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COMMONWEALTH OF KENTUCKY BEFORE THE PUBLIC SERVICE COMMISSION

FEB 2 1 2020

PUBLIC SERVICE COMMISSION

ROBERT D. HOBDY)
COMPLAINANT)
vs.) CASE NO. 2020-00033
KENTUCKY-AMERICAN WATER COMPANY)
DEFENDANT)

ANSWER AND MOTION TO DISMISS

Now comes the Defendant, Kentucky-American Water Company ("KAW"), and for its Answer to the February 3, 2020 Complaint in this matter, makes the following admissions, denials, statements and defenses. Further pleading, KAW moves for a dismissal with prejudice of the Complaint.

- 1. In response to the allegations on the first page of the Complaint regarding Mr. Hobdy's address, rental ownership, and rental premise vacancy, KAW is without information sufficient to respond, and, therefore, denies same.
- 2. KAW admits the allegation on the first page of the Complaint that water service was established in Mr. Hobdy's name for service to 672 Anniston Drive, Lexington, Kentucky 40505 for the period October 30, 2019 to December 12, 2019.
- 3. KAW admits the allegations on the second page of the Complaint that Mr. Hobdy was billed for 748 gallons for the period October 30, 2019 to November 15, 2019 and that he was billed for 27,676 gallons for the period November 16, 2019 to December 12, 2019. In response

¹ Copies of the relevant invoices were attached to the Complaint and are also attached hereto.

to the balance of the allegations on the second page of the Complaint regarding vacancy and the absence of leaks, KAW is without information sufficient to respond, and, therefore, denies same.

- 4. In response to the allegations on the third page of the Complaint entitled, "Attachment: Facts and Basis of Complaint" regarding when Mr. Hobdy was at the subject premises, what activities occurred there, alleged rental and vacancy dates, and the absence of leaks, KAW is without information sufficient to respond, and, therefore, denies same.
- 5. In response to the allegations on the third page of the Complaint entitled, "Attachment: Facts and Basis of Complaint" regarding water usage, KAW admits that usage went from 270 units to 271 units for the period October 30, 2019 to November 15, 2019, from 271 units to 308 units for the period November 16, 2019 to December 12, 2019, and from 308 units to 309 units for the period December 13, 2019 to December 26, 2019. KAW admits that Mr. Hobdy has been in contact with KAW about the billing dispute and that he has spoken with KAW employees Messrs. Sherman and Riley.
- 6. In response to the allegations on the third page of the Complaint entitled, "Attachment: Facts and Basis of Complaint" regarding meter testing, KAW states that it removed Meter No. H012676594 from 672 Anniston Drive on January 7, 2020 and tested it that same day at KAW's meter testing facility at 2300 Richmond Road, Lexington, Kentucky 40502. The results of that meter test are attached and show that the meter is accurate. Therefore, KAW admits the allegations that KAW has maintained that the meter in place was accurate and Mr. Hobdy owes the amounts billed. KAW also admits that it was unable to obtain a data log for the meter but states the inability to do so has nothing to do with whether the meter itself accurately measured usage, which it did. KAW denies that Mr. Hobdy is entitled to any relief based on the inability to

obtain a data log. KAW denies that the meter was tested while in place at the Anniston Drive location.

- 7. In explaining the meter test results attached hereto, KAW states that the phrase "would not data log" is a phrase used by KAW personnel when an hourly usage report is unable to be provided by the meter interface unit ("MIU") which is a transmitting device placed on a meter that transmits usage data measured by the meter to KAW meter reading personnel as part of the meter reading process. In this case, the MIU was found to be malfunctioning ("hot rod defective"), but that malfunction has no bearing on the actual usage recorded by the meter upon which bills were based. The word "scrapped" on the meter test result is an inventory indicator in KAW's software system meaning simply that the meter will not be placed back in service. KAW is still in possession of the meter and states that it tested accurately as shown on the attached test result.
- 8. KAW states that it billed Mr. Hobdy amounts consistent with the measured meter usage and that the meter has tested accurately.
 - 9. KAW denies that the customer is entitled to any relief requested in the Complaint.
- 10. KAW denies each and every allegation in the Complaint not specifically admitted to be true herein.
- 11. KAW states that the meter in place at the premises in question during the relevant period was tested by KAW and that the meter test results show that the meter meets all applicable accuracy requirements. Therefore, the water meter readings in question are accurate and the indicated amount of water did, in fact, pass through the meter. Therefore, Mr. Hobdy is liable to KAW for all amounts resulting from the indicated usage. *Robert Young Family v. Southeastern Water Association*, PSC Case No. 2006-00212, Order of January 25, 2007; *Susan Spangler and*

