

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

Case No. 2010-0056

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JUN 21 2010

PUBLIC SERVICE
COMMISSION

Leon G. Meeks

COMPLAINANT

v.

Kentucky-American Water Company

DEFENDANT

ANSWER

NOW COMES the Defendant, Kentucky-American Water Company (KAW), and files the following Answer to the Complaint in this docket:

FIRST DEFENSE

1. The format of the Complaint makes a response on a paragraph-by-paragraph basis difficult in this case. Nevertheless, Defendant generally denies all allegations of the Complaint.

SECOND DEFENSE

2. Defendant admits that Complainant is a residential customer of Defendant. During all times relevant to his Complaint, Complainant's meter had automatic reading capability, and Defendant read the meter remotely using computer equipment. Between April 18, 2007, and December 16, 2008, Complainant's meter malfunctioned in its automatic read capability. Although the meter itself accurately showed the customer's usage, that usage could not be read remotely.

3. While the readings were lower than usual for this customer, they were not so unusual as to indicate the meter was malfunctioning. The usage pattern could have simply indicated conservation measures.

4. The pattern of readings by the end of 2008 prompted an investigation by KAW personnel, who discovered the malfunctioning reading

element. The meter was visually read, and the underbilling totaled \$799.29. Pursuant to 807 KAR 5:006, Section 10(2), KAW will spread that amount over the total number of months during which the meter was malfunctioning.

5. Hence, KAW intends to bill Complainant a total of \$799.29 over 20 months, meaning his monthly water bill will include \$39.96 until the underbilled portion is paid off.

6. In an effort to resolve this matter, KAW will agree to stretch the time period over which it would recover the underbilled portion over 30 months. In addition, KAW is renewing an investigation to determine if it should have discovered the problem sooner. KAW intends to complete this investigation by July 15, 2010, and will report the results back to Complainant and the Commission.

THIRD DEFENSE

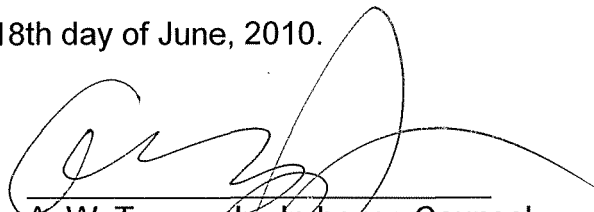
7. Customers can discover leaks on their systems in a variety of ways. KAW specifically denies the allegations that Complainant could not have discovered any leaks on his property because his meter was not functioning properly.

FOURTH DEFENSE

8. During the relevant time period of this Complaint, KAW followed the procedures set out in its tariffs and Commission rules. While KAW regrets the erroneous meter readings, Complainant did use the water the subsequent meter readings indicated, and KAW appropriately billed him for that usage.

THEREFORE, KAW requests that the Complaint in this case be dismissed with prejudice.

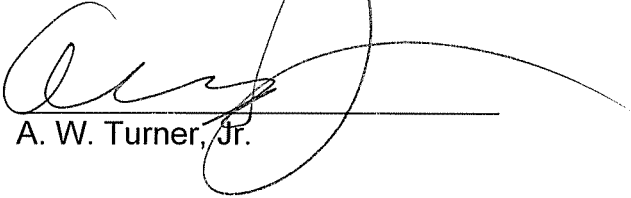
Respectfully submitted this the 18th day of June, 2010.



A. W. Turner, Jr., In-house Counsel
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CERTIFICATE OF SERVICE

I certify that on the 18th day of June, 2010, a true and correct copy of the foregoing was mailed first-class, postage prepaid, to Leon G. Meeks, 107 Frazier Court 1C, Georgetown, Kentucky 40324.



A. W. Turner, Jr.