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August 20, 2004

Public Service Commission  
211 Sower Blvd  
P.O. Box 615  
Frankfort, KY 40602

RECEIVED  
AUG 23 2004  
PUBLIC SERVICE  
COMMISSION

Re: Richard Hauenstein v. North Shelby Water Company

To Whom It May Concern:

Enclosed please find one original and ten (10) copies, plus an extra first page only, of the Answer to Defendant's Complaint in the above-captioned matter. Please file the original and ten copies with the Commission and return to me the file-stamped first page copy. For your convenience I have enclosed a self-addressed stamped envelope.

Yours truly,

MATHIS, RIGGS & PRATHER, P.S.C.

BY: Donald T. Prather  
Donald T. Prather

By: Ante Clavin

DTP/pm  
Enclosures  
Don/PSC/hauenstein/PSC filing

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

RECEIVED  
AUG 23 2004  
PUBLIC SERVICE  
COMMISSION

In the Matter of:

Richard Lee Hauenstein  
Complainant

vs.

North Shelby Water Company  
Defendant

CASE NO. 2004-00310

ANSWER

Comes North Shelby Water Company ("North Shelby"), by counsel, and for its Answer to the Complaint of Richard Lee Hauenstein ("Mr. Hauenstein") states as follows:

The records of North Shelby indicate that Mr. Hauenstein did in fact contact North Shelby on two occasions regarding a possible leak. The first contact was made on April 2, 2001 and the next was April 10, 2002. Copies of the telephone messages are attached hereto as Exhibit A.

As Mr. Hauenstein indicates in his complaint, no leak was detected as a result of his earliest complaint.

North Shelby's records indicate that the April 10, 2002 complaint resulted in an investigation, which in turn showed that the slow flow meter was turning and that the customer should be contacted. North Shelby's Phone-O-Gram record further indicates that Tara, of North Shelby's staff, personally "talked

to him" and advised Mr. Hauenstein of the results of the inspection. While we understand Mr. Hauenstein does not believe he was contacted, our written records indicated he was contacted. We are unable to explain this discrepancy.

North Shelby no longer checks customer consumption on an annual basis because now North Shelby's computer program, on a monthly basis, flags customer accounts which show a three-fold increase in usage over that customer's average monthly usage. North Shelby reviews these accounts and contacts the customer if there is not a reasonable explanation for the increased usage.

The program should have flagged Mr. Hauenstein's account when his bill increased seven-fold after he began filling his pool in May 2002. Normally, the meter reader looks for a swimming pool if an unusually large bill is observed in May or June. We believe the meter reader saw the pool and notified the staff of its existence. We further believe this is why Mr. Hauenstein was not contacted at that time. A copy of his account history is attached hereto as Exhibit B. The history shows his monthly consumption was not at all unusual prior to the filling of the swimming pool. In fact, his monthly consumption would not have indicated the existence of the leak which was checked for in April 2002. Following the filling of the pool, the customer's water bills were higher, as would be expected with the existence and use of a swimming pool.

Mr. Hauenstein states in one part of his Complaint that he filled his swimming pool in May 2002, and in another place he states that it was filled in June 2002. A May 2002 pool filling would have resulted in a much larger June bill, which is consistent with North Shelby's records, going from 3,300 gallons to 21,500 gallons. North Shelby maintains that an 18,000 gallon increase in consumption is not unexpected when filling a 15,000 gallon pool.


North Shelby records do not reflect whether or not North Shelby knew Mr. Hauenstein had a swimming pool. All North Shelby can say is that it would have been the practice for the meter reader or another service person to look for a swimming pool if a customer had an unusually large bill in May or June, which is when most pools are filled. The fact his swimming pool is 400 yards from the meter does not mean that this did not occur. Furthermore, North Shelby may have learned about his swimming pool from some other source.

Finally, it is not unusual for water bills to increase when a customer constructs a new house. This increase can occur over a period of several years as lawns, shrubs and trees are planted and watered. People often add pets or farm animals, which further increase consumption. Additional people may begin living in a house after it is constructed.

In summary, North Shelby maintains it acted responsibly in investigating and responding to Mr. Hauenstein's requests. While North Shelby's records indicate Mr. Hauenstein was notified of the results of his leak check, if in fact North Shelby did not call him back, they regret Mr. Hauenstein was not sufficiently concerned about the matter to check back with North Shelby regarding the results of the leak investigation.