Mark Lewis Farman v. Kentucky-American Water Company, PSC Case No. 99-109, Order of October 7, 1999; and Moore's Chapel A.M.E. Church v. Water Service Corporation of Kentucky, PSC Case No. 2011-00414, Order of September 17, 2012. Accordingly, KAW moves for dismissal with prejudice of the Complaint.

WHEREFORE, KAW moves for a dismissal of the Complaint with prejudice.

Respectfully submitted,

Lindsey W. Ingram III STOLL KEENON OGDEN PLLC 300 West Vine Street, Suite 2100 Lexington, Kentucky 40507 (859) 231-3000 L.Ingram@skofirm.com

By Midsay W. The Counsel for Defendant

CERTIFICATE OF SERVICE

This is to certify that the original and five copies of the foregoing Answer and Motion to Dismiss have been filed on this 21st day of February, 2020, at the Public Service Commission and that a true and accurate copy of same has been served, via U.S. Mail, on the same day to the following:

Robert Hobdy 603 Ivy Court Lexington, KY 40505

Counsel for Defendant

010311.003026/8142612.1

WE KEEP LIFE FLOWING"

Service Address:

ROBERT HOBDY **672 ANNISTON DR LEXINGTON, KY 40505-2346**



THANK YOU FOR BEING OUR CUSTOMER.

Important Account Messages

- Want more convenience and less clutter? Try paperless billing. We send an email when your bill is available for viewing and include an option to pay. It's simple to sign up, just register or log into My Account at amwater.com/ myaccount and make the selection for paperless billing.
- This bill reflects an extended or partial billing period. As a result, a portion of your charges may be prorated accordingly to represent actual days of service received. Please refer to Account Detail for more information.

For more information, visit www.kentuckyamwater.com

Monthly Statement

615003252917

Account No.

Total Amount Due:	\$41.68		
Payment Due By:	December 4, 2019		

Billing Date: November 18, 2019 Service Period: Oct 30 to Nov 15 (17 Days) **Total Gallons:**

Account Summary - See page 3 for Account Detail

Prior Billing:		\$17.60
Payments - Thank Youl	ens	\$17.60
Balance Forward:		\$0.00
Fees and Adjustments:	+	\$28.00
Service Related Charges:	+	\$12.91
Taxes:	+	\$0.77
Total Amount Due:		\$41.68

View your account information or pay your bill anytime at: www.amwater.com/MyAccount



Pay by Phone*: Pay anytime at 1-855-748-6066 *A convenience fee may apply



Customer Service: 1-800-678-6301 M-F 7:00am to 7:00pm - Emergencies 24/7

▼ Please return bottom portion with your payment. DO NOT send cash. Retain upper portion for your records. ▼



WE KEEP LIFE FLOWING

PO Box 790247 St Louis, MO 63179-0247

Service to: 672 ANNISTON DR LEXINGTON, KY 40505-2346

ROBERT HOBDY 603 IVY CT LEXINGTON, KY 40505-2326

Account No. \$41.68 **Total Amount Due:** December 4, 2019 Payment Due By: If paying after 12/4/19, pay this amount:

\$43.76

Amount Enclosed

KENTUCKY AMERICAN WATER PO BOX 790247 ST LOUIS, MO 63179-0247

Messages from Kentucky American Water

Before the cold weather sets in, follow these steps to protect your pipes:

- Check sprinkler or irrigation systems. Make sure everything is turned off and drained.
- Eliminate sources of cold air near water lines. Fix drafty windows and plug drafts around doors.
- Identify and label your main water shutoff valve.
- Protect your pipes. Wrap them with insulation.



