

**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA**



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Malcolm Mark Bordelon and
Elizabeth Pritchett Bordelon,

Complainants,

vs.

SAN JOSE WATER COMPANY,
a California Corporation (U-168-W),

Defendant.

Case No. C.16-04-002

ANSWER OF

SAN JOSE WATER COMPANY

Palle Jensen
Sr. Vice President, Regulatory Affairs
Stephen Owens
Director, Regulatory Affairs
SAN JOSE WATER COMPANY
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May 12, 2016

**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA**

Malcolm Mark Bordelon and Elizabeth Pritchett Bordelon,)	
)	
Complainants,)	
)	
vs.)	Case No. C.16-04-002
)	
SAN JOSE WATER COMPANY, a California Corporation (U-168-W),)	
)	
Defendant.)	
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**ANSWER OF
SAN JOSE WATER COMPANY**

1. San Jose Water Company (“SJWC”) (U-168-W) hereby denies any and all claims of Malcolm Mark Bordelon and Elizabeth Pritchett Bordelon (“Complainants”) as filed in Case No. (“C.”) 16-04-002 related to SJWC's Account No. 6224410000-4 serving 6599 Graystone Meadow Circle, San Jose CA, related to a high usage complaint. The following document states and describes the events and policies that have lead SJWC to this position.
2. SJWC provides domestic water service through a 1-inch meter to 6599 Graystone Meadow Circle, San Jose CA.
3. SJWC reads the residential water meters on a bi-monthly basis, and issues bi-monthly bills based on the actual meter readings.
4. In their filing with the Commission, the Complainants claim that the usage of 107 ccf, recorded for the billing period 11/06/15 – 01/12/16, is erroneously high. Complainants argues that the billed water usage of 107 ccfs for this billing period is much higher than the average usage for the home. Complainants argue that “it is simply not possible for us to use this volume of water.” Complainants request an order that SJWC reduce the contested bill to the Complainants’ stated average bill of \$267 and “investigate why

missreporting of water usage is occurring and take corrective measures to assure it does not continue.”

5. SJWC denies the material allegations in the Complaint.
6. At the request of the Complainants, a field investigation was performed by SJWC on January 22, 2016. A Field Inspector met with the Complainants at the property and reported that the meter was read correctly, that the bill was an accurate reflection of the water used at the property, that no error in billing occurred and that the higher billed dollar amount was based on excess water usage over the Schedule 14.1 drought allocation.
7. On February 9 the meter was tested at SJWC’s facilities. The results of the test indicated an average accuracy of 100.05%, which is within the prescribed guidelines as established in General Order (“GO”) 103-A, Section IV.3. A copy of the shop test results was provided to the customer and is included in Attachment A to this Answer. SJWC performs meter accuracy tests for new, rebuilt, and repaired cold-water meters as outlined in the American Water Works Association (“AWWA”) M6 Manual of Water Supply Practices and in compliance with General Order 103-A, Section IV, Measurement of Service. Meter accuracy tests are performed in SJWC’s Meter Shop. The meter test equipment is certified and in compliance with the National Institute of Standards and Technology (“NIST”) Handbook 44 (Specifications, Tolerances, and Technical Requirements for Weighing and Measuring Devices). The testing equipment used by SJWC in the meter test is certified annually by Aver Weigh-Tronix.
8. On February 13 the Complainants submitted an Informal Complaint (“IC”) to the CPUC web-site; the IC was forwarded to SJWC on February 17. SJWC responded to this IC on February 26. Attachment A provides SJWC’s IC response, including the meter shop test results and the IC itself. In the IC response SJWC outlined the events to that point in time, and further provided additional recommendations to the customer to help reduce landscape water usage. Additionally, in this response SJWC noted that a one-time courtesy adjustment had been processed and placed on the Complainant’s account for the amount of \$562.67 to offset drought surcharges applied on the billing statement in question. Drought surcharges were implemented in June of 2015 via CPUC approval of

SJWC's Schedule 14.1. These drought surcharges provide a financial incentive for customers to stay below the Schedule 14.1 drought usage allocations. SJWC remains confident that the water was used and that the billed usage is correct, and only extended the credit as a courtesy.