Respectfully Submitted,


MATHIS, RIGGS & PRATHER, P.S.C.

By:   
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CERTIFICATE OF SERVICE

It is hereby certified that copies of the foregoing Answer were this 10<sup>th</sup> day of August, 2004 mailed to:

Richard Lee Hauenstein  
6917 Benson Pike  
Shelbyville, KY 40065

  
Donald T. Prather

PHONE-O-GRAM® for: 4-3-01

From Richard Howerstein Company 42-1438-01  
City 6917 Benson Pike Area Code Phone

Telephoned  Please return the call  Returned your call  Will call again  Came in  See me

Message Please ck. this before  
1:00 p.m. as there will not be  
anyone using water in the mornings.  
He wants us to check for a leak -  
ID-10856815 3/8/01 - 9.9

Date 4-3-01 Time Taken by B. Coons

Action Wanted call @ 747-5880 leave message  
not there

Action Taken Reading 11.9 04-05-01  
Did not detect leak. (used 2000 gal. - looks almost 1 mil. - looks OK -)

PHONE-O-GRAM® for: 4/10/02

From Richard Howerstein Company  
City 6917 Benson Pike Area Code Phone 396-3484

Telephoned  Please return the call  Returned your call  Will call again  Came in  See me

Message 42143801  
Check for leak. ~~more~~  
Bill is going up!

Date 4/10/02 Time Taken by JM  
IP # 0815  
Talked to him!

Action Wanted Saw Floor turning need to call  
from Complete

Action Taken 4-10-02 JG, JC

TERMINAL: 8

NORTH SHELBY WATER COMPANY  
ACCOUNT DAILY TOTALS  
FOR 11/20/00 THRU 05/04/04

(9-late chgs)

ACCOUNT NUMBER: 42-1438-01

RICHARD HAUENSTEIN  
6917 BENSON PIKE

number of records: 96  
services: W

current balance	age-1 0.00	age-2 0.00	age-3 0.00	total 0.00
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date	item	amount	running total
11/20/00	A/R BALANCE AT TIME OF BILLING	0.00	0.00
11/20/00	BILLING (usage= 1.7)	11.47	11.47
12/01/00	(LATE CHARGES)	1.15	12.62
12/05/00	PAYMENTS	-11.47	1.15
12/20/00	BILLING (usage= 2.6)	14.22	15.37
01/02/01	(LATE CHARGES)	1.42	16.79
01/08/01	PAYMENTS	-15.37	1.42
01/09/01	PAYMENTS	-16.79	-15.37
01/19/01	BILLING (usage= 1.8)	11.47	-3.90
02/20/01	BILLING (usage= .2)	11.47	7.57
03/02/01	PAYMENTS	-20.00	-12.43
03/20/01	BILLING (usage= 3.6)	18.81	6.38
04/02/01	(LATE CHARGES)	0.64	7.02
04/03/01	PAYMENTS	-20.00	-12.98
04/20/01	BILLING (usage= 2.4)	13.31	0.33
05/01/01	(LATE CHARGES)	0.03	0.36
05/18/01	BILLING (usage= 2.1)	11.96	12.32
05/29/01	PAYMENTS	-25.00	-12.68
06/20/01	BILLING (usage= 3.3)	17.47	4.79
07/02/01	(LATE CHARGES)	0.48	5.27
07/05/01	PAYMENTS	-20.00	-14.73
07/20/01	BILLING (usage= 3.3)	17.47	2.74
07/24/01	PAYMENTS	-20.00	-17.26
08/20/01	BILLING (usage= 3.2)	17.01	-0.25
09/20/01	BILLING (usage= 5.0)	25.28	25.03
10/01/01	PAYMENTS	-40.00	-14.97
10/19/01	BILLING (usage= 7.8)	34.91	19.94
10/30/01	PAYMENTS	-40.00	-20.06
11/20/01	BILLING (usage= 2.4)	13.33	-6.73
12/20/01	BILLING (usage= 4.1)	21.15	14.42
01/02/02	(LATE CHARGES)	1.44	15.86
01/03/02	PAYMENTS	-15.86	0.00
01/18/02	BILLING (usage= 6.7)	31.13	31.13
01/23/02	PAYMENTS	-31.13	0.00
02/20/02	BILLING (usage= 2.9)	15.63	15.63
02/20/02	DEPOSIT & INTEREST REFUNDS	-1.33	14.30
02/27/02	PAYMENTS	-14.30	0.00
03/20/02	BILLING (usage= 3.6)	18.85	18.85
03/27/02	PAYMENTS	-18.85	0.00
04/19/02	BILLING (usage= 3.4)	17.92	17.92
05/01/02	(LATE CHARGES)	3.54	21.46
05/02/02	PAYMENTS	-17.92	3.54
05/20/02	BILLING (usage= 3.3)	17.47	21.01
06/04/02	PAYMENTS	-21.01	0.00
06/20/02	BILLING (usage= 21.5) - filling pool!	75.41	75.41
06/25/02	PAYMENTS	-75.41	0.00
07/19/02	BILLING (usage= 8.8)	38.35	38.35
07/24/02	PAYMENTS	-38.35	0.00