CUSTOMER SERVICE 1-800-678-6301

HOURS: M-F, 7am-7pm • Emergencies: 24/7
TTY/TDD FOR THE HEARING IMPAIRED:
711 (and then reference Customer Service number listed above)

SERVICES



Go Paperless: Save time. Save money. Sign up for Paperless Billing and Auto Pay on My Account at amwater.com/myaccount. Not registered? Log in and be sure to have your account number handy.



Water Quality: We take water quality seriously. When it comes to complying with federal drinking water standards, we consistently score better than the industry average. For a copy of the annual water quality report for your area, visit kentuckyamwater.com. Under Water Quality, select Water Quality Reports.



E-mail Address

H20 Help To Others: This program helps low-income customers who qualify with their water bills. For more information, visit kentuckyamwater.com. Under Customer Service & Billing, select Low Income Program.

EXPLANATION OF OTHER TERMS



Payment by Check: Paying by check authorizes American Water to send the information from your check electronically to your bank for payment. The transaction will appear on your bank statement. The physical check will not be presented to your financial institution or returned to you.



Estimated Bill: This occurs when we are unable to read the water meter. Your usage from the same billing period the prior year is used to calculate the estimated bill. The next actual meter reading corrects any over or under estimates.



Disputes: If you have questions or complaints about your bill, please call us at 1-800-678-6301 before the due date. If your bill is unusually high, it <u>may</u> indicate that there is a leak in your plumbing. For tips on how to detect leaks and use water wisely, visit us online. You'll find helpful tools under the Water Information menu. Every drop counts!



Rates: A detailed listing of charges that make up your bill is available upon request by contacting Customer Service or visiting us online at kentuckyamwater.com. Under Customer Service & Billing, select Your Water Rates.



Correspondence: Please send written correspondence to PO Box 578, Alton, IL 62002-0578. Be sure to include your name, account number, service address, mailing address and phone number including area code. Please do not send correspondence with your payment, as it may delay processing your payment and correspondence.

H2O	HELP TO OTHERS PROGR I'm adding a one time contr I'd like to add a recurring co	ribution of \$	_ with my payment.	nderstand this amount will be	added to each bill.
Address	s Change(s)		Other ways to	pay your bill	
Name			Auto Pay	Online	In Person
Address			Save time and money. Enroll in Auto Pay, and your bill will be paid on	pay your bill anytime,	We have agreements with several authorized
City		7in Codo	time, every time, directly from your bank account on the	fast and easy. Visit www.amwater.com/MyAccount or pay without registration at	payment locations in our service areas. Visit our website to
() Phone Nu	ımber		due date. No stamps required!	www.amwater.com/billpay (fee may apply).	find one near you.





WE KEEP LIFE FLOWING"

Meter Reading and Usage Summary

Meter No.	Measure	Size	From Date	To Date	Previous Read	Current Read	Meter Units	Billing Units	Total Gallons
H012676594	100 CF	5/8"	10/30/2019	11/15/2019	270 (A)	271 (A)	1	7.48	748
A = Actual E	= Estimate			1 CF = 7.48 g	allons 1 Billing L	Jnit = 100 gallons		Total Gallons:	748

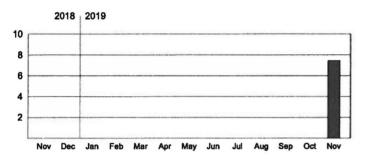
\$41.68

Billed Usage History (graph shown in 100 gallons)

748 gallons = usage for this period

Total Amount Due

0 gallons = usage for same period last year



Next Scheduled Read Date: on or about December 12, 2019
Account Type: Residential

Average daily use for this period is: (17 days)



