

**STATE OF MISSOURI
PUBLIC SERVICE COMMISSION**

At a session of the Public Service Commission held at its office in Jefferson City on the 28th day of November, 2018.

Teresa Jones,)	
)	
Complainant,)	
)	
vs.)	<u>Case No.: WC-2019-0028</u>
)	
Missouri-American Water Company,)	
)	
Respondent.)	

**ORDER ADOPTING STAFF'S FINDINGS
AND RECOMMENDATIONS**

Issue Date: November 28, 2018

Effective Date: December 28, 2018

A

On July 30, 2018, Teresa Jones filed a complaint alleging that Missouri-American Water Company ("Missouri-American" or the "Company") improperly discontinued her water service. Her complaint stated that the Company failed to give her proper notice before it discontinued her service for non-payment. On July 30, 2018, the Commission issued its Notice of Contested Case and Orders for Small Formal Complaint, ordering Missouri-American to answer no later than August 29, 2018, and ordering the Staff of the Missouri Public Service Commission (the "Staff") to file a report detailing its recommendations no later than September 13, 2018. Staff filed its report on September 13, 2018. The Commission ordered Missouri-American to reply, and Missouri-American did so on

September 28, 2018, therein acknowledging that Commission Rule 4 CSR 240-13.050(3) (the “Regulation”) and the Company’s Tariff Rule 10(G) (the “Tariff”) were applicable to the service disconnection and accepting Staff’s recommendations.

Noting that neither Ms. Jones nor the Office of Public Counsel was ordered to, or had replied to Staff’s recommendations, the Commission then ordered Missouri-American and Staff to file either a joint stipulation and agreement proposing a resolution to the case or a status report no later than October 22, 2018. The Staff filed a Status Report.¹

On October 24, 2018, the Commission issued its order that no later than November 5, 2018, Ms. Jones or Public Counsel could object to the Commission’s entering an order adopting the Staff’s findings and recommendations by requesting an evidentiary hearing. The Commission’s order gave the parties notice that if no objection was registered, would consider entering an order adopting the Staff’s findings and recommendations. No evidentiary hearing was requested, and no objection was otherwise posed. The Commission finds that Ms. Jones and Public Counsel have no objection to the Commission’s order adopting the Staff’s findings and recommendations. The Commission will issue its order adopting the Staff’s findings and recommendations.²

¹ Missouri-American did not file a Report, but the Commission officially notices that in its Response to Staff’s Report and Recommendations filed on September 28, 2018, Missouri-American stated that it had no objection to the Staff’s recommendations.

² Section 386.390.5, RSMO, states that the “commission shall fix the time when and the place where a hearing will be had upon the complaint. . . .” *State ex rel. Rex Deffenderfer, Inc. Public Service Com’n of State of Mo.*, 776 S.W. 494, (Mo. App. W.D. 1989), however, held that the requirement of a hearing is satisfied when the opportunity for a hearing is provided and no party requests the opportunity to present evidence. Here the Commission has expressly ordered that Ms. Jones and Public Counsel might register an objection to the Commission’s adopting the Staff’s findings by filing a request for an evidentiary hearing no later than November 5, 2018. Order of October 24, 2018, EFIS Item No. 11. No request for an evidentiary hearing having been made, the Commission may now enter its orders without a hearing.

B

On the basis of Staff's Report³, Missouri-American's Response to Staff Report and Recommendations⁴, and the absence, after notice, of objections to Staff's findings, the Commission finds that Missouri-American violated 4 CSR 240-13.050(3) and Respondent's own Tariff Rule 10(G) when the Company disconnected service without proper notification⁵. The applicable rules for discontinuance notifications are found at 4 CSR 240-13.050(3) and the Company's Tariff, P.S.C. MO No. 13, Sheet No. R. 25, Rule 10(G). The Regulation provides:

On the date specified on the notice of discontinuance or within thirty (30) calendar days after that, and subject to the requirements of these rules, a utility may discontinue service to a residential customer between the hours of 8:00 a.m. and 4:00 p.m. Service shall not be discontinued on a day when utility personnel are not available to reconnect the customer's service or on a day immediately preceding such a day. After the thirty (30) calendar day effective period of the notice all notice procedures required by this rule shall again be followed before the utility may discontinue service.

The Company's Tariff provides:

On the date specified on the notice of discontinuance or within twenty (20) business days for quarterly billed Customers and eleven (11) business days for monthly billed Customers after that, and subject to the requirements of these rules, the Company may discontinue service to a residential Customer between the hours of 8:00 a.m. and 4:00 p.m. Service shall not be discontinued on a day when Company personnel are not available to reconnect the Customer's service or on a day immediately preceding such a day unless the Company is prepared to reconnect service on such day, subject to payment of the applicable standard charge as required. After the twenty (20) business day effective period of the notice for quarterly billed Customers and eleven (11) business day effective period of notice for monthly billed Customers, all notice procedures required by this rule shall again be followed before the Company will discontinue service.

