

**DAMON R. TALLEY, P.S.C.**

112 N. LINCOLN BLVD.  
P.O. BOX 150  
HODGENVILLE, KENTUCKY 42748

TEL. (270) 358-3187  
FAX (270) 358-9560

DAMON R. TALLEY

ATTORNEY AT LAW

December 19, 2005

Ms. Beth O'Donnell  
Executive Director  
Public Service Commission  
P.O. Box 615  
Frankfort, KY 40602

RECEIVED

DEC 20 2005

PUBLIC SERVICE  
COMMISSION

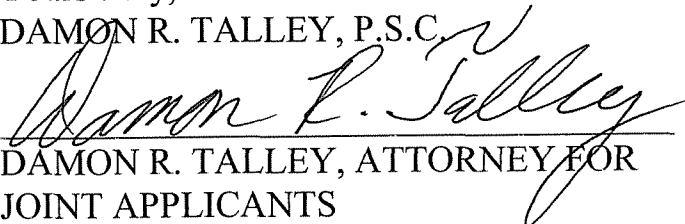
RE: Case No. 2005- 00433  
Transfer Application  
Proposed Transfer of Stock from  
Nuon Global Solutions USA BV to  
Hydro Star, LLC

Dear Ms. O'Donnell:

Enclosed for filing are the original and eight (8) copies of the Joint Applicants' Response to the First Data Request of Commission Staff.

Yours truly,

DAMON R. TALLEY, P.S.C.

  
DAMON R. TALLEY, ATTORNEY FOR  
JOINT APPLICANTS

DRT:ms

Enclosures

cc: David Spenard, Attorney General's Office

IN THE MATTER OF:

THE JOINT APPLICATION OF )  
NUON GLOBAL SOLUTIONS USA, BV, )  
NUON GLOBAL SOLUTIONS USA, INC., )  
AIG HIGHSTAR CAPITAL II, LP, )  
HYDRO STAR, LLC, UTILITIES, INC. )  
AND WATER SERVICE CORPORATION )  
OF KENTUCKY FOR APPROVAL OF AN )  
INDIRECT CHANGE IN CONTROL )  
OF A CERTAIN KENTUCKY UTILITY )  
PURSUANT TO THE PROVISIONS OF )  
KRS 278.020 (5) AND (6) AND )  
807 KAR 5:001 (8) )

CASE No. 2005-00433

\*\*\* \*\*

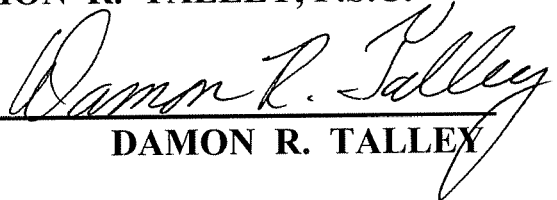
**RESPONSE OF JOINT APPLICANTS**  
**TO FIRST DATA REQUEST**  
**OF COMMISSION STAFF**

\*\*\* \*\*

Come the Joint Applicants, Nuon Global Solutions USA B.V. (“Nuon BV”), Nuon Global Solutions USA, Inc. (“Nuon USA”), AIG Highstar Capital II, LP (“Highstar”) Hydro Star, LLC (“Hydro Star”), Utilities, Inc. (“Utilities”) and Water Service Corporation of Kentucky (“Water Service”), (the “Joint Applicants”), and for their Response to the First Data Request of Commission Staff, state as shown on the following pages:

Respectfully submitted this 20<sup>th</sup> day of December, 2005.

**DAMON R. TALLEY, P.S.C.**

BY:   
**DAMON R. TALLEY**

**DAMON R. TALLEY, P.S.C.  
P.O. BOX 150  
HODGENVILLE, KY 42748  
270-358-3187 FAX: 270-358-9560  
COUNSEL FOR NUON BV, NUON  
USA, HIGHSTAR, HYDRO STAR,  
UTILITIES, INC. AND WATER  
SERVICE  
drtalley@alltel.net**

**CERTIFICATE OF SERVICE**

This is to certify that a true copy of the foregoing pleading was served by first class U. S. Mail, postage prepaid, or hand delivered, this 20<sup>th</sup> day of December, 2005 to the following:

Honorable David E. Spenard  
Assistant Attorney General  
1024 Capital Center Drive, Suite 200  
Frankfort, KY 40601-8204

  
**DAMON R. TALLEY**



Q1. KRS 278.020(5) provides that before approving the transfer of stock as proposed, the Commission must find that the acquiring company, Hydro Star, “[h]as the financial, technical, and managerial abilities to provide reasonable service.” Provide documentary evidence showing that Hydro Star has the financial, technical, and managerial abilities to operate Water Service.

**RESPONSE:**

Hydro Star, LLC (“Hydro Star”) is owned 100% by AIG Highstar Capital II, L.P. (“Highstar”) and its affiliated funds. Hydro Star is a single purpose entity that was created to purchase 100% of the shares of Nuon Global Solutions USA, Inc. (“Nuon USA”) from Nuon Global Solutions USA, BV (“Nuon BV”). Nuon USA owns 100% of the shares of Utilities, Inc. (“Utilities”), which, in turn, owns 100% of the shares of Water Service Corporation of Kentucky (“Water Service”).

The Highstar team manages two funds with an aggregate \$1.2 billion, of which Highstar, the owner of Hydro Star, comprises \$800 million of capital. In response to the Kentucky Public Service Commission’s inquiries, Highstar provided its financial statements, all of which are confidential and cannot be made public.

As a result of the pending transaction, there is only an *ownership change* of the grandparent of Water Service – Hydro Star will replace Nuon BV as the 100% equity owner of Nuon, USA. Utilities management has the technical and managerial experience and expertise to ensure that Water Service continues to operate its facilities in such a manner that its customers will continue to receive the same level of reliability and service quality that they currently receive. Hydro Star does not contemplate any changes in the existing senior management and officers of either Utilities or Water Service. Water Service will continue to have proven management experience and capability to provide safe, adequate, reasonable, and reliable service to its customers.

