5 **Q11. DOES THE COMPANY CURRENTLY HAVE ANY ISSUES REGARDING ITS**
6 **WATER QUALITY?**

7 A11. No. The water at FCUC is compliant with IEPA standards for safe drinking water.

8 **Q12. PLEASE SUMMARIZE ANY CUSTOMER COMPLAINTS RECEIVED WITHIN**
9 **THE LAST 12 MONTHS.**

10 A12. The customer complaints received from FCUC in the past twelve months have been
11 minimal. The summary is as follows: 3 water quality issues, 2 water pressure issues, 1
12 call for billing issue, and 2 follow up calls regarding landscaping issues after repairs had
13 been made.

14 **Q13. DOES THIS CONCLUDE YOUR PREPARED DIRECT TESTIMONY?**

15 A13. Yes it does.