

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Complaint of Marlene) DOCKET NO. 940162-WU
Couchon against CONSOLIDATED) ORDER NO. PSC-94-1014-FOF-WU
WATER WORKS, INC. in Columbia) ISSUED: August 23, 1994
County regarding high bills.)
_____)

The following Commissioners participated in the disposition of this matter:

J. TERRY DEASON, Chairman
SUSAN F. CLARK
DIANE K. KIESLING

NOTICE OF PROPOSED AGENCY ACTION ORDER GRANTING IN PART
RELIEF REQUESTED IN CUSTOMER COMPLAINT

BY THE COMMISSION:

NOTICE IS HEREBY GIVEN by the Florida Public Service Commission that the action discussed herein is preliminary in nature and will become final unless a person whose interests are substantially affected files a petition for a formal proceeding, pursuant to Rule 25-22.029, Florida Administrative Code.

On February 11, 1994, the Commission received correspondence from Ms. Marlene Couchon regarding a contested amount of \$162.12 which was billed to her account by Consolidated Waterworks, Inc. (Consolidated or utility). The customer complained about her water consumption ranging from 22,000 to over 83,000 gallons which occurred during the months of August, September, and part of October of 1993. Prior to her written correspondence, Ms. Couchon first contacted the Commission by phone in mid-October, 1993, to verbally complain about the problem. Our Staff informally reviewed the situation, and tendered to the affected parties a resolution in a January 3, 1994, letter. The proposed resolution recognized previous billing inconsistencies in the account and offered a compromise based on prior consumption history. To settle the contested bill, the proposal suggested that Ms. Couchon pay Consolidated \$26.54.

In a February 1, 1994, letter to the Commission, Consolidated rejected the proposal to settle with Ms. Couchon. It objected to the proposal on the premise that the meter had been tested and showed that Ms. Couchon used the amount that was contested.

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FPSC-RECORDS/REPORTING

The contested water bill of \$162.12, covers the 1993 monthly billing periods of August at \$111.10, September at \$34.68, and part of October at \$16.34. Ms. Couchon's meter was bench tested on October 20, 1993, by an independent meter testing facility (Gainesville Regional Utilities), using acceptable methods. The results of the test showed an accuracy of 90% on low flow, 95% on medium flow, and 96% on high flow. The accuracy limits set forth in Rule 25-30.262, Florida Administrative Code, are 95%-101.5% on low flow, 98.5%-101.5% on medium flow, and 98.5%-101.5% on high flow. As the test results show, the percentages at any flow rate fell below the limits of accuracy set out in the above mentioned rule. However, the fact the meter registered less than 100%, actually benefited the customer by receiving 4% to 10% of the water usage without it registering on the meter.

Although the meter appears to have been properly tested by using acceptable methods and equipment as required by Commission rule, we cannot verify any of the steps taken by the utility that led up to the actual bench test. Procedurally, the utility did not adhere to Rule 35-30.266, Florida Administrative Code, in ascertaining the above mentioned test results. This rule specifies that the Commission may provide a representative to observe or supervise the bench test. The Commission had no knowledge about the test until some time after the occurrence. This rule also requires that the utility shall advise the customer of the right to witness the bench test. The customer was not advised, nor was the customer given the opportunity to choose the meter testing facility as required in the rule. In the same respect, this rule allows the utility to defray the cost of any requested bench test, and retain the deposit if the meter was found to register accurately or below accuracy. In this case, the utility absorbed the expense of the bench test by not requiring a deposit.

Although Consolidated did not strictly adhere to the procedures as detailed in the testing by request rule, we believe that the results were accurate and should be accepted as true. The Commission has verified through the meter identification number and gallonage registry, that the meter tested was in fact the meter located at the complainant's location.

The complainant has been a customer of the utility since the early 1980's. Until the period in question, Ms. Couchon had regularly paid for services provided. A review of the records indicate that there have been past metering problems, all to the detriment of the utility. In fact during most of 1992, the meter used at that time was apparently stuck, and the account was billed only the base facility charge with no gallonage charge. Although there was an obvious problem, the meter was not changed out until

January, 1993, roughly 13 months after the meter showed no usage. There were continued problems concerning meter reading accuracy even after the meter was replaced. From February through June of 1993, the utility's reader had misread the meter by dropping off the last digit. As a result, there were still no signs indicating high usage problems. Therefore, the customer was inadvertently misled as to the actual usage by a factor of 10. This meant that instead of consumption of 2,204 gallons for February, 2,371 gallons for March, 5,953 gallons for April, 5,271 gallons for May, and 8,505 gallons for June, the approximate usage was actually 22,040, 23,710, 59,530, 52,710, and 85,050 gallons respectively.

