



Public Service Commission
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COMMISSION CLERK

DATE: SEPTEMBER 4, 2003
TO: DIRECTOR, DIVISION OF THE COMMISSION ADMINISTRATIVE SERVICES (BAYÓ)
FROM: OFFICE OF THE GENERAL COUNSEL (JAESER) *RBJ*
DIVISION OF CONSUMER AFFAIRS (SMITH) *Walt*
RE: DOCKET NO. 030828-WS - COMPLAINT NOS. 512346W AND 533120W
CONTESTING HIGH WATER AND WASTEWATER BILLS FOR DECEMBER
2002 AND APRIL 2003, RESPECTIVELY, FILED BY MR. HAROLD
SHRIVER AGAINST TERRA MAR VILLAGE UTILITIES, INC., IN
VOLUSIA COUNTY.
AGENDA: 09/16/03 - REGULAR AGENDA - PROPOSED AGENCY ACTION -
INTERESTED PERSONS MAY PARTICIPATE
CRITICAL DATES: NONE
SPECIAL INSTRUCTIONS: NONE
FILE NAME AND LOCATION: S:\PSC\GCL\WP\030828.RCM

CASE BACKGROUND

On January 14, 2003, Mr. Shriver (customer) contacted the Commission and complained that his water bill from Terra Mar Village Utilities, Inc. (Terra Mar or utility) for the month of December 2002 increased from an average daily usage of approximately 25 gallons (approximately 750 gallons per month) to more than 365 gallons per day, or 10,953 gallons per month, for a total water and wastewater bill of \$196.91. The usage recorded by the meter was actually for the period October 28, 2002, through November 22, 2002. This complaint was assigned Complaint No. 512346W and will be referred to as the First Complaint.

Approximately five months after filing the First Complaint, Mr. Shriver was billed for 4,602 gallons of water use in April 2003.

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DOCKET NO. 030828-WS

DATE: September 16, 2003

He again filed a complaint which was assigned Complaint No. 533120W, and will be referred to as the Second Complaint.

An informal conference that addressed both complaints was held on July 30, 2003, but no resolution was reached. Therefore, staff opened this docket for the Commission to consider the above-noted complaints. The Commission has jurisdiction pursuant to Sections 367.011, 367.081, and 367.121, Florida Statutes.

DISCUSSION OF ISSUES

ISSUE 1: What is the proper disposition of Complaints Nos. 512346W and 533120W, filed by Mr. Harold Shriver against Terra Mar Village Utilities, Inc.?

RECOMMENDATION: The Commission should deny both complaints filed by Mr. Shriver. The meter appears to have started at zero and has been shown to be accurate, and the rates charged appear to be correct. Moreover, there was evidence that Mr. Shriver was having problems with his piping, his commode, and his washing machine which might account for excessive usage. (JAEGER, K. SMITH)

STAFF ANALYSIS:

Customer Allegations

In his First Complaint, Mr. Shriver states that he could not have used over 10,000 gallons from October 22 through November 22, 2002, especially when he did not even arrive in Florida until November 9, 2002. He further alleges that there was no leakage of water during that time, otherwise the street and surrounding homes would have been flooded. Mr. Shriver does admit that on November 10 and 11, 2002, he had new water pipes installed, but that during the installation, either very little (less than a pint) or no water was lost as the project was under close supervision and the water was shut off at the meter. He suspects that the meter is either faulty or was misread or for some other reason he was given false usage figures.

The customer requested a full investigation from the utility and a thorough explanation and justification for the alleged water usage. Also, on November 11, 2002, Mr. Shriver requested a meeting with Mr. Frank Uddo of the utility to discuss this discrepancy, but did not receive a response from the utility.

At the request of Terra Mar, a new meter was installed by Wekiva Utility of Central Florida, Inc. (Wekiva), on March 26, 2002. Wekiva is an unrelated utility and provides meter installation and repair service to Terra Mar. Mr. Shriver states that he did not request the new meter, and did not know of its installation in time to have someone there to observe its installation. He thinks that Terra Mar singled him out in

replacing his meter, and that there was some other purpose for replacing his meter.

For this First Complaint the amount in dispute was listed as \$196.91. While Mr. Shriver does not like the concept of the base facility charge, he does recognize that the utility is entitled to collect this amount, and so the actual amount in dispute for this first complaint would be \$167.69 (\$196.91 less base facility charge of \$29.22).