Through its investment in Hydro Star, the Highstar team will provide financial and managerial support to the Utilities team in its management of Water Service. The Highstar team consists of individuals with many years of operating and investing experience in infrastructure assets and businesses. Not only does this enable the Highstar team to identify, evaluate, and complete new acquisitions, but it affords current Highstar portfolio companies the expertise of the Highstar team members in critical areas of business development, strategy, accessing capital, operations, and governance.

Highstar creates value in its portfolio companies by:

- Actively participating in the direction and success by appointing representatives on boards of directors and/or placing Highstar team members in key management roles to assist the management team
- Identifying and pursuing opportunities to grow the business organically and through acquisitions
- Assisting the companies in accessing additional growth capital with the most favorable financing terms
- Tapping the Highstar team's network of resources and expertise to identify growth opportunities

The Highstar team has considerable experience with water and waste water businesses, as well as other regulated assets. Highstar Managing Director John Stokes has extensive experience in the water business over seven years. He was President and CEO of a business that not only owned 22 regulated water and wastewater utilities, but also provided engineering, construction, operations, and related services to municipal utilities across much of the U.S. and Canada. Mr. Stokes has developed close working relationships over his career with the sector's leading engineering consultants, investment bankers, regulators and regulatory counsel, and specialty advisers. He also has wide industry contacts

and has known the Utilities senior management team since 1998, even before n.v. Nuon (“Nuon”) became the owner. In addition, other members of the Highstar team have been officers of regulated utilities and pipelines. For approximately three years, Highstar Managing Director Michael Walsh was the CEO of Southern Star Central Gas Pipeline, Inc., an approximately 6,000-mile, Federal Energy Regulatory Commission (FERC) regulated interstate natural gas pipeline and storage system. During his tenure as CEO, Mr. Walsh led the Southern Star team through a rate filing with the FERC. The Highstar team’s operating experience and expertise, combined with its financial skills and access to capital, will be a major value driver in the continued success of Utilities and Water Service.

**WITNESS: WITNESSES: John Stokes**, Managing Director, AIG Highstar Capital II. LP (“Highstar”) and President of Hydro Star, LLC (“Hydro Star”) and **Steven M. Lubertozi**, Director of Regulatory Accounting, Utilities, Inc. (“Utilities”).





Q2. KRS 278.020(6) provides that the Commission must find that the proposed transaction “[i]s to be made in accordance with law, for a proper purpose and is consistent with the public interest.” Explain how the proposed transaction benefits the public.

**RESPONSE:**

As a result of the pending transaction, there is only an *ownership change* of the grandparent of Water Service – Hydro Star will replace Nuon BV as the 100% equity owner of Nuon USA. It is expected that Utilities management will continue to ensure that Water Service operates its facilities at the same level of reliability and service quality that it currently provides its customers. Hydro Star does not contemplate any changes in the existing senior management and officers of either Utilities or Water Service. Water Service will continue to have proven management experience and capability to provide safe, adequate, reasonable, reliable, and proper service to its customers.

If the proposed transaction is not approved, Water Service will still be owned and controlled by Nuon, a diversified energy company operating in the Netherlands, Germany, and Belgium, that seeks to divest its ownership interests in Water Service and in the U.S. water and wastewater business. Approval of this transaction maintains Utilities’ control and management of Water Service.

Thus, Water Service can continue to avail itself of Utilities proven experience and expertise. Transaction approval will afford Hydro Star the opportunity to invest additional capital into Utilities in order to fuel the growth of its current portfolio of utilities, including Water Service, and/or expand through the acquisition of other utilities in current or new U.S. markets.

**WITNESS:** John Stokes and Steven M. Lubertozi.

\*



Q3. In response to Item 15 (c) and (e) of the First Data Request of Commission Staff in Case No. 2005-00323, Applicants state that Water Service is funded by equity from Utilities and that these capital infusions will continue post-closing. For each capital infusion that occurred during the 4-year period of 2000 through 2004, provide the following information:

- a. The date and amount.
- b. The reason for the infusion.
- c. The source (e.g., debt, stock, internal cash reserves, parent, etc.). If debt, include the interest rate and the party that issued the debt. If stock, include the party that issued the stock.
- d. Explain the impact the stock transfer will have upon Utilities' ability to obtain capital.

**RESPONSE:**

Water Service was created on April 12, 2002 for the purposes of acquiring the assets of AQUA/KWS, Inc. and operating those water systems. The Commission approved the transfer of assets on June 14, 2002<sup>1</sup>. Water Service acquired those assets and commenced operations during the first quarter of 2003.

Utilities has infused over \$200,000 to fund over 40 capital projects undertaken and completed by Water Service during the short time that Water Service has owned and operated the Kentucky facilities.

---

<sup>1</sup> See PSC Case No. 2002-00142

Approval of the proposed stock transfer will enhance Utilities ability to obtain capital because it will gain additional access to capital markets.

**WITNESS:** Steven M. Lubertozi



Q4. In response to Item 25(b) of the First Data Request of Commission Staff in Case No. 2005-00323, Applicants state that a copy of the written standards or policies of Utilities and Water Service is attached; however, the copy was not included in the response. Provide all written standards or policies related to service quality and reliability of Water Service's operations.

**RESPONSE:**

A copy of the relevant policies and procedures of Utilities and Water Service is attached as **Exhibit 4**.

**WITNESS:** Steven M. Lubertozzi



# EXHIBIT 4

## SERVICE ORDER PROCEDURES

The service order system is designed to keep track of customer billing questions, water quality issues, and service requests. Service orders become a part of the customer's permanent record. The information is used to track water quality issues, meter reading issues, billing and service issues. Reports are run regularly and are reviewed by management. The reports are also used by customer service representatives when making follow-up calls. State commissioners will occasionally request these reports when rate cases are filed.

Service orders are divided into two classes: A for accounting and Q for quality.