Based on the customer's consumptive use history for 1989, 1990, and 1991, the average month usage was 10,462 per month. For approximately 18 months (1992 through mid 1993), usage was not recorded properly. Records show that for 18 months prior to the contested period, the utility was negligent in billing this account properly. It is possible that Ms. Couchon could have avoided the problem if she was supplied with reliable consumption information that showed higher usage. It was not until the July, 1993, billing of the actual gallonage, 46,000 gallons, that the customer became fully aware that there may be a usage problem. In mid-September, 1993, when she received the August billing showing a usage of over 83,000 gallons, the complainant contacted the utility about the high usage. Also, at that time she had a plumber check for leaks on her property. The plumber found no leaks, and the meter was replaced in mid-October of 1993, approximately one month after a problem was first noted by Ms. Couchon.

Usage of over 22,000 gallons was recorded for September, and since the meter was changed out, consumption has averaged 8,500 gallons a month. Ms. Couchon believes that the excessive amount was caused by the utility's inaccurate meter. Since the testing of the meter showed no significant problems, we believe that the readings were reflective of actual usage. What remains unanswered is the cause of the high usage. The Commission cannot determine how the water was used. Based on the meter readings and meter test results, Ms. Couchon's bills during the period in question reflected actual usage. However, the circumstances that surround her high usage suggests an element of doubt as to the utility's handling of the situation. We believe that the utility did not act properly in providing the customer with the best service possible when it came to billing information.

Since we believe that meter readings showing consumption during the period in question were reflective of actual usage, Ms. Couchon does have a responsibility to pay for that usage. However, we also believe that the utility should share equal responsibility

since it failed to keep accurate consumption data, and did not procedurally adhere to the rule concerning meter testing. Therefore, we find an adjustment is warranted. The complainant should be responsible for 50% of the outstanding amount. To help relieve the possibility of a financial hardship by being required to pay the amount owed, the utility shall be required to allow the customer up to three months for payment of the outstanding amount.

Based on the foregoing, it is, therefore,

ORDERED by the Florida Public Service Commission that Ms. Marlene Couchon should pay Consolidated Waterworks, Inc., \$81.06 for water usage in August, September, and part of October 1993. It is further

ORDERED that this payment shall be made over a three month period. It is further

ORDERED that the provisions of this Order, issued as proposed agency action, shall become final and effective unless an appropriate petition, in the form provided by Rule 25-22.036, Florida Administrative Code, is received by the Director, Division of Records and Reporting, 101 East Gaines Street, Tallahassee, Florida 32399-0870, by the close of business on the date set forth in the "Notice of Further Proceedings or Judicial Review" attached hereto. It is further

ORDERED that in the event this Order becomes final, this Docket should be closed.

By ORDER of the Florida Public Service Commission, this 23rd day of August, 1994.

BLANCA S. BAYÓ, Director
Division of Records and Reporting

by: Kay Hizon
Chief, Bureau of Records

(S E A L)

MSN

Note: Commissioner Kiesling dissented.

NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.59(4), Florida Statutes, to notify parties of any administrative hearing or judicial review of Commission orders that is available under Sections 120.57 or 120.68, Florida Statutes, as well as the procedures and time limits that apply. This notice should not be construed to mean all requests for an administrative hearing or judicial review will be granted or result in the relief sought.

The action proposed herein is preliminary in nature and will not become effective or final, except as provided by Rule 25-22.029, Florida Administrative Code. Any person whose substantial interests are affected by the action proposed by this order may file a petition for a formal proceeding, as provided by Rule 25-22.029(4), Florida Administrative Code, in the form provided by Rule 25-22.036(7)(a) and (f), Florida Administrative Code. This petition must be received by the Director, Division of Records and Reporting, 101 East Gaines Street, Tallahassee, Florida 32399-0870, by the close of business on September 13, 1994.

In the absence of such a petition, this order shall become effective on the day subsequent to the above date as provided by Rule 25-22.029(6), Florida Administrative Code.

Any objection or protest filed in this docket before the issuance date of this order is considered abandoned unless it satisfies the foregoing conditions and is renewed within the specified protest period.

If this order becomes final and effective on the date described above, any party adversely affected may request judicial review by the Florida Supreme Court in the case of an electric, gas or telephone utility or by the First District Court of Appeal in the case of a water or wastewater utility by filing a notice of appeal with the Director, Division of Records and Reporting and filing a copy of the notice of appeal and the filing fee with the appropriate court. This filing must be completed within thirty (30) days of the effective date of this order, pursuant to Rule 9.110, Florida Rules of Appellate Procedure. The notice of appeal must be in the form specified in Rule 9.900(a), Florida Rules of Appellate Procedure.