DECISION MEMORANDUM

TO:COMMISSIONER NELSON

COMMISSIONER SMITH

COMMISSIONER HANSEN

MYRNA WALTERS

TONYA CLARK

DON HOWELL

STEPHANIE MILLER

DAVE SCHUNKE

GARY RICHARDSON

BEV BARKER

JUDY STOKES

DON OLIASON

WORKING FILE

FROM:SCOTT WOODBURY

DATE:NOVEMBER 22, 1996

RE:CASE NO. UWI-W-96-5

OYLER V UNITED WATER

On September 16, 1996 Dr. Dick L. and Reta J. Oyler filed a complaint (attached) against United Water Idaho Inc. with the Idaho Public Utilities Commission (Commission).  The Oylers have been unable to reach a mutually agreeable solution with United Water regarding a billing dispute.  The Oylers received a billing statement for the period March 26, 1996—May 24, 1996, in the amount of $688.31 for 73,700 cubic feet of water.  The Oylers believe that they did not use the amount of water for which they are being billed.  United Water believes that the meter measurement and billing are correct and that the water that flowed through the meter simply drained into a dual irrigation system due to an incorrect valve configuration.  United Water has encountered other instances of “wasted water” due to incorrect valve settings in the subdivision where Dr. Oyler lives.  The Oylers were offered a one time billing adjustment, with the Company agreeing to write off 1/2 of the usage in excess of normal consumption levels.  Water consumption for the same period in 1995 was 4,700 cubic feet.  The Company proposed a total adjustment of $316.19.  The Oylers continue to disagree with the amount of the adjustment and filed a complaint asking that the Company write off the entire $688.31 bill.  Pursuant to Commission Rules the Company has agreed not to discontinue water service to the Oylers while their complaint is pending.

On October 29, 1996 United Water filed an answer to the Oyler complaint.  (Attached)  United Water field personnel performed several inspections to investigate for leakage or other explanations for high consumption.  No evidence of leakage was discovered.  Based on its testing of the meter United Water believes with certainty that 73,700 cubic feet water was actually consumed during the period in question for reasons that are beyond the control of the Company.  United Water has offered to adjust the Oyler bill in accordance with its policy on adjustments for leakage.  Under that policy, the Company subtracts the normal usage from the disputed usage and then applies a credit equal to 1/2 the difference.  United Water remains willing to apply this adjustment.  United Water requests that the Commission find and conclude that the consumption complained of is beyond the control of United Water and that the complainants are fully responsible for the water metered.

On November 12, 1996 Dr. Oyler filed a letter response (attached) noting that although no evidence of leakage was discovered, Company investigators agreed that the valve configuration made it improbable (if not impossible) that the water went into the irrigation system.  Certainly he contends no explanation of water consumption comes by reason of fact or proof.

On November 16, 1996 an engineering report (attached) was prepared by Commission Staff and distributed to parties by letter dated November 19.  Staff concludes that although it seems unlikely that the water flowed into the pressurized irrigation system (five valves would have to be open), the meter tested for accuracy and its reading (73,700 cubic feet) should be accepted.  Once metered the water, Staff contends, flowed into the piping and plumbing owned by the customer and out of the Company’s control.  Staff believes the Company’s proposed resolution is reasonable.

Commission Decision

The Oylers and Company agree that the filings of record correctly frame the issue for Commission decision.  Does the Commission believe that further procedure is required, i.e., an evidentiary hearing?  If not, does the Commission based on the filings of record find that the Company’s meter was accurate and measured 73,700 cubic feet?  Does the Commission find that once metered the water flows into the piping and plumbing owned by the customer and out of the Company’s control?  Does the Commission find that the customer is responsible for the cost of metered water?  Does the Commission find that the Company’s proposed resolution and adjustment is reasonable?  If the customer refuses to pay for consumption above normal usuage should the Company be required to pursue its collection remedies in court?  Should the Company be permitted to discontinue water service for non-payment?

Scott Woodbury

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