ORDER NUMBER - 778937		SHANNON GOSS		919 261-8897
1-Type-	2-Sub-	3-Fld Oper-	4-Due Dt-	5-Follow-
A 1 HIGH BILL	A 18 READ METER	A 19 TEST METER	Q36 CLOGGED SEWER	Q37 ODOOR IN SEWER
A 2 BROKEN/REPLACE METER	A 20 MISC SERVICE ORDER	A 21 HIGH/LOW CONSUMPTION	Q38 NOISE IN SEWER	Q39 LIFT STATION SEWER
A 3 COMMISSION COMPLAINT	A 22 TEMP SERVICE ON/OFF	A 23 VACANT STATUS	Q40 LAWN REPAIR/SEWER	Q41 MISC SWR COMPLAINT
A 4 REUSE TAP	A 24 MISC ACCT ADJUSTMENT	A 25 PAYMENT EXTENSION	Q42 MISC WTR COMPLAINT	Q43 NO WATER
A 5 STUCK/FROZEN METER	Q26 MAIN BREAK WATER	Q27 BROKEN SERV LINE WTR	Q44 HIGH/LOW PH	Q45 ROAD REPAIR W/S
A 6 BROKEN REMOTE WIRE	Q28 HIGH/LOW PRESSURE W	Q29 DISCOLORED WATER	Q46 NOT OUR PROBLEM	Q47 CUST PROBLEM - WATER
A 7 INSTALL NTR/REMOTE	Q30 MINERAL AMOUNT WATER	Q31 AIR IN WATER	Q48 CUST PROBLEM - SEWER	Q49 S/D ENTERED IN ERROR
A 8 WATER TAP	Q32 TASTE/ODOOR OF WATER	Q33 LAWN REPAIR/WATER	Q50 SERVICE ORDER TEST	
A 9 SEWER TAP	Q34 MAIN BREAK SEWER	Q35 BROKEN SERV SEWER		
A10 RE-READ METER				
A11 MISC ACCT COMPLAINT				
A12 FINAL/NEW READ				
A13 TURN ON SERVICE				
A14 SHUT OFF SERVICE				
A15 LOCATE LINE/VALVE				
A16 REPLACE NTR CUR/BOX				
A17 LEAK				

It is vital that CSRs annotate the customer's exact problem or issue so that a reasonable and complete resolution can be provided.

- 1) When a customer calls in with a water quality or billing issue or a service request, a service order is produced. The customer's name and phone number is included with every service order.

2) CSRs need to include sufficient information on service orders for field personnel to effectively respond to various situations. CSRs should make sure that they obtain a telephone number or contact number from the customer, especially in emergency situations.

3) In some instances, CSRs can answer customer inquiries without the aid of the field representatives just by listening closely to the customer's complaint. Is this a seasonal customer, one that's been on vacation or had guests visiting? Have there been extremes in the weather during the billing period in question? Have they experienced plumbing problems? If a call can be handled by a CSR by asking the customer a few questions, everyone benefits.

4) The service orders are faxed to the various field offices for resolution. In some areas, service operators pick up the service orders on a daily basis. A copy is kept on file and checked on a daily basis.

5) Service operators **must complete** water-quality related service orders within 24-hours and returned to the billing office so that the order can be closed in the computer files. Other types are returned within 24-48 hours where feasible.

6) CSRs will review open service orders that relate to water quality issues daily. Any service order that is remains incomplete will be refaxed to the field office for resolution.

## Service Order Procedures

*Service orders are issued for the following situations: numbers listed correspond to numbers on the service order screen.*

### **High Bill Complaint (A1)**

1) When the customer calls, the CSR will ask the customer to reread the inside meter. If the meter reading is correct, provide the customer information on leak detection. If the customer insists that they do not have any leaks, offer to schedule an appointment with a service operator who will check for leaks. CSRs will schedule this appointment, in most cases, as they maintain the calendar of appointments.

2) A long-print version of the service order will be provided to the service operator so that he can see the customer's consumption history. The service operator will then reread the meter and check for possible leaks or problems with the water softener. The service operator will note all pertinent information on the service order.

See Service Order, long version, that follows.

ORDER NUMBER 696962 00282 TWIN LAKES UTILITIES, INC FIELD OPERATOR - ENTERED 03/31/03  
 URSO(2) SERVICE ORDER

ACCOUNT NO - 00282 100565 1 SUBDIVISION - TWIN LAKES  
 CUSTOMER NAME AND ADDRESS BILLING ADDRESS WORK ORDER INSTRUCTIONS ORDER TYPE  
 GEORGE SMITH FOLLOW-UP DATE - 04/30/03 13  
 4153 OAKMONT CRT ENTRY OPERATOR - SUSANNES TURN ON  
 CROWN POINT IN 46307 ORDER DUE DATE - 03/31/03

CURRENT STATUS STATUS DATE STATUS COMMENT TYPE TYPE DESCRIPTION START DATE RDC  
 A ACTIVE 11/15/99 GFW 04/02 RETURNING WILL CALL

TYPE	METER NUMBER	INSTALLED	MTR MAKE	SIZE	MTR CONV	METER LOCATION	METER COMMENT	DIGITS1	DIGI
S	96576705	09/04/96	BADGER	5/8	1	OS LEFT			

PRIOR BALANCE	BILLED AMOUNT	ADJUSTMENT AMOUNT	PAYMENT AMOUNT	CURRENT BALANCE
0.00	28.34	0.00	28.34	0.00

CURR	MTR READ 1	MTR READ 2	CONSUMPTION	READ DATE	EST	BCODE	CODE DESCRIPTION	PRO	CODE MULT	OTHER
						0028001	5/8" METER			FL ADI
PR1	318700		600	04/11/03		0028021	RES SEWER			457 TA
PR2	318100		0	02/12/03						MARCO
PR3	318100		4200	12/11/02						SPOUSE
PR4	313900		4600	10/11/02						219 66
PR5	309300		6300	08/13/02						EMPLOY
PR6	303000		4900	06/10/02						
PR7	298100		300	04/11/02						
PR8	297800		0	02/12/02						
PR9	297800		3500	12/11/01						OWNER
PR10	294300		5100	10/12/01						
PR11	289200		7300	08/11/01						
PR12	281900		4800	06/13/01						

INSTRUCTIONS  
 MRS SMITH CALLED WOULD LIKE HER WATER TURNED ON 04-2-03. WAIVER IS ON FILE.  
 SUSIE

RESOLUTION DATE-04/02/03 CODE- HOURS- MATERIAL COST-  
 DESCRIPTION  
 CHARLES TURNED THE WATER ON FOR THE CUST. THE READING OFF THE METER IS 318100, SAME AS THE READING FOR 2/12/03. ADY  
 10:50:50 09 MAY 2003

3) The service operator will discuss his findings with the customer. If it is determined that there is a leak, the service operator will inform the customer to call the billing office. We will not provide adjustments for the customer in case of leaks or wasted water. Some cases are still considered, refer to Northbrook.

