

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

RICHARD DU VALLE VALE AND)	
DOROTHY JEAN VALE)	
)	
COMPLAINANTS)	
)	
vs.)	CASE NO. 95-320
)	
SPEARS WATER COMPANY)	
)	
DEFENDANT)	

O R D E R

On July 21, 1995, Richard and Dorothy Vale filed a complaint against Spears Water Company ("Spears") challenging a June 27, 1995 water bill in the amount of \$1,133.58 for 332,000 gallons of water. The complainants allege that Spears failed properly to maintain the water meter and meter box serving their property, resulting in a three week delay in discovering a leak in their service line. For their relief, complainants request the Commission to adjust their bill to reflect a normal month's consumption, to eliminate any late payment or reconnect fees, and to require Spears to provide a water meter and shut-off valve readily accessible to complainants.

Spears filed an answer denying the substance of the complaint, alleging that complainants' meter tested within the Commission's accuracy guidelines and that any damage to the meter was not caused by Spears and requesting that the complainants be required to pay for all water that passed through the meter. A hearing was held at the Commission's offices on September 12, 1995.

Based on the evidence of record and being otherwise sufficiently advised, the Commission finds that the complainants have acknowledged that their high water consumption was due to a leak in the water line between the meter and their house. This line, commonly referred to as the service line, is owned by the customer and its maintenance is the customers' responsibility.

Commission regulation 807 KAR 5:066, Section 12(2), provides that, "The customer. . . shall keep the service line in good repair and in accordance with such reasonable requirements of the utility as may be incorporated in its rules and regulations." Further, Spears' tariff as filed with the Commission provides that, "The customer shall install, own, and maintain his service line from the meter and/or point of delivery as defined heretofore." Spears Tariff PSC Ky. No. 3, Original Sheet No. 14.

The complainants also acknowledge that the accuracy of the meter serving their property was tested and found to be within Commission standards under 807 KAR 5:066, Section 15, Accuracy Requirements of Water Meters. The meter, located on Union Mill Road in Nicholasville, Kentucky, is adjacent to a creek and approximately one quarter mile from complainants' home.

On May 18, 1995, the area experienced a major rain storm which flooded the creek and caused the meter to be submerged. The meter was still submerged on June 14, 1995 when Mr. Vale attempted to read it. Although unable to do so because of the surrounding water, he determined from its vibrations that water was passing through it at a time when all outlets in his home were closed. He

then closed the shut-off valve at the water meter. Later, with the assistance of a laborer, Mr. Vale installed two valves in his service line to isolate the leak. The valves were installed in place of existing couplings at locations where the ground was damp.

Mr. Vale eventually found a plastic coupling with a hairline crack and immediately replaced the coupling. The water surrounding the meter was not coming from complainants' service line or even their property but, rather, from under the road. This indicates the presence of a spring or possibly a leak on Spears' side of the meter, although the meter is submerged only after it rains.

The complainants did not notify Spears of the existence of a leak in their service line. They did, however, on June 14, 1995 notify the Commission's Consumer Services Branch which notified Spears. The general manager of Spears visited complainants' property the next day and saw three holes exposing the service line; two containing new valves and couplings and one with just a new coupling. He also observed that the service line appeared to have been repaired just outside the meter box.

Spears testified that the complainants' meter had been read monthly during 1995 with no estimated reading. Even when the meter is submerged, it can be read by using a device known as a sight glass. There is no credible evidence that the meter was not being read monthly or that Spears failed properly to maintain the meter and meter box. Complainants' meter accurately recorded the water consumed in the May-June 1995 billing period and that consumption was extraordinary due to a leak in complainants' service line.

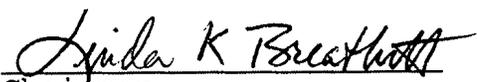
While it is truly regrettable that this leak occurred, the loss must be borne by the complainants as they are solely responsible for their service line.

The complainants did promptly notify the Commission of a disputed billing and Spears was in turn notified the same day. Thus, the assessment of any late payment fees would violate 807 KAR 5:006, Section 11, and Spears should remove any such fees that may have been assessed. Pursuant to 807 KAR 5:006, Section 13(2), the complainants may request Spears to establish a partial payment plan for the outstanding bill. Considering the amount of that bill, it would be reasonable for such a plan to extend up to 24 months.

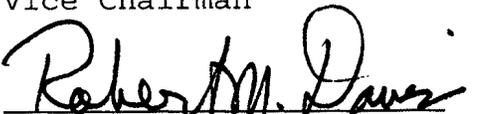
IT IS THEREFORE ORDERED that the complaint of Richard and Dorothy Vale against Spears shall be dismissed and Spears shall remove any late payment fees assessed and offer a partial payment plan extending up to 24 months.

Done at Frankfort, Kentucky, this 23rd day of January, 1996.

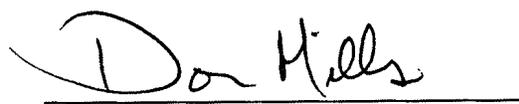
PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director