Year to Date Billed Usage: 748 gallons

(7.48 x \$0.5757) (7.48 x \$0.0296) harges	12.69 8.38 4.31 0.22 0.22 12.91
(7.48 x \$0.0296)	8.38 4.3 0.22 0.22
	8.36 4.3 ⁻ 0.2 2
(7.48 x \$0.5757)	8.38 4.3
(7.48 x \$0.5757)	8.3
	12.69
	40.04
10/30/19 to 11/15/19	
	28.00
	28.00
	0.00
hank you!	-17.60
	-17.60
	17.60
	Account No. 21NGTON, KY 40505-234 Thank you!

Understanding Your Bill

The information below defines some of the new terms you may find on your bill:

- Service Related Charges: This section includes charges for services related to water, wastewater and fire protection.
 If applicable, credits and debits for correction to previously billed charges are itemized in this section.
- Fees and Adjustments: This section provides details related to additional charges or adjustments for the service period referenced. Fees, when applicable, would include items such as service activation and late payment charges.
- Pass Through Charges: Charges in this section, when applicable, are separated from other service related charges to provide visibility into what portion of your bill is being remitted to other entities. Payment received for these charges does not remain with American Water. While we may bill and collect for them, the payments received are passed along to other companies and agencies.
- Billing Units: One billing unit equals 100 gallons of water used. If the meter serving your property measures your water use in cubic feet or a different unit of measure, we convert the usage to gallons to make it easier to understand.
- Average Daily Use: The gallons shown in the water droplet above represent your average daily water use for the current billing period. Tracking the amount of water you use can help you manage your overall water use from month to month.
- Still have questions? We are here to help. Our customer service representatives are available M–F, 7 a.m. to 7 p.m. More information on understanding your bill and charges can also be found on our website. See the link below.

For more information about your charges and rates, please visit: https://amwater.com/kyaw/rates <This page is intentionally left blank and reserved for future messages>



THREE CONVENIENT WAYS TO PAY YOUR BILL ONLINE

Using My Account, you can enroll in Auto Pay or pay by credit card, debit card and echeck. You choose which option works best for you!



Log on to **My Account** at myaccount.amwater.com. On your home page, click on **Make a Payment**.







Choose your payment method and follow the prompts.

Auto Pay: Enroll and your bill will be paid on time, every time automatically, directly from your checking or savings account on the date it is due. No stamps required!

Electronic Check: No fee required.

Credit/Debit Card*



*Note: Our payment partner, Paymentus, charges \$1.95 per transaction for credit card and debit card payments. To avoid the

avoid the transaction fee:
There is no charge to pay by e-check.

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Making it easy to manage your account online is just one way **WE KEEP LIFE FLOWING.**

Here are a few other things you can do with My Account:

- · View and pay your bill.
- Track your water usage over the last three years. Understanding when you use the most water is the first step to conserving.
- Compare your water usage against the neighborhood average.
- Sign up for Auto Pay and Paperless Billing.
- Tell us how you want to receive emergency and and service notifications (phone, text and/or email).*
- Update your contact information.
- Activate or deactivate your water service for residential customers.

Register online at **myaccount. amwater.com**. Be sure to have your account number handy.

* Standard text, data and phone rates may apply.



KENTUCKY AMERICAN WATER

WE KEEP LIFE FLOWING™

WE KEEP LIFE FLOWING

Service Address:

ROBERT HOBDY **672 ANNISTON DR LEXINGTON, KY 40505-2346**



THANK YOU FOR BEING OUR CUSTOMER.

Important Account Messages

- · This is your final bill for service and your account is now closed. Should you need to restore service at this location or another area served by American Water, please give us a call or use My Account for fast and easy self service.
- Tired of buying stamps and writing checks? Enroll in Auto Pay and your bill will be paid on time, every time directly from your bank account. To enroll, register or log on to My Account at amwater.com/myaccount.

For more information, visit www.kentuckyamwater.com

Monthly Statement

622503132670

Account No.