4) At no time should a service operator promise a customer an adjustment. At no time will the service operator discuss billing issues with the customer. Ask the customer to call the billing office.

The service operator will return the service order to the billing office with the corrective action taken.

Explain water conservation methods to the customer. Information follows.

## ***Water Conservation***

### ***Be Water-Wise, Conserve***

Water is the most plentiful substance on Earth, but is also our most precious resource. Water is a product that is clean and safe and sent directly into the home. Water should not be wasted.

Water covers about 75% of our planet. Most of it, however, is in the oceans, glaciers and in underground formations. Only about 1% of all the water on Earth is usable.

***There are three basic ways to conserve water: economize, repair leaks, and install water saving devices.***

- A great amount of water goes needlessly down the drain. Be aware of the amount of water you are using. Fill the sink with water when washing, shaving or brushing your teeth instead of letting the water run. Instead of letting water run to get it cold for drinking, place a pitcher of water in the refrigerator.
- A normal shower uses about 20-30 gallons of water. Take short showers. Install a showerhead with an aerator that will mix air with your water so that you will be using less. Showerheads with a turn off valve are available so that you may turn off the water, while soaping or shampooing, without changing the temperature of the water.
- A bath uses about 30-40 gallons of water. Bathe in a shallow bath and bathe small children together.

- It takes 3-7 gallons of water to flush a toilet. Consider replacing an older toilet with a water-efficient model, which uses 1.6 gallons per flush. You can also install a dam in your toilet, which will displace some water so that less will be used per flush. Fill a plastic soap or milk bottle, and place in the tank away from toilet mechanism to function as a water saving device. Don't use the toilet as a trash disposal for tissue, gum wrappers, cigarettes, etc.
- A dishwasher uses 20-30 gallons of water per load. Be sure to run only full loads. There is no need to rinse the dishes before placing them in the dishwasher. Soak pots and pans before washing.
- A washing machine uses 30-40 gallons per load. Again, be sure to wash only full loads. Use the water level dial to scale the water level to the size of your wash load. To avoid a second rinse, use only 1/2 cup of a good detergent.

### *Outdoor Watering*

- Using water wisely outside can save thousands of gallons of water each year.
- When washing cars or other large items, use a bucket and then rinse with the hose. Don't allow water to run needlessly down the driveway, turn off the water at the nozzle. Use a broom instead of a hose to clean driveways and walkways.
- Keep the length of your grass 1-3 inches. This shades the roots allowing for a deeper root system, which is more water efficient. Also, it helps to keep out weeds.
- Water the grass thoroughly, about one inch per week for most soils is sufficient. Using short cycles allows the water to be absorbed more efficiently. Watering early in the morning or early evening helps to prevent grass fungi. Water only the lawn not the pavement. Use sprinklers that spray low, large drops to help prevent needless evaporation.
- For your garden, choose plants with a low water demand, such as ground covers, perennials and trees. Choose plants that are suitable for the your region. The library or your nursery professional is your best source of information on these topics. Use mulch around plants to help conserve water and dig basins around plants to help catch water. Water your garden at the roots. This helps to conserve water and aids in the development of a strong and healthy root system.



## **Broken/Replace Meter (A2)**

CSRs issue this service order when it is determined that a customer's meter is broken or is over 20 years old. Please note Cross Connection information below.

- 1) The CSR will call the customer to schedule a meter replacement appointment. The service operators will use the meter replacement receipt. Sample receipt follows.
- 2) Fill in all the proper information as indicated on the receipt. If the remote location has changed, please note this on the receipt also. Indicate the date and the reason for changing it.
- 3) When a meter is replaced the remote wire should also be changed. There have been many problems associated with not replacing the wire.
- 4) If there is difficulty in replacing the wire, the service operator should at least test the wire with a voltage meter to determine if it is working properly.
- 5) The service operator will tag the old meter with the customer's name and address. The meter must be kept at the field office for at least three months from the time it is removed. The meter must be available to be sent for testing in case of billing discrepancies.
- 6) The service operator will return the service order to the billing office with the corrective action taken.

## **Commission Complaint (A3)**

This category is used when a customer calls the state commissions with his problem. As much detail as possible should be included in this service order in order to provide the customer with a satisfactory resolution.

#### **Reuse Tap (A4)**

Used by areas where reclaimed water is available.

#### **Stuck/Frozen Meter (A5)**

This category is rarely used as meter issues can be grouped into the Broken/Replace Meter (A2) category. Please note Cross Connection information below.

#### **Broken Remote Wire (A6)**

This service order can be generated when the customer states that the remote wire is detached or is damaged. Or it can be used when it is determined that the wire is not working as a series of zero readings are obtained. The CSR will schedule an appointment with the customer. The service operator can also replace the meter if necessary.

The service operator will return the service order to the billing office with the corrective action taken.

Same procedure is followed as broken/replace meter, A2, above. Please note Cross Connection information below.

#### **Install Meter/Remote (A7)**

This service order is generated for new construction. The service operator will use the same receipt that is used for meter replacements and will annotate all the required information on it and return the receipt to the office for inclusion with the customer's record. Please note Cross Connection information below.

## Cross Connection Inspection by Field Personnel

1) A cross connection inspection is required **whenever a new meter is installed or an existing meter is replaced.**

2) Commercial accounts are required to have an approved back-flow prevention device. If no back-flow prevention device is visible, document the information on the service order. I.e., type of back-flow prevention device, time to correct the problem, etc., so that it can be documented on the customer's account.

3) Residences should be checked for illegal cross connections through irrigation systems, pools, private wells or hose bib vacuum breakers whenever performing a service call or during a routine visit. If a cross connection is detected, document this information on the service order. I.e., type of back-flow prevention device, time to correct the problem, etc., so that it can be documented on the customer's account.

