

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

TERRI LEMASTER	)	
	)	
COMPLAINANT	)	
	)	CASE NO.
V.	)	2025-00256
	)	
MOUNTAIN WATER DISTRICT	)	
	)	
DEFENDANT	)	

ORDER

On July 28, 2025, Terri LeMaster filed a Complaint against Mountain Water District (Mountain District) in which she alleged that she received a water bill for more than \$1,000 and that Mountain District told her she had an underground pipe leak, which she asserted was located 12 inches from the meter.¹ Ms. LeMaster claimed that Mountain District had moved her water meter and an adjoining property's meter to a new location on her property.² Although the Complaint is not entirely clear, Ms. LeMaster alleged that there was confusion about which meter was for which property.³ She alleged that any leak would have been caused by Mountain District moving the barrels containing the two meters.⁴ She asked that the water company be required to move her meter back to where

¹ Complaint at 2.

² Complaint at 2.

³ Complaint at 3.

⁴ Complaint at 3.

it was, to disconnect any lines connected to hers, and to turn off all lines on her property except the one running to her house.⁵

On March 4, 2026, the Commission entered an order finding that Ms. LeMaster's complaint complies with regulatory requirements and states a *prima facie* case against Mountain District, to the extent it alleges that the leak resulting in her high water bill was caused by Mountain District moving her meter base.⁶ The Commission ordered Mountain District to satisfy or answer this allegation.⁷

The Commission further found that to the extent Ms. LeMaster claims that her high water bill was the result of her neighbor tapping into her line, which does not relate to the rates or services of a utility, her claim does not state a *prima facie* case against Mountain District.⁸ The Commission afforded Ms. LeMaster an opportunity to amend her complaint to cure this deficiency and ordered that this claim shall be dismissed if LeMaster failed to amend her complaint to establish a *prima facie* case.⁹

On March 16, 2026, Mountain District filed an answer to the complaint, asserting that Ms. LeMaster's high water bills were caused by a leak in her underground service line, and that the service line from the outlet of the meter to the place of consumption is her responsibility.¹⁰ Mountain District stated that it installed Ms. LeMaster's meter in 2020 and that it had no record of relocating the meter either at the request of the customer or

⁵ Complaint at 2.

⁶ Order (Ky. PSC Mar. 4, 2026) at 3.

⁷ March 4, 2026 Order at 3.

⁸ March 4, 2026 Order at 3.

⁹ March 4, 2026 Order at 4.

¹⁰ Answer (filed Mar. 16, 2026) at 4.

because of operational necessity.¹¹ Mountain District asserted that any claim for alleged damage to the line caused by excavation activities would be in the nature of a tort claim for property damages.¹² Mountain District further asserted that the Commission lacks jurisdiction over any claims based on high water usage resulting from a service line leak in the customer's service line, whether caused by Mountain District's actions or the neighbor's theft.¹³

On March 19, 2026, LeMaster filed an amended complaint in which she made additional allegations about the relocation/replacement of her meter without her knowledge and attached work orders the two most recent of which were from December 2020.¹⁴ She also alleged that without her permission, contractors for Mountain District installed a water line across her property to another to serve another property.¹⁵ Ms. LeMaster asked that Mountain District be required to state all work it has done relating to the relocation or raising of her water meter and other water meters on her property as well as to provide maps from 2003 showing the locations of meters and the account holders names.¹⁶ Ms. LeMaster did not address the Commission's finding that her allegations regarding a neighbor's alleged theft of water did state a *prima facie* case or amend those allegations.

¹¹ Answer (filed March 16, 2026) at 5–6.

¹² Answer (filed March 16, 2026) at 3.

¹³ Answer (filed March 16, 2026) at 4.

¹⁴ Amended Complaint (filed March 19, 2026) at 1–2

¹⁵ Amended Complaint at 1.

¹⁶ Amended Complaint at 2.

LEGAL STANDARDS

KRS 278.040(7) provides that the Commission to “regulate utilities and enforce the provisions of [KRS Chapter 278].” KRS 278.040(8) grants the Commission exclusive jurisdiction over the regulation of rates and service of utilities in Kentucky. Pursuant to KRS 278.260, the Commission has jurisdiction over complaints as to rates or service of any utility. While no order affecting a rate or service complained of may be entered without a hearing, “[t]he commission may dismiss any complaint without a hearing if, in its opinion, a hearing is not necessary in the public interest or for the protection of substantial rights.”¹⁷

Commission regulation 807 KAR 5:001, Section 20(1)(c), requires each complaint to state fully, clearly and with reasonable certainty, the act or omission, of which failure to comply is alleged. Furthermore, 807 KAR 5:001, Section 20(4)(a), requires the Commission to examine the complaint to ascertain whether the complaint establishes a *prima facie* case that the utility has violated a statute, regulation, tariff, or order for which the Commission may grant relief. A complaint establishes a *prima facie* case when, on its fact, it states sufficient allegations that, if uncontradicted by other evidence, would entitle the complainant to the requested relief.¹⁸ If a complaint fails to establish a *prima facie* case, it may be dismissed. However, 807 KAR 5:001, Section 20(4)(a)(1), allows a complainant to amend a complaint within a specified time.