9. The Complainants filed a formal complaint with the CPUC on April 5, 2016, and SJWC was provided with the complaint along with instructions to answer on April 22nd. SJWC's Response is timely filed on May 12, 2016.
10. Complainants state that "It is simply not possible for us to use this volume of water." However, examination of the Complainants' usage history indicates that this level of usage (107 ccfs) has been approached, or exceeded, on multiple occasions. Specifically, SJWC records show that Complainants were billed for 81 ccfs in July of 2014, 111 ccfs in September of 2014, and 82 ccfs in November of 2014. Clearly, the Complainants have used similar levels of water since establishing service at 6599 Graystone Meadow Circle. What likely brought this bill to the Complainants' attention was the application of the drought surcharges. The drought surcharges added an additional \$562.67 to the bill, however, as noted above, SJWC has already provided a one-time courtesy credit to offset these drought surcharges.
11. SJWC states that the Complainants have not been over-charged for water delivered to the subject property on the above mentioned bill. SJWC's responsibility for water service ends at the service connection, and while SJWC can seek to assist customers with leak detection through water audits, the utility cannot take responsibility for water usage or water loss on the customer's side of the meter. Ultimately, it is the responsibility of the customer to monitor water usage past the meter.
12. When investigating a high usage dispute, the Commission staff should base its opinion on concrete facts. These facts include verification of the meter readings, testing of the meter and calculation of the bill. If the meter is tested and registers within the limits of accuracy set by this Commission and the readings are verified, a presumption exists that the customer, in one way or another, used the water as shown on the meter. In this case, the results of the meter test were well within the limits of accuracy prescribed by this Commission. The Commission staff expects SJWC to bill customers correctly from a

meter of proven accuracy and at the correct rate. SJWC is complying with this requirement; and therefore, no additional bill adjustment is warranted.

13. SJWC respectfully recommends that the CPUC find the one-time courtesy adjustment of \$562.67 to remove the drought surcharges acceptable to close this issue. With this one-time courtesy adjustment the Complainants would be obligated to pay the remaining \$656.46 of the contested bill.

Dated: May 12, 2016

Respectfully submitted,

SAN JOSE WATER COMPANY

By /S/ STEPHEN OWENS

STEPHEN OWENS
Director, Regulatory Affairs

VERIFICATION

I am the Sr. Vice President of Regulatory Affairs for San Jose Water Company, a California corporation. I have read the foregoing “*Answer of San Jose Water Company*” and know the contents thereof. I declare that the same is true of my own knowledge, except as to those matters, which are therein stated upon my information or belief and as to those matters I believe it to be true.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed On May 12, 2016 at San Jose, California.

/S/ PALLE JENSEN

PALLE JENSEN
Sr. Vice President, Regulatory Affairs
San Jose Water Company

San Jose Water Company
Answer to C.16-04-002

ATTACHMENT A
Informal Complaint Response
Dated February 26th, 2016



February 26th, 2016

110 W. Taylor Street
San Jose, CA 95110-2131

California Public Utilities Commission
Consumer Affairs Branch
505 Van Ness Avenue
San Francisco, CA 94102

RE: IC 382052 Malcolm Bordelon

Dear Sir or Madam:

This letter is in response to the informal complaint filed by Malcolm Bordelon for a high bill concern regarding the property located at 6599 Graystone Meadow Circle, San Jose, CA 95120, San Jose Water Company (SJWC) Account Number 6224410000-4.

San Jose Water Company bills on a bi-monthly basis and customers are billed for every 100 cubic feet of water used – 100 cubic feet is equal to 748 gallons. In reviewing the customer’s meter reads, usage, field visits to the property, meter shop test results, we do not show any abnormalities to justify any further investigation. The following reflects information outlining the customer’s property regarding the high bill inquiry and usage history:

01/19/2016 Customer was billed \$1,219.13; water used for a two month billing cycle from 11/06/15 – 01/12/2016; Billed for 107 ccfs (units of water) .

Note: \$562.67 was under Drought Surcharges for water used in excess of the allocation amount.

01/22/2016 Field Service Investigation Appointment per customer’s request to investigate meter for high bill concerns. The Field Service Inspector met with the customer and noted: **No registration on meter, showed customer how to read meter. Usage is lower, but still a little high. (Read 1493)**

02/09/2016 The meter (50029315), was tested on 02/09/2016 at 11:11a.m. and the results of the shop test indicated an average accuracy of 100.05%, which is within the prescribed guidelines as established under General Order 103. Copy of the shop test results were sent to the customer and are included in this response.