4) If the customer is present, the field representative should inform the customer of what is required, if not, leave a tag for the customer to call the office. With the information provided by the field representative, the CSR will know what is required of the customer to rectify the situation and can relay the information to the customer.

## **Water Tap and Sewer Tap (A8 and A9)**

1) This service order is generated when a customer has questions on a tap or when the customer is requesting a tap. The customer will need to fill out a tap application that can be faxed or sent to him in the mail. The CSR will inform the customer of the fees associated with a new tap. This will vary with each company. Once a tap fee and application are received, the tap may be scheduled.

2) In most cases, we are responsible for the tap from the water or sewer main to the easement line, including the installation of the buffalo box. The installation of the remainder of the line is the responsibility of the customer. The customer will be given this information when he calls.

3) An authorized service operator must be on hand to inspect the tap that is made by the customer or his excavator in order to approve the connection. The service operator notifies the CSR of the date of the connection.

4) There are special agreements in some subdivisions. This information is available from the area managers. Depending on the weather, taps are usually completed within 30 days from the receipt of the tap fee.

5) The service operator will return the service order to the billing office with the action taken.

## **Re-Read Meter (A10)**

The CSR will ask for a re-read when there has been a possible reading error. The CSR will print the long-version of the service order format so that the service operator has the information on the customer's consumption history and meter readings. **The service operators will reread meters depending on their schedule. However, where high consumption is indicated, the service operator will reread the meter and return the service order to the billing office within 24 hours.**

Service order, long version follows:

ORDER NUMBER 696962 00282 TWIN LAKES UTILITIES, INC FIELD OPERATOR - ENTERED 03/31/03  
 UBRSO(2) SERVICE ORDER

ACCOUNT NO - 00282 100565 1 SUBDIVISION - TWIN LAKES  
 CUSTOMER NAME AND ADDRESS BILLING ADDRESS WORK ORDER INSTRUCTIONS ORDER TO  
 GEORGE SMITH FOLLOW-UP DATE - 04/30/03 13  
 4153 OAKMONT CRT ENTRY OPERATOR - SUSANNES TURN ON  
 CROWN POINT IN 46307 ORDER DUE DATE - 03/31/03

CURRENT STATUS	STATUS DATE	STATUS COMMENT	TYPE	TYPE DESCRIPTION	START DATE	ROC
A ACTIVE	11/15/99	GFW 04/02 RETURNING WILL CALL				

TYPE	METER NUMBER	INSTALLED	MTR MAKE	SIZE	MTR CONV	METER LOCATION	METER COMMENT	DIGITS1	DIGI
S	96576705	09/04/96	BADGER	5/8	1	OS LEFT			

PRIOR BALANCE	BILLED AMOUNT	ADJUSTMENT AMOUNT	PAYMENT AMOUNT	CURRENT BALANCE
0.00	28.34	0.00	28.34	0.00

MTR READ 1	MTR READ 2	CONSUMPTION	READ DATE	EST	BCODE	CODE DESCRIPTION	PRO	CODE MULT	OTHER
					0028001	5/8" METER			FL ADI 457 TR MARCO SPOUSE
PR1	318700	600	04/11/03		0028021	RES SEWER			219 66 EMPLOY
PR2	318100	0	02/12/03						OWNER
PR3	318100	4200	12/11/02						
PR4	313900	4600	10/11/02						
PR5	309300	6300	08/13/02						
PR6	303000	4900	06/10/02						
PR7	298100	300	04/11/02						
PR8	297800	0	02/12/02						
PR9	297800	3500	12/11/01						
PR10	294300	5100	10/12/01						
PR11	289200	7300	08/11/01						
PR12	281900	4800	06/13/01						

INSTRUCTIONS  
 MRS SMITH CALLED WOULD LIKE HER WATER TURNED ON 04-2-03. WAIVER IS ON FILE.  
 SUSIE

RESOLUTION DATE-04/02/03 CODE- HOURS- MATERIAL COST-  
 DESCRIPTION  
 CHARLES TURNED THE WATER ON FOR THE CUST. THE READING OFF THE METER IS 318100, SAME AS THE READING FOR 2/12/03. ADY  
 10:50:50 09 MAY 2003

- 1) The service operator will verify that the meter number and location are correct. If incorrect, or not shown on the service order, please indicate the necessary information on the order before it is returned to the CSR.
- 2) The service operator will record the new reading on the service order.
- 3) The service operator will determine if the reading is incorrect or give a reason for the unusual consumption such as, pool filling, new landscaping, stuck, leak, etc.

**Miscellaneous Account Complaint (A11)**

Can be used for service orders that do not fit into stated categories.

### **Final/New Read (A12)**

This service order number is used when a new or existing customer calls to inform us that they are moving in or out.

The service operator will return the service order to the CSR with the reading off the meter.

### **Turn on Service (A13)**

1) A service order of this type is generated when a customer calls to turn on his service after it had been turned off for the winter or if a realtor calls to turn on service.

2) **The service operator will not turn the water on if the customer is not present, unless the customer has signed a "Water Reinstatement Waiver."** See page 18.

3) The customer needs to be aware that there are fees involved. Fees vary with each company. The CSR will discuss the fees with the customer when he calls to make the initial request

4) Turn the water on, take a meter reading at the inside meter, if possible, check for leaks and note the results on the service order.

5) Notify the customer that you have turned the water on.

6) When the water cannot be left on because of water registering through the meter, call or leave a tag for the customer to call the office to reschedule the appointment.

### **Shut Off Service (A14)**

This type of service order is generated if the customer wishes the water turned off for a long period of time. Also, used when terminating service due to non-payment.

1) When turning the water off for non-payment, the service operator should avoid confrontation with the customer. If this cannot be accomplished, explain to the customer that you have an order to turn off the service and that the customer should call the billing office to make arrangements. Explain that you will remain in the area and will reconnect the service immediately if there has been an error and that the office will notify you via your radio. *Service operators may not accept payments.*

2) The instructions on the service order will indicate the reason the service is to be shut off. Turn services off and indicate the date of turn off and the meter reading on the service order. If meter tampering is an issue, the service operator will inform the CSR so that a tampering charge can be added to the account. The service operator will leave a tag with the appropriate boxes checked indicating the reason for the service termination.