The Company violated the Regulation and the Tariff. It mailed discontinuance notices to Ms. Jones on March 13, 2018, and on March 20, 2018, stating the service would

³ EFIS Item No. 6

⁴ EFIS Item No. 8

⁵ EFIS Item No. 6, Appendix A, page 2/4

be disconnected on or after March 26 if the delinquent balance was not paid in full. But nothing further happened until April 27, 2018, when service was discontinued. More than thirty (30) calendar days and more than twenty (20) business days had elapsed between the notice and the disconnection, but the Company had not re-initiated notice procedures as required by the Regulation and the Tariff for quarterly-billed customers.

C

Ms. Jones' Complaint did not specify the relief she wanted,⁶ but she informed Staff that she wanted to prevent the issue from happening to other customers in similar situations.⁷ Her request is, indeed, apropos because Staff's investigation and report revealed that multiple Company representatives and a Company Supervisor were unaware of the time constraints for discontinuing service. Staff recommended and the Company has agreed that the Company will review its training process to ensure that its representatives know the notification requirements for discontinuance of service. Staff recommended and the Company has agreed that it submit confirmation to the Commission confirming and detailing the remedial training that has been conducted. The Company has specifically agreed that it will review the programming of its Customer Information System to ensure that the notification process is restarted after the time limit has elapsed from the initial disconnect date and will submit confirmation to the Commission once this technical error has been corrected.

⁶ The Commission has no authority to award damages. *State ex rel GS Techs Operating Co. v. PSC of Mo.*, 116 S.W.3d 680, 696 (Mo. App. 2003).

⁷ EFIS Item No. 6, Appendix A, page 2/4.

D

Based on the Commission's impartial review of the Complaint, Staff's Findings and Recommendations, and the Company's Response thereto, the Commission will adopt the Staff's Findings and Recommendations and order the Company to perform and adhere to all of its requirements, terms and conditions.

THE COMMISSION ORDERS THAT:

1. The Commission adopts the Staff's Report and Recommendations which is **Exhibit 1** and made a part of this Order.⁸ The orders Missouri- American Water Company to perform and comply with those recommendations.

2. Missouri-American Water Company shall review its training process to ensure that its representatives know the notification requirements set out in 4 CSR 240-13.050(3) (the "Regulation") and the Company's Tariff, P.S.C. MO No. 13, Sheet No. R. 25, Rule 10(G) (the "Tariff") for discontinuance of service.

3. Missouri-American Water Company shall review the programming of its customer information system to ensure that the notification process is restarted in conformity with the requirements of the Regulation and the Tariff after the time limit has elapsed from the initial disconnect.

4. Missouri-American Water Company shall submit confirmation to the Commission detailing the remedial training which it has conducted for its representatives, as here ordered, and confirmation that the technical errors in failing to restart the timing limits have been corrected as here ordered. Confirmation as here ordered shall be filed with the Commission in EFIS no later than ninety (90) days of the effective date of this Order.

⁸ EFIS Item No. 6.

5. This Order shall be effective on December 28, 2018.



BY THE COMMISSION

A handwritten signature in black ink that reads "Morris L. Woodruff".

Morris L. Woodruff
Secretary

Silvey, Chm., Kenney, Hall, Rupp, and
Coleman, CC., concur.

Graham, Regulatory Law Judge

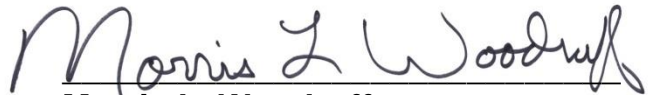
STATE OF MISSOURI

OFFICE OF THE PUBLIC SERVICE COMMISSION

I have compared the preceding copy with the original on file in this office and I do hereby certify the same to be a true copy therefrom and the whole thereof.

WITNESS my hand and seal of the Public Service Commission,
at Jefferson City, Missouri, this 28th day of November 2018.




Morris L. Woodruff
Secretary

MISSOURI PUBLIC SERVICE COMMISSION

November 28, 2018

File/Case No. WC-2019-0028

**Missouri Public Service
Commission**

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Teresa Jones

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Enclosed find a certified copy of an Order or Notice issued in the above-referenced matter(s).

Sincerely,



**Morris L. Woodruff
Secretary**

Recipients listed above with a valid e-mail address will receive electronic service. Recipients without a valid e-mail address will receive paper service.