The Commission established general rules applicable to water utilities in 807 KAR 5:066. Section 12 of that regulation assigns responsibility for service connections

¹⁷ KRS 278.260(1).

¹⁸ Case No. 2011-00211, *Brenda Joyce Clayton v. Louisville Gas and Electric Company* (Ky. PSC July 15, 2011), Order 1–2.

between the utility and customers. Specifically, Section 12(1), provides that “the utility shall furnish and install at its own expense that portion of the service connection from its main to and including the meter and meter box.”¹⁹ Section 12(2) assigns to the customer the responsibility “to furnish and lay the necessary pipe to make the connection from the point of service to the place of consumption” and to “keep the service line in good repair.”²⁰

Section 13(1) of 807 KAR 5:066 provides that all water sold by a utility shall be upon the basis of metered volume sales.²¹ Pursuant to KRS 278.160(2), no person shall receive service from a utility for compensation greater or less than that prescribed within the utility's filed schedules. The Commission may review claims of improper billing and require bill corrections to enforce KRS 278.160, among other applicable laws.²² The Commission’s jurisdiction, however, does not include the authority to award unliquidated damages.²³

DISCUSSION

In this case, it is undisputed that the water line leak was on the complainant’s side of the meter. Pursuant to 807 KAR 5:066, Section 12, a water utility is only responsible for the service connection from the water main to the meter and meter box, and the customer is responsible for installing and maintaining the service line from the outlet of

¹⁹ 807 KAR 5:066(12)(1)(a).

²⁰ 807 KAR 5:066(12)(2).

²¹ 807 KAR 5:066, Section 13(1).

²² See, e.g. Case No. 2003-00032, *Collins v. Louisville Gas and Electric Company* (Ky. PSC July 1, 2023), Order (indicating that the Commission may require utilities to correct bills but is unable to award damages).

²³ See, e.g. *Carr v. Cincinnati Bell, Inc.*, 651 S.W.2d 126 (Ky. App. 1983) (in which the Court found that the Commission’s jurisdiction does not extend to claims of unliquidated contract damages).

the meter to the place of consumption. Thus, the Commission finds that Mountain District is not responsible for maintaining the service line on the outlet side of the meter where the line was leaking, and therefore, Ms. LaMaster would be responsible for paying rates associated with the metered amounts.

Regarding her claim that the leaking water line was damaged by Mountain District moving her meter, the Commission notes that Ms. LeMaster admitted she contacted Mountain District in early 2024 with concerns about the meter being moved but the spike in water usage did not occur until November 2024.²⁴ Mountain District asserted that it has no record of ever moving Ms. LeMaster's meter or meter base, and none of the work orders submitted by the Complainant, the most recent of which was from December 2020, mention any relocation of a meter or meter base.²⁵ Further, the work orders and photos submitted by Ms. LeMaster indicate that her current meter has been in service since 2020,²⁶ and Ms. LeMaster has not cited any basis to find causation between the meter replacement in 2020 and the spike in water usage that commenced in November 2024 and continued until July 2025.

The Commission further finds that Ms. LeMaster's claim that Mountain District installed service lines on her property for the purpose of serving other properties without her permission would also be in the nature of a civil claim sounding in tort. The Commission's jurisdiction under KRS 278.260 is limited to complaints regarding the rates and services of utilities. The Commission finds the claim that Mountain District installed

²⁴ Complaint at 3.

²⁵ Answer at 5–6.

²⁶ Answer at 15 (work order dated 12/22/2020 show meter no. 52267084) and 40-42 (photo from 2024 of Mountain District employee and meter no. 52267084).

service lines on her property without her knowledge or permission does not fall within this jurisdiction.

As noted, the Commission found in its March 4, 2026 Order that Ms. LeMaster's claim based on her allegations regarding a neighbor's alleged theft of water failed to state a *prima facie* case against Mountain District.²⁷ The Commission afforded LeMaster an opportunity to amend her complaint to cure this deficiency and ordered that this claim shall be dismissed if LeMaster failed to amend her complaint to establish a *prima facie* case.²⁸ Ms. LeMaster did not address or cure this deficiency in her Amended Complaint, and the Commission therefore finds that this claim should be dismissed.

Based on the foregoing, the Commission finds that the complaint should be dismissed. The Commission further finds that the complaint should be dismissed without a hearing as a hearing is not necessary in the public interest or to protect substantial rights based on the evidence and admissions discussed above.

IT IS THEREFORE ORDERED that:

1. The complaint is dismissed without prejudice.
2. This case is closed and removed from the Commission's docket.

²⁷ March 4, 2026 Order at 3.

²⁸ March 4, 2026 Order at 4.

Entered on this 11th day of August, 2026.

PUBLIC SERVICE COMMISSION



Angie Hatton
Chair

Mary Pat Regan
Vice Chair

Andrew W. Wood
Commissioner

Barry L. Mayfield
Commissioner

ATTEST:



Justin McNeil
Executive Director

Case No. 2025-00256

Service List for Case 2025-00256

* Tina C. Frederick
STOLL KEENON OGDEN PLLC
300 West Vine Street
Suite 2100
Lexington, KY 40507-1801

* Terri Lemaster
P. O. Box 612
Belfry, KY 41514

* Mountain Water District
6332 Zebulon Highway
P. O. Box 3157
Pikeville, KY 41502-3157