

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

KURT AND LAYNE NETHERTON)	
)	
COMPLAINANTS)	
V.)	CASE NO.
)	2014-00141
KENTUCKY-AMERICAN WATER COMPANY)	
)	
DEFENDANT)	

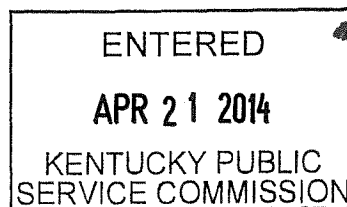
ORDER TO SATISFY OR ANSWER

Kentucky-American Water Company ("Kentucky-American") is hereby notified that it has been named as defendant in a formal complaint filed on March 31, 2014, a copy of which is attached hereto.

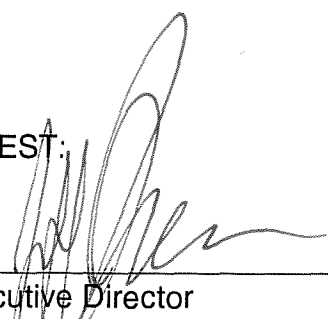
Pursuant to 807 KAR 5:001, Section 19, Kentucky-American is HEREBY ORDERED to satisfy the matters complained of or file a written answer to the complaint within ten days of the date of service of this Order.

Should documents of any kind be filed with the Commission in the course of this proceeding, the documents shall also be served on all parties of record.

By the Commission



ATTEST:



Executive Director

ATTACHMENT

ATTACHMENT TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2014-00114 DATED **APR 21 2014**

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COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

MAR 31 2014

PUBLIC SERVICE COMMISSION

In the matter of:

Kurt and Layne Netherton
COMPLAINANT

VS.

Kentucky American Water Company
DEFENDANT

RECEIVED
APR 15 2014
GENERAL COUNSEL

COMPLAINT

The complaint of Kurt and Layne Netherton respectfully shows:

(a) Kurt and Layne Netherton
3649 Winding Wood Lane
Lexington, KY 40515

(b) Kentucky American Water Company
PO Box 371880
Pittsburgh, PA 15250-7880

(c) That: Complainant received two excessively high and clearly incorrect water bills for the following time frames and usage quantities:

1. 11/6/13-12/5/13 for 145,860 reported gallons of water usage for a bill totaling \$836.79
2. 12/6/13-01/7/14 for 103,972 reported gallons of water usage for a bill totaling \$607.40

--this is a grand total of 249,832 gallons of water reportedly used by two people in 63 days.

--this is clearly impossible and obviously incorrect and the subsequent facts will attempt to prove this

Prior to these two bills, our average water bill usage was approximately 6,170 gallons per month, with exception of the August and September bills. The August and September bills brought our average usage to approximately 8,353 gallons per month. The additional water usage for August and September, related to us watering our lawn, which is an event that is atypical of a normal usage month.

We just received our latest water bill for the time frame of 1/8/14 to 3/6/14 and the usage for 58 days was 9,724 gallons, or approximately 168 gallons per day. This average daily usage is in line with the usage of the other normal months.

We have two people in our household, and a child that stays with us every other weekend. We have verified that there are no leaks on the property, internal or external. We firmly assess that there is absolutely no way that we could have consumed anywhere close to the amount of water that has been reported by Kentucky American Water Company.

We are including two exhibits—exhibit A shows the water usage per the KAWC invoices since we moved into our home in May of 2013.