## **SERVICE TERMINATION Illinois**

*Before the order is issued to terminate a customer's service, the following procedures are followed.*

- 1) A #(74) or #248 report is received. See further information on downloading or printing in the section on billing reports, if needed.
- 2) Using the list, call "first-time on list" customers whose accounts show an amount due that is over \$60.00. Annotate information in the notes screen.
- 3) "First-time on list" customers, who cannot be reached by phone, will be tagged with the service termination information. The red tag includes instructions for charge card payments. Annotate the tagging information on the notes screen. Tag sample follows.
- 4) All other customers will have their service terminated when scheduled, without further notice.
- 5) We usually call on Tuesdays or Wednesdays and inform the customers that their service will be terminated the following week unless payment arrangements are made.
- 6) Customers who do not adhere to their payment arrangements have their service terminated, without further notice.
- 7) On the day that service is to be terminated, check payments received that day. Check unposted transactions, #160 on the main menu. Unposted transactions are payments that have been entered, but not yet posted to the system files.



8) When all efforts are exhausted, a list of customers whose service is to be terminated is sent to the field office. Service operators will then proceed to terminate customer's service before 2:00 PM Monday through Thursday.

9) At times, service termination is not possible as b-boxes are not accessible or do not function. In this case, a service order is generated so that the b-boxes can be repaired as quickly as possible.

10) Customers may pay by charge card by calling **877-527-7852**. This is an automated system. Customers will have to call the customer service department with their payment confirmation number in order to have their service left on or restored. **CSR's will then call the same number to confirm that the customer has made a payment.**

*When a customer's service has been terminated, the following procedure is followed.*

1) If the customer calls the same day that the service is terminated, before 4:00pm, he can send the payment overnight mail. If the customer chooses to send the payment overnight, he must call the customer service department with the tracking number. Once this information is received, the service can be restored.

2) The customer may also pay by charge card by calling **877-527-7852**.

**All Offices-Please note: if the customer states he will make a charge card payment, the payment will not be posted to the customer's account for at least two days. If the customer states that they have made a debit card payment, that payment will not appear on the customers account for 3-4 days. Debit card payments go through the same approval process as checks. This process takes a little longer. The CSR must call Phonecharge at the same number listed above to make sure that the customer has initiated a payment. Phonecharge will provide the confirmation number to the CSR.**

**If a confirmation number is obtained, service termination is avoided.** Service operators may not accept customer payments.

3) Once a charge card confirmation number or tracking number is confirmed and recorded, CSRs radio the service operator and ask him to restore the service.

4) A turn off fee is adjusted onto the account. This is added to the adjustment control log using code #00010. Fees vary by company, check tariffs for the proper fee. An S (Shut off) status is manually entered to field 1 on the Customer Service screen. The computer system keeps track of the number of shut-offs in field #56 of the customer information screen.

5) We can also make other reasonable arrangements on a case by case basis. Once arrangements are made, the shut off list needs to be checked daily to assure that customers have adhered to the arrangements.

6) If the customer fails to adhere to payment arrangements, the service can again be terminated, without notice and another fee will be assessed.

7) Before customer service personnel leave for the day, they will inform the answering service of customers whose service has been terminated for non-payment. The answering service will be given the customers' name and address. The answering service will be instructed not to page the service operator if the shut-off customer calls.

8) Customers whose service has been off overnight will have to send a payment next day. The customer must call the customer service department with the delivery confirmation number or the charge card confirmation number before the service will be restored. Follow the same instructions as outlined above. Service operators may not accept customer payments.

9) We will schedule an appointment with the customer to have the service operator return to the home. The customer or his agent needs to be present or the service will not be restored. The customer may also choose to sign a Water Reinstatement Waiver, sample follows. The waiver must be received by our office before the service will be restored.

**Utilities, Inc.**  
**Water Service Corporation**  
*And Affiliated Companies*  
2335 Sanders Road ~ Northbrook, IL 60062  
Customer Service 1-800-831-2359  
FAX 847-498-6547

Utilities, Inc. and affiliated companies, require the presence of the customer or his agent when water service is reinstated.

I, \_\_\_\_\_ state that the water service may be reinstated in my absence at the residence listed below. I release Utilities, Inc and affiliated companies from any liability if any water damage is incurred after the water service is reinstated.

\_\_\_\_\_  
Customer Signature or Customer's Agent

\_\_\_\_\_  
Address of Property

\_\_\_\_\_  
Date

### **Locate Line/Valve (A15)**

This type of service order is generated when there is a request for a location of the service line or b-box. A customer may make this request as he wants to avoid damaging the water and/or sewer line. Perhaps they may be planting or having work done on their septic tank, or they may be installing a fence, etc.

- 1) When locating service lines for various reasons, mark with blue paint or stakes. Leave a tag at the home indicating that the location has been made. We are only required to mark the location of the line that is our responsibility that is from the main to the easement line. The remainder of the line belongs to the customer.
- 2) The service operator will return the service order to the billing office with the action taken.

### **Replace Meter Cover/Box (A16)**

- 1) Use this type of service order when customer calls to say that the b-box is too high or too low. Or the service operator may go to the home and determine that the b-box is non-functional.
- 2) Service operators will then schedule the repair with an outside contractor.
- 3) When the repair is complete, service operators will return the service order to the billing office with the action taken.
- 4) Landscaping will be restored to its former state. It is a good idea to take pictures before the repair is made. If there are plantings in the area, they are not our responsibility as utility easements are not the property of the customer.

### **Leak (A17)**

Our company responsibility for the line includes from the tap at the main up to and including the buffalo box that is located at the easement. The customer responsibility includes the line from the b-box into the home except for the meter itself.

1) This type of service order is generated for various reasons. The customer may call and state that they have a leak at the meter. The CSR can ask the customer if the meter itself is leaking or if the valve at the meter is leaking. The CSR can then explain the responsibility as stated above. See more information in high bill complaint, A1.