The last two years of meter reads and usage are as follows:

Read Date	Usage Billed	Register Reading
01/12/2016	107	1483
11/06/2015	36	1376
09/08/2015	34	1340
07/13/2015	64	1306
05/13/2015	43	1242
03/13/2015	11	1199

Read Date	Usage Billed	Register Reading
01/15/2015	18	1188
11/07/2014	82	1170
09/08/2014	111	1088
07/11/2014	81	977
05/12/2014	37	896
03/14/2014	41	859
01/13/2014	28	818

San Jose Water Company's Water Shortage Contingency Plan that was approved by the CPUC, effective June 15th, 2015, is in alignment with the model established by the State Water Resources Control Board. Customers that have low consumption may find themselves at or below the allocation while those with higher consumption will have to do more to achieve the goal. Customers will be charged at the current rates for all the units consumed during the bi-monthly billing statement. *In addition to the current charges, units of water in excess of the allocation will be charged under the Drought Surcharge(s).* It should be noted that the allocations were calculated from our entire residential customer base, not the customer's individual historical usage.

Going forward, we recommend the following to the customer:

For future monitoring between billing statements, we recommend that customers monitor their meter readings and usage as a beneficial water conservation tool. Watch the *How to Read Your Water Meter* video to learn how: https://www.sjwater.com/for_your_information/education_safety/video-library

Please visit our Comprehensive Drought Information page on our website at www.sjwater.com for Water Shortage Contingency Plan; Water Allocation Plan, Drought Surcharge, Water Use Restrictions, Conservation Information, *Appeals Form* and more.

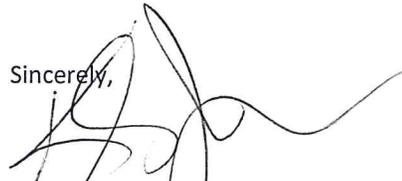
Learning how to read your meter and keep track of your water usage in between your billing statement cycles can be beneficial, watch the video to learn how: https://www.sjwater.com/for_your_information/education_safety/video_library.

You may also contact our customer service department at customer.service@sjwater.com to schedule a free water conservation audit appointment.

In conclusion our investigation has shown that the meter was read correctly and is functioning properly. This appears to be an unexplained escalation in water usage. We have no knowledge of how the water is used once it passes through the meter. Pursuant to San Jose Water Company's Rule No. 16, Section A.2b., our responsibility for water service ends at the service connection. While we may speculate on contributing factors to the customer's usage, or try to assist further in understanding the customer's consumption, we have no responsibility beyond the meter and the customer is ultimately responsible for their facilities and the water consumed. Therefore, our conclusion is the bill is an accurate reflection of water used at the property and no error in billing occurred. However, a **one-time** courtesy adjustment has been processed and placed on the customer's account for the amount of \$562.67 to offset drought surcharges that had been applied.

If you have any further questions regarding this matter, please contact me at:
kristine.jordan@sjwater.com.

Sincerely,

A handwritten signature in black ink, appearing to read 'Kristine S. Jordan', with a long, sweeping flourish extending to the right.

Kristine S. Jordan
Customer Service Superintendent
San Jose Water Company

cc: Malcolm Bordelon
6599 Graystone Meadow Cir
San Jose, CA 95120

100.05% TOTAL AVG ACCURACY



<San Jose Water Co.>

Meter Report

Manufacturer:	NEPTUNE	Model:	T-10
Serial Number:	50029315	Size:	1"
Unit:	Cu.Ft.	Type:	Pos.Displacement
Case:		Passed:	Yes

TestName:	Bench:	TestDate:	TestTime:	UserID:
1" PD SHOP TEST	Bench1	2/9/2016	11:11:11 AM	RAY

SubTestName:	HIGH 40 gpm	Units:	Cubic Feet	Tank:	100 Gal
Line:	2" Line	Rate:	40.00	Volume:	10.00
Low Tol:	1.51	Actual Rate:	40.81	Actual Volume:	9.82
High Tol:	1.51				

Location:	ReadBefore:	ReadAfter:	Accuracy:	Passed:
2	149364.3050	149374.0790	99.57	Yes

SubTestName:	MED 4 gpm	Units:	Cubic Feet	Tank:	100 Gal
Line:	1/2" Line	Rate:	4.00	Volume:	1.00
Low Tol:	1.