EXHIBIT A

*Kentucky American Water Company
Invoice and Water Usage Recap*

<u>Bill Date</u>	<u>Beginning Billing Period</u>	<u>Ending Billing Period</u>	<u>No of Days</u>	<u>Beginning Meter Reading</u>	<u>Ending Meter Reading</u>	<u>Water Usage</u>	<u>Water Usage in Gallons</u>	<u>Bill Amount</u>	<u>Gallons Used Per Day</u>
3/7/2014	1/8/2014	3/6/2014	58	684	690	97.24	9,724	\$ 80.80	168
1/13/2014	12/6/2013	1/7/2014	33	545	684	1,039.72	103,972	\$ 607.40	3,151
1/8/2014	11/6/2013	12/5/2013	30	350	545	1,458.60	145,860	\$ 836.79	4,862
11/7/2013	10/8/2013	11/5/2013	29	341	350	67.32	6,732	\$ 53.25	232
10/9/2013	9/7/2013	10/7/2013	31	321	341	149.60	14,960	\$ 102.64	483
9/11/2013	8/8/2013	9/6/2013	30	307	321	104.72	10,472	\$ 78.68	349
8/9/2013	7/10/2013	8/7/2013	29	299	307	59.84	5,984	\$ 73.53	206
7/11/2013	6/7/2013	7/9/2013	33	292	299	52.36	5,236	\$ 65.36	159
6/12/2013	5/4/2013	6/6/2013	34	283	292	67.32	6,732	\$ 73.90	198

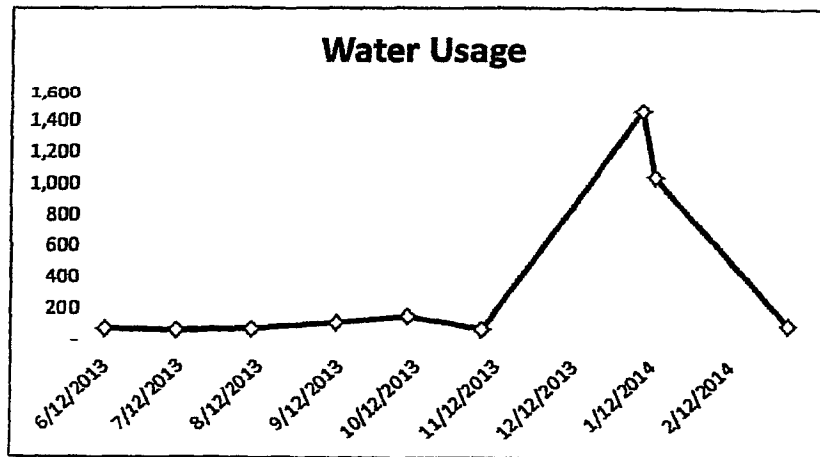


EXHIBIT B

Kentucky American Water Company
Daily Water Usage Analysis
3649 Winding Wood Lane, Lexington, KY 40515

Assumptions:

- 2 people living in home on a daily basis
- 1 additional person living in home every other weekend; or 5 visits in 63 days
- daily/weekly water consuming activities are as follows:
 - showering
 - brushing teeth
 - shaving
 - using the toilet
 - washing hands
 - doing laundry
 - running dishwasher

Showering

Assume 2 adults shower every day, twice a day
Assume 1 child showers every day for 5 visits of 3 days each
Assume 10 minute shower
Assume 4 gallons used per minute

126 No. of Adult 1 showers taken in 63 days
126 No. of Adult 2 showers taken in 63 days
15 No. of Child showers taken in 63 days
267 Total Showers taken by household members in 63 days
40 Gallons of water used per shower
10,680.00 No. of gallons of water used for showers by household members in 63 days

Brushing Teeth

2 No of people brushing teeth per day
2 No of teeth brushings per person per day
4 No of teeth brushings per day
63 No of days in question
252 Total no of teeth brushings by household members in 63 days
1 No. of gallons of water used per teeth brushing
252.00 No. of gallons of water used for brushing teeth by household members in 63 days

Shaving

1 No of shavings per day
63 No. of days in question
63 Total Shavings by household members in 63 days
10 No of gallons of water used per shaving
630.00 No. of gallons of water used for brushing teeth by household members in 63 days

Toilet Usage

4 No. of flushes per day
63 No of days in question
252 Total no of toilet flushings in 63 days
5 No. of gallons of water used per toilet flushing
1,260.00 No. of gallons of water used for toilet flushings by household members in 63 days