2) If the leak occurs somewhere in the service line, the service operator will need to go to the home and turn off the customer's service. If the water stops flowing, the leak is on the customer's side of the line. If the water continues to flow, the leak is the company's responsibility. It is helpful if the customer is home when the leak test is performed. The service operator will estimate the amount of water lost and will note this information in the service order. This information is used by operations in the unaccounted for water report.

3) The service operator will inform the customer if the leak is on their side of the line. They will then have two weeks to repair the line. The service operator will check with the customer periodically to make sure that the repair is made. If the leak is on our side of the line, the service operator will call for locates and make arrangements to have the line repaired as soon as feasible. The service operator will estimate the amount of water lost and note this information on the service order. This information is used in the unaccounted for water report.

### **Read Meter (A18)**

Used when requesting a meter reading. See information on Reread meter (A10).

### **Test Meter (A19)**

If the customer feels that the meter is faulty due to high consumption, he can request that the meter be field-tested.

1) The CSR will call and schedule an appointment with the customer to field-test the meter. The customer or his agent must be present when the testing is done. The service operator will note the results on the service order and will discuss his findings with the customer.

2) All service operators should be instructed as to how to measure the accuracy of a water meter. If the meter test indicates a meter is registering at a rate faster than 5%, the meter will be replaced and an adjustment issued.

3) The meter can be pulled and tested by an independent laboratory if the customer is not satisfied with the field test.

4) If the customer requests that the meter be sent to an independent laboratory and if the report shows that the meter is accurate, the customer will be responsible for the cost of the test. The customer will be sent a copy of the test.

### **Miscellaneous Service Order (A20)**

The CSR will generate this type of service order when a customer question or request does not fall into other categories listed. For example, if the customer has questions on the latest CCR. The CSR will be as specific as possible as to the nature of the question or request.

### **High/Low Consumption (A21)**

1) The CSR will request re-reads on meters with excessively high or low consumption. Review procedures for high bill complaint A1, broken meter A2, re-read meter A10, leak A17.

2) Customer may also request that their meter be reread due to high or low consumption.

### **Temp Service On/Off (A22)**

This service order type is used when the customer needs the water off to make plumbing repairs.

- 1) The CSR will schedule an appointment with the customer to have the service operator turn off the water during regular office hours. **At least a 24-hour notice is required.**
- 2) The customer will probably want to coordinate the service turn off with the plumber's schedule.
- 3) Please indicate the time that the service was restored on the service order. The service operator will also obtain a reading.
- 4) In some areas we can leave a key, for 24 hours, so that the customer can turn the water on and off as needed.

### **Vacant Status (A23)**

Generated when the status of a dwelling is requested.

### **Miscellaneous Account Adjustment (A24)**

This service order is generated when CSRs make adjustments to accounts for excessive estimates or reading errors. It is helpful to have the information on file if a customer inquires as to the nature of the adjustment. There is no service operator involvement.

### **Payment Extension (A25)**

This service order type is used to keep the terms of payment arrangements that are made with customers that are unable to pay their bills when they become due. These should be kept on file and reviewed on a weekly basis to assure that customers adhere to the terms that have been agreed upon. There is no service operator involvement.

## Water Main Break (Q26)

This service order type is generated under #185 of the Utility Billing Menu. This information is stored here so that we can access the number of service orders that have been generated in a specified subdivision.

1) If an outside contractor is responsible for the outage, list the person in charge, the company name, address and phone number on the service order. We will need this information to create a back-charge bill to the party responsible for the break.

2) The service operator will check the area to determine if there is a main break. He will then call for the appropriate locates and will call a contractor to make the repair. The service operator will take pictures of the area after the repairs. These will be used if any landscaping issues arise. **Under no circumstances are UI employees to enter into the excavation site.**

3) The service operator will call the CSR and give him the pertinent information which will include:

1. The address or location where the break occurred.
2. The time the break was reported.
3. The operator in charge.

The resolution portion of the service order should contain the following:

1. The time water was restored.
2. Number of customers involved.
3. The streets affected by the break.
4. All locates made.
5. How difficult to repair.
6. Did any other problems occur?
7. How many customer calls came in.
8. Was a boil order issued, how was the information disseminated to the customers.



9. Estimate of how much water was lost.
10. When will the landscaping be repaired.
11. When was the boil order lifted.

4) See "Boil Order" section which follows, for further information.

## BOIL ORDERS

- 1) The EPA ruling states that if the pressure is lower than 20 PSI (pounds per square inch) anywhere in the system, a boil order must be issued.
- 2) If a boil order is issued, notify the Homeowner's Association and the customers as they call in, and ask them to notify their neighbors.
- 3) We will notify our answering service, we will post signs at subdivision entrances. We should also make an attempt to notify as many customers as possible by calling with the information. If only a small area is involved, service operators will tag the homes with the necessary information. Sample tag follows.
- 4) When a larger area is affected, the service technician or the Customer Service Representative should notify the local radio station or City News that there is a boil order in effect. They will need to know the exact location, how many people are affected and what customers will need to do and the number of days that the boil order will be in effect.

In Illinois:

City News phone #312-222-5555 or FAX 312-222-4050.

In Indiana: See the following page.

In Ohio: See the following page.

- 5) A boil order is issued as a precautionary measure. Customers need to boil their water for 5 minutes for drinking and cooking for a period of at least 48 hours. We will need to notify hospitals and schools, if any are located in the affected area.
- 6) The service operator will need to sample the water for two consecutive days from the affected area. The samples are sent to an EPA certified lab and must be free of bacteria before the boil order will be lifted.
- 7) When the boil order is lifted, the CSR will notify the answering service, in smaller areas we will call the customers, or the service operators will tag homes with the information, the signs will be removed.

## **Broken Service Line (Q27)**

This service order can be generated from information taken from the customer or from a service operator.

1) A customer may call saying that there is a leak in the service line, the CSR will generate a service order listing the approximate location of the leak. The service operator will go to the site and determine if the leak is our responsibility or that of the customer.

2) The service operator will turn off the water at the b-box. If the water stops flowing, the leak is the responsibility of the customer, the service operator will inform the customer. The leak will have to be repaired within two weeks or the customer's service is subject to termination. If the water continues to flow, the leak is our responsibility.

3) As in a main break, if an outside contractor is responsible for the break, furnish the name of the person in charge, company name, address and phone number on the service order.