Total Amount Due:	\$193.47
Payment Due By:	January 2, 2020

Billing Date:

December 16, 2019

Service Period: Total Gallons:

Nov 16 to Dec 12 (27 Days)

27.676

Account Summary - See page 3 for Account Detail

Prior Billing:	使性 以	\$41.68
Payments - Thank Youl	660	\$41.68
Balance Forward:		\$0.00
Service Related Charges:	+	\$182.52
Taxes:		\$10.95
Total Amount Due:		\$193.47

View your account information or pay your bill anytime at: www.amwater.com/MyAccount



Pay by Phone*: Pay anytime at 1-855-748-6066 *A convenience fee may apply



Customer Service: 1-800-678-6301 M-F 7:00am to 7:00pm - Emergencies 24/7

▼ Please return bottom portion with your payment, DO NOT send cash. Retain upper portion for your records. ▼

**** FINAL BILL ****



WE KEEP LIFE FLOWING

PO Box 790247 St Louis, MO 63179-0247

Service to: 672 ANNISTON DR **LEXINGTON, KY 40505-2346**

ROBERT HOBDY **603 IVY CT** LEXINGTON, KY 40505-2326 Account No.

Total Amount Due:

\$193.47

Payment Due By:

January 2, 2020

If paying after 1/2/20, pay this amount:

\$203.14

Amount Enclosed



KENTUCKY AMERICAN WATER PO BOX 790247 ST LOUIS, MO 63179-0247

Messages from Kentucky American Water

When temperatures stay below freezing, follow these steps to protect your pipes:

- · Identify and label your main water shutoff valve.
- If pipes run through cabinets or vanities, open the doors to let warmer room temperatures flow in.
- Keep water moving through the pipes by allowing a small trickle of water to run.
- If your pipes freeze, shut off water immediately and thaw them with a hair dryer or space heater. Once pipes are thawed, slowly turn the water back on and check pipes and joints for any cracks.





CUSTOMER SERVICE

1-800-678-6301

HOURS: M-F, 7am-7pm • Emergencies: 24/7
TTY/TDD FOR THE HEARING IMPAIRED:
711 (and then reference Customer Service number listed above)

SERVICES



Go Paperless: Save time. Save money. Sign up for Paperless Billing and Auto Pay on My Account at amwater.com/myaccount. Not registered? Log in and be sure to have your account number handy.



Water Quality: We take water quality seriously. When it comes to complying with federal drinking water standards, we consistently score better than the industry average. For a copy of the annual water quality report for your area, visit kentuckyamwater.com. Under Water Quality, select Water Quality Reports.



E-mail Address

H20 Help To Others: This program helps low-income customers who qualify with their water bills. For more information, visit kentuckyamwater.com. Under Customer Service & Billing, select Low Income Program.

EXPLANATION OF OTHER TERMS



Payment by Check: Paying by check authorizes American Water to send the information from your check electronically to your bank for payment. The transaction will appear on your bank statement. The physical check will not be presented to your financial institution or returned to you.



Estimated Bill: This occurs when we are unable to read the water meter. Your usage from the same billing period the prior year is used to calculate the estimated bill. The next actual meter reading corrects any over or under estimates.



Disputes: If you have questions or complaints about your bill, please call us at 1-800-678-6301 before the due date. If your bill is unusually high, it may indicate that there is a leak in your plumbing. For tips on how to detect leaks and use water wisely, visit us online. You'll find helpful tools under the Water Information menu. Every drop counts!



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	ELP TO OTHERS PROGE				at the section with any section of the period and section and section and	N. WE CO. WE ARE AND
	'd like to add a recurring c	109			derstand this amount will be	added to each bill.
Address C	hange(s)		Other	ways to	pay your bill	
Name				Auto Pay	Online	In Person
Address			Enroll in A	and money. uto Pay, and ill be paid on	With My Account, you can pay your bill anytime, anywhere. Registration is	We have agreements with several authorized
City		Zio Codo	time, ever directly fro bank acco	y time, om your ount on the	fast and easy. Visit www.amwater.com/MyAccount or pay without registration at www.amwater.com/billpay (fee	payment locations in
() Phone Numi	ber	Zip Code Mobile Number	due date. stamps re	find one near you.		