NORTH SHELBY WATER COMPANY  
 ACCOUNT DAILY TOTALS  
 FOR 11/20/00 THRU 05/04/04

ACCOUNT NUMBER: 42-1438-01

RICHARD HAUENSTEIN  
 6917 BENSON PIKE

number of records: 96  
 services: W

-----  
 current balance                    age-1                    age-2                    age-3                    total  
    0.00                    0.00                    0.00                    0.00  
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date	item	amount	running total
08/20/02	BILLING (usage= 18.9)	67.96	67.96
08/27/02	PAYMENTS	-67.96	0.00
09/20/02	BILLING (usage= 18.3)	66.24	66.24
09/30/02	PAYMENTS	-66.24	0.00
10/18/02	BILLING (usage= 14.1)	54.22	54.22
10/28/02	PAYMENTS	-54.22	0.00
11/20/02	BILLING (usage= 6.8)	31.47	31.47
12/02/02	PAYMENTS	-31.47	0.00
12/20/02	BILLING (usage= 6.3)	29.75	29.75
12/30/02	PAYMENTS	-29.75	0.00
01/20/03	BILLING (usage= 13.6)	52.79	52.79
01/20/03	DEPOSIT & INTEREST REFUNDS	-1.33	51.46
01/29/03	PAYMENTS	-51.46	0.00
02/20/03	BILLING (usage= 7.5)	33.88	33.88
02/27/03	PAYMENTS	-33.88	0.00
03/20/03	BILLING (usage= 11.1)	45.63	45.63
03/27/03	PAYMENTS	-45.63	0.00
04/20/03	BILLING (usage= 7.2)	32.85	32.85
04/28/03	PAYMENTS	-32.85	0.00
05/20/03	BILLING (usage= 12.0)	48.20	48.20
05/29/03	PAYMENTS	-48.20	0.00
06/20/03	BILLING (usage= 9.1)	39.38	39.38
06/26/03	PAYMENTS	-39.38	0.00
07/18/03	BILLING (usage= 7.7)	34.57	34.57
07/28/03	PAYMENTS	-34.57	0.00
08/20/03	BILLING (usage= 8.5)	37.32	37.32
08/29/03	PAYMENTS	-37.32	0.00
09/19/03	BILLING (usage= 12.0)	48.20	48.20
09/26/03	PAYMENTS	-48.20	0.00
10/20/03	BILLING (usage= 9.3)	40.07	40.07
10/29/03	PAYMENTS	-40.07	0.00
11/20/03	BILLING (usage= 9.9)	42.14	42.14
12/02/03	<u>LATE CHARGES</u>	4.63	46.77
12/04/03	PAYMENTS	-42.14	4.63
12/19/03	BILLING (usage= 12.1)	48.49	53.12
12/30/03	PAYMENTS	-48.49	4.63
01/20/04	BILLING (usage= 13.6)	52.79	57.42
01/30/04	PAYMENTS	-52.79	4.63
02/02/04	<u>LATE CHARGES</u>	0.46	5.09
02/20/04	BILLING (usage= 12.0)	48.20	53.29
03/02/04	LATE CHARGES	4.90	58.19
03/02/04	PAYMENTS	-48.20	9.99
03/19/04	BILLING (usage= 10.5) ← Repaired hydrant	43.91	53.90
03/19/04	DEPOSIT & INTEREST REFUNDS	-0.59	53.31
04/05/04	PAYMENTS	-47.71	5.60
04/20/04	BILLING (usage= 2.7)	14.71	20.31
04/20/04	ADJUSTMENTS (L)	-5.60	14.71
04/29/04	PAYMENTS	-14.71	0.00

leak  
 bill went  
 down!