Mr. Shriver states that he paid the \$196.91 amount under protest with a \$200 cashiers check (received change of \$3.09). However, Mr. Shriver indicated that his wife had also sent a check in the amount of \$29.22 for the basic service, and that, therefore, at the very least, he had paid the basic facility charge twice.

Mr. Shriver remained in Florida from November 9, 2002 through March 24, 2003, when he returned to his home in Maryland. For the months when he was in Florida his water usage was as follows:

October 28, 2002, through November 22, 2002	10,953 gallons
November 22, 2002, through December 30, 2002	1,147 gallons
December 30, 2002, through January 28, 2003	598 gallons
January 28, 2003, through February 24, 2003	496 gallons
February 24, 2003, through March 28, 2003	775 gallons

Four days after Mr. Shriver left to return to his home in Maryland, the utility read his meter (and the meter reading on March 28, 2003, was "14,015," for a use of 775 gallons in that period). However, after he had been gone a little over a month, the next meter reading on April 28, 2003, jumped from the 14,015 figure to 18,617, for a usage of 4,602 gallons, and a bill of \$99.67.

Mr. Shriver stated that he had insured all water was off to his mobile home and that it was not possible to have used that much water when he was not even there. Therefore, he again contacted the Commission and registered his Second Complaint contesting the \$99.67 bill. He states that he has not paid this bill in an attempt to force the utility to cut him off again so that he would at least not have to worry about any more outrageous usage amounts, and that he would rather pay the reconnect fee than have to worry about these huge bills. For the Second Complaint, the amount in dispute is \$99.67 (includes the \$29.22 base facility charge).

Utility's Response

On February 4, 2003, the utility provided a reply to the First Complaint. The utility states that a monthly meter reading was conducted on November 20, 2002 (bill shows November 22, 2002, as the reading date), and a noticeable high water usage was observed. The utility investigated and found evidence of repair work that had been done prior to the meter reading, which extended from the meter box to Mr. Shriver's house. The utility further stated that the meter was read a little earlier than usual because of the Thanksgiving holiday.

Also, on January 20, 2003, a Flow Meter Accuracy Test was conducted by the Florida Rural Water Association, an independent testing company. The meter was found to be accurate. Mr. Shriver confirms that the test was done and that the meter was accurate.

The utility states that Mr. Shriver visited the company's office to pay his bill and agreed to pay the amount charged. The utility further states that Mr. Shriver admitted that he had a leak, had very low water pressure in the shower, and had made repairs. He paid his bill with a cashier's check on December 26, 2002. Also, the utility admits that it did initially receive a check from Mr. Shriver's wife, but that the double payment of the base facility charge was refunded and had already been taken into account.

In further response, the utility sent ten photographs of the customer's mobile home, lawn, and meter. These photographs showed what was purported to be the ground which had been dug up leading to Mr. Shriver's mobile home (indicating a pipe replacement), and also what appeared to be a commode and old rotted wood in the carport (indicating a water leak). The utility indicated that no adjustment to the bill would be made.

Staff Actions Prior to Informal Conference

For the First Complaint, Consumer Affairs (CAF) staff reviewed the company report on May 12, 2003. On May 13, 2003, staff's findings were shared with the customer. Mr. Shriver was not satisfied with the proposed resolution of the case, and stated that he checked the site prior to digging (and there was no obvious leak). He did admit to staff that 41 gallons were lost during the repair of his pipes (later changed this figure to as much as 63

gallons). The reason for the repair was that the customer could not get water to his shower, and required the replacement of one pipe in the home.

By letter dated May 22, 2003, Mr. David Hanna, State Circuit Rider District 3 of the Florida Rural Water Association, contacted CAF staff and stated the following with regard to the Second Complaint:

At the request of . . . Terra Mar Village Utilities, I performed a visual inspection of the service of Mr. Harold Shriver. Upon arrival, I immediately noticed the service line from the meter to the house had been repaired or replaced and that the ground had been disturbed recently and new plumbing installed. The service line was shutoff when I arrived so I opened the valve and noticed an obvious leak in the new plumbing installed and turned the service valve off immediately. No further investigations were possible due to this leak.