Washing Hands

5 No. of hand washings per day
63 No of days in question
315 Total no. of hand washings in 63 days
2 No. of gallons of water used per toilet flushing
630.00 No. of gallons of water used for washing hands by household members in 63 days

Doing Laundry

2 No. of loads washed per week
8 No. of weeks in question
16 No. of loads of laundry washed in 63 days
50 No. of gallons of water used per load
800.00 No. of gallons of water used for doing laundry in 63 days

Running Dishwasher

5 No. of dishwasher runs per week
8 No. of weeks in question
40 No. of dishwasher runs in 63 days
10 No. of gallons of water used per dishwasher run
400.00 No. of gallons of water used for dishwashing in 63 days

14,652.00 Total No. of gallons of water used for all water activities in 63 days
233 Average daily gallons of water used

As you can see from this analysis, even on this "worst case scenario", only accounts for 14,652 gallons of water used in 63 days, which is the time frame that the water company is incorrectly reporting usage of 249,832 gallons consumed. There is simply no way the usage billed could be correct.

The difference in the gallons used and the estimated gallons used per this analysis during that time frame is approximately 235,180 gallons. That is a substantial amount of water usage. To illustrate how much water usage that actually is, please see the examples below:

1. Filling up an entire swimming pool uses approximately 19,000 gallons of water. The amount of water in question is the equivalent to filling up over 12 swimming pools. We don't own a swimming pool, and we certainly did not fill up 12 swimming pools, especially in November and December.
2. An average shower uses 40 gallons of water. To account for the 235,180 gallons of overbilled water, we would have had to have taken 5,880 additional showers in the 63 days in question. That equates to over 93 additional showers per day.
3. Let's assume all five toilets in our home leaked all day long for 63 days. At a rate of 200 gallons per day, that would only account for 63,000 gallons of water. As mentioned before, we have verified that not one of our toilets was leaking at any time during that period but if all were leaking the entire time, it still would be far short of the 235,180 gallons of overbilled water.
4. Let's assume we turned on one faucet in our home and allowed it to run 24 hours a day for 63 days. Assuming a running faucet uses 1.375 gallons of water per minute and there are 1,440 minutes in a day; that would account for only 124,740 gallons of water. I can assure you this

would never happen in our home but even if it did, the usage would be far short of the 235,180 gallons of overbilled water.

We can continue to illustrate the impossibility of the billing scenario that we've been presented, but we believe the point is evident—it's simply not possible that the billing is correct.


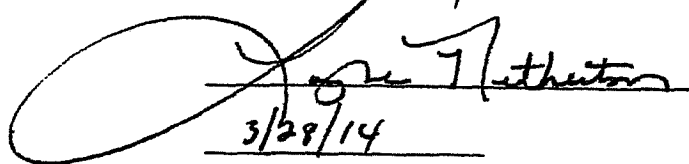
We realize that the meter was tested and the results show that the meter was correctly measuring water flow at the time of the test. However, there is no test that can prove any of the following critical issues:

1. The meter was measuring correctly at the time the usage was recorded in November and December
2. The meter did not incur other mechanical malfunctions such as, but not limited to, the gauge working improperly at the time of the incorrect readings
3. The meter was not manually tampered with by any number of outside factors
4. The meter was not misread, possibly more than once
5. The equipment used to read the meter was either not the correct equipment or that equipment was not functioning correctly

These are just a few examples of circumstances that could have occurred to cause an incorrect reading.

Wherefore, complainant asks Kentucky American Water Company to rebill our account, based on the average usage for other months and report to LexServ City Services that there has been an error in the reading, such that LexServ will also adjust their billing to reflect the average usage of the other months as well. Specifically, we request the two bills listed in item (c) be adjusted from \$607.40 and \$836.79 to no more than \$75 and \$75 respectively.

Dated at Lexington, Kentucky, this 28th day of March, 2014.



3/28/14

Kurt and Layne Netherton
3649 Winding Wood Lane
Lexington, KENTUCKY 40515

Cheryl D Norton
President
Kentucky-American Water Company aka Kentucky
2300 Richmond Road
Lexington, KY 40502