4) If the water continues to flow once the b-box is turned off, the leak is our responsibility. The service operator will inform the customer, whose line is broken, as to the duration of the repair and if he will need to boil the water. If this will be a scheduled repair, as a courtesy, inform the customer before the repair is made. Also inform the customer that the lawn will be restored as soon as possible to its former condition. It would be a good idea to take pictures before the repair is made.

5) The service operator will return the completed service order to the billing office with the information on the problem and the corrective action taken.

### **Low Pressure Water (Q28)**

- 1) When a single customer calls to complain of low pressure, ask if they have a water softener and if it has been serviced recently. Usually this is the customer's problem. CSRs may also schedule an appointment to have a service operator visit the home to determine the possible cause. The service operator will list the possible cause, such as plugged meter, line size, type of plumbing pipe, flushing, etc., and action taken or needed to repair or resolve situation.
- 2) If several customers in the same area call, the problem could be a main break or a problem at the well house. Issue a service order and alert the area service operator by radio of the potential problem.
- 3) The service operator will return the completed service order to the billing office with information on the problem and the corrective action taken.

### **Discolored Water (Q29)**

CSRs and service operators must address water quality issues immediately.

- 1) When the customer calls with a discolored water issue, the CSR will ask the customer how long this problem has occurred. If the area is being flushed, (signs should be posted in the area) explain to the customer that this is a temporary situation and that he will need to flush his line. Offer a 1000-gallon adjustment to his account.
- 2) Ask the customer if the discoloration is more in the hot water than in the cold water. If this is the case, suggest to the customer that the water heater may need to be flushed.
- 3) If this is not the case, generate a service order that will be sent to the service operator for resolution. The service operator will call the customer to determine if this is a single occurrence or there is a possibility of a main break or a problem at the well house.

4) **The service order must be returned to the billing office within 24 hours.** The service order will list the cause of the problem. The service operator will inform the customer as to the corrective action taken.

#### **Mineral Amount of Water (Q30)**

Follow the same procedure as discolored water, Q29. The service order must be resolved within 24 hours.

#### **Air in Water (Q31)**

Follow the same procedure as discolored water, Q29. The service order must be resolved within 24 hours.

#### **Taste/Odor Water (Q32)**

Follow the same procedure as discolored water, Q29. The service order must be resolved within 24 hours.

#### **Lawn/Repair Water (Q33)**

1) The CSR will obtain detailed information from the customer as to what needs to be repaired. The CSR will fax the service order to the service operator who will schedule the repair and call the customer with the time frame for the repair.

2) The service operator will take pictures of the area in order to avoid any issues with the customer.

#### **Main Break Sewer (Q34)**

Follow the same procedure as main break, Q26.

#### **Broken Service Sewer (Q35)**

Follow the same procedure as service line break, Q27.

### **Clogged Sewer (Q36)**

1) Determine whether this is a customer problem or our problem. The service operator will go to the site as soon as possible and check manholes on either side of the customer's property. He will also check the lift station, if any.

2) If the customers' line is obstructed let the customer know that the repair is his responsibility.

3) If the obstruction occurred in our main, note the cause on the service order, and what was done to remedy the situation. Also, note if an outside contractor was used to clear the line. Notify area manager immediately if there is any damage to the customers' property.

4) In circumstances where there has been a sewerage overflow, the area where the spill occurred has to be washed down and disinfected. We will contact a contractor who will go to the home to clean and disinfect the area. A full report should be given to the area manager and the area manager will contact the State and County Department of Environmental Management within 24-hours.

### **Odor in Sewer (Q37)**

Identify the problem and the corrective action taken to remedy the situation on the service order.

### **Noise in Sewer (Q38)**

Follow the same procedure as odor in sewer, Q37.

### **Lift Station Sewer (Q39)**

1) The CSR will issue a service order with as much information as possible, call the service operator on the radio to alert him of the situation. He will need to visit the lift station as soon as possible to avoid possibly flooding customers' homes.

2) The service operator will return the completed service order to the billing office noting the problem and the corrective action taken.

### **Lawn/Repair Sewer (Q40)**

Follow the same procedure as lawn/repair water, Q33. The service operator will take pictures of the area to avoid any issues with the customer.

### **Miscellaneous Sewer Complaint (Q41)**

The CSR will generate this service order listing any complaint that does not fit into the specific categories already listed. The CSR will give as much detail as possible so that the service operator can resolve the issue quickly and efficiently.

### **Miscellaneous Water Complaint (Q42)**

Follow the same procedure as miscellaneous sewer complaint, Q41.

### **No Water (Q43)**

1) The CSR will ask the customer if he has a water softener and if it has been serviced recently. He will ask how long the water has been off. He will ask the customer if he has checked the valves before and after the meter. He can ask if the customer has any filters on the water line. He will generate a service order and contact the service operator via radio and will inform him of the situation.

2) If more than one customer calls with the same problem, the CSR will contact the service operator immediately. The problem may be a main break or a problem at the well that will need to be addressed immediately. See main break water A26.

3) The CSR and the service operator will be in radio contact and the service operator will inform the CSR as to the cause and the corrective action taken to resolve the issue.

4) The service operator will return the service order to the billing office with information on the cause of the problem and the corrective action taken.

#### **High/Low PH (Q44)**

Used if the customer complains of high or low acidity in the water.

#### **Road Repair W/S (Q45)**

This service order type is used when a customer or the township calls for repairs needed to the road that was damaged due to a water or sewer main repair. The CSR needs to be as detailed as possible as to what is needed. The service operator will return the service order to the billing office with a time frame for the repair.

#### **Not Our problem (Q46)**

This number is used to change service orders previously entered that turn out to be the customer's responsibility.

#### **Customer Problem-Water (Q47)**

This number is used to change service orders previously entered that turn out to be the customer's responsibility.



**Customer Problem-Sewer (Q48)**

This number is used to change service orders previously entered that turn out to be the customer's responsibility.

**S/O Entered in Error (Q49)**

Used to change the number of previously entered service orders that are entered in error or are duplicates.

**Service Order Test (Q50)**

Used in the CSR training process or to test the billing system.