WE KEEP LIFE FLOWING"

Meter Reading and Usage Summary

Meter No.	Measure	Size	From Date	To Date	Previous Read	Current Read	Meter Units	Billing Units	Total Gallons
H012676594	100 CF	5/8"	11/16/2019	12/12/2019	271 (A)	308 (A)	37	276.76	27,676
A = Actual E :	= Estimate			1 CF = 7.48 g	allons 1 Billing U	Init = 100 gallons		Total Gallons:	27,676

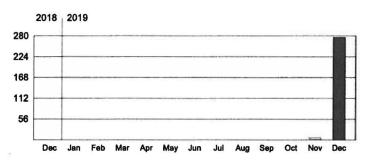
\$193.47

Billed Usage History (graph shown in 100 gallons)

27,676 gallons = usage for this period

Total Amount Due

0 gallons = usage for same period last year



Account Type:

Residential

Average daily use for this period is: (27 days)

1,025 gallons

Year to Date Billed Usage: 28,424 gallons

Account Detail Service To: 672 ANNISTON	Account No. DR LEXINGTON, KY 40505-234	16
Prior Billing		41.68
Payments		-41.68
Total payments as of N	lov 25. Thank you!	-41.68
Balance Forward		0.00
Service Related Cha	rges - 11/16/19 to 12/12/19	
Mater Service		174.33
Water Service Charge Water Usage Charge	(276.76 x \$0.5757)	15.00 159.33
Other Charges		8.19
KRA Withdrawal Fee	(276.76 x \$0.0296)	8.19
Total Service Rela	ted Charges	182.52
Taxes		10.95
Franchise Taxes (\$182 School District Tax (\$1		5.48 5.47
Total Current Peri	od Charges	193.47
-		

Understanding Your Bill

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For more information about your charges and rates, please visit: https://amwater.com/kyaw/rates

<This page is intentionally left blank and reserved for future messages>

Kentucky American Water - Customer Meter Test Form BENCH 2
CUSTOMER NAMEACCT #
SERVICE ADDRESS 672 Anniston Dr PREMISE # 9120058767
METER SIZE 5/8" NUMBER 12676594 DATE 1/7/20
FIRST TEST READINGS
Volume / Test GPM Adj. Read Final Read Test % Required Accuracy
1 CF / LOW 1/4 03/0, 4600 03/0, 4700 /00 95%-101%
1 CF / MED 2 03/0,4700 03/0,4800 /00 98.5%-101.5%
10 CF / HIGH 15 0310, 4800 0310, 5792 99.5%-101.5%
IF ANY OF THE TESTS ABOVE ARE NOT WITHIN THE REQUIRED ACCURACY LIMITS THEN FURTHER TESTING IS REQUIRED BELOW
SECOND TEST READINGS
Flow Rate % of Capacity / Volume / Test GPM Adj. Read Final Read Test % of Accuracy
25% / 1 CF / LOW
50% / 1 CF / MED 98.5%-101.5%
75% / 10 CF / HIGH 98.5%-101.5%
First Test Series % AverageSecond Test Series % Average /
Less Standard: 100% Equal % of Error Fast Slow
Before Test Reading: 03/0,46 After Test Reading: 03/0,57
Customer Witness? Yes No
IF % OF ERROR IS GREATER THAN 2%, COMPLETE APPROPRIATE SECTION BELOW.
Length of time error is known to have existed
FAST METER basis for refund Amount of refund
SLOW METER basis for additional Bill Amount of additional Bill
Comments Meter passed test, No data log due to no RF signal, (Bat
Comments Meter passed test, No data log due to no RF signal, (Bac Will scrap in SAP but keep lyr
Copy To: KAWC-Cust Advac Disputes: Meter Tech: R. Mattingly