Based on this letter and the test showing the meter to be accurate, by letter dated May 30, 2003, CAF staff proposed to close the Second Complaint of Mr. Shriver. However, he again disagreed with staff's conclusions and requested an informal conference for this complaint also.

On July 14, 2003, Mr. Uddo from Terra Mar Village Utilities, contacted staff to discuss the case. Upon request of staff, the utility immediately provided a billing usage history. Also, upon request of staff, the utility provided documentation showing that there is a steady process of changing out meters and that Mr. Shriver was not singled out. In full settlement of the case only, the utility stated that it would credit Mr. Shriver's wastewater account with 5,000 gallons, as recognition that "maybe" half of the approximate 10,000 gallons used did not flow back through the sewage system.

Staff contacted Mr. Shriver on July 15, 2003, and he alleged that the water never flowed through his meter and that when the meter was installed, an extra 10,000 gallons were added to the meter. The customer said he believes the additional gallons were added to his meter to compensate the utility for credits it applied to his account (in another complaint made by Mr. Shriver, the utility had agreed that it would not collect approximately eight

months worth of base facility charges which would have totaled a little over \$200).

Mr. Shriver had requested an informal conference on both complaints, and the informal conference was scheduled and held on July 30, 2003. The utility chose not to participate. However, both Mr. Frank Uddo and Mr. Joe Uddo of the utility did request staff counsel to pass along their offer of settlement.

Informal Conference

During the informal conference, staff notes that Mr. Shriver admitted making some 22 repairs to his mobile home. The first and most obvious repair was made on or about November 10 and 11, when Mr. Shriver, working with a plumber, replaced the old and corroded pipe that led to his home. He also said that he could not get water to his shower and that, to do so, he had to replace a pipe in his mobile home. Mr. Shriver also admitted that a screw was cracked on his commode and that it was leaking and could not be made to seal, and that he replaced both the commode and the floor in the bathroom. Further, Mr. Shriver admitted that he was having problems with his washing machine such that he could not get the water to spin out and the water was backing up into his mobile home, and so he replaced the washing machine. These later repairs and replacements were made in the time period from January through early March 2003.

In addition, Wekiva confirmed that it had replaced Mr. Shriver's meter on March 26, 2002, and that the meter had been zeroed out. Moreover, Mr. David Hanna of the Florida Rural Water Association confirmed that he had done a meter test on January 20, 2003, and that the meter was accurate (he ran 5 gallons through the meter and it actually only read 4.9 gallons). Finally, by letter dated May 22, 2003, Mr. David Hanna said that he performed a visual inspection of the service of Mr. Shriver, and that he observed a leak in the new service lines which had been installed by a plumber hired by Mr. Shriver.

Notwithstanding all the above, Mr. Shriver alleges that Mr. Frank and Joe Uddo have manipulated the meter on both occasions to show the excessive use of over 10,000 gallons in November of 2002, and 4,602 gallons in April of 2003. Whether there has been meter tampering is a criminal action over which the Commission has no jurisdiction.

The Commission, however, does have jurisdiction over Mr. Shriver's billing disputes. Based on the above, staff recommends that the Commission deny both complaints filed by Mr. Shriver. The results of staff's investigation show that the meter appears to have started at zero and is accurate, and the rates charged appear to be correct. Moreover, there is evidence that Mr. Shriver was having problems with his piping, his commode, and his washing machine which might account for excessive usage.

On July 16, 2003, the utility filed an application for the Commission to approve the transfer of the utility's assets to the City of Edgewater (City). Pursuant to Section 367.071(4)(a), Florida Statutes, such transfer must be approved as a matter of right. The Commission has not yet acknowledged the transfer to the City, and the billing disputes involve billing cycles prior to the transfer. Therefore, the Commission has jurisdiction to resolve these complaints.

NOVEMBER 16, 2003

ISSUE 2: Should the docket be closed?

RECOMMENDATION: If no person whose substantial interests are affected by the proposed agency action files a protest within twenty-one days of the issuance of the order, a consummating order should be issued, and the docket closed. (JAEGER, K. SMITH)

STAFF ANALYSIS: If no person whose substantial interests are affected by the proposed agency action files a protest within twenty-one days of the issuance of the order, a consummating order should be issued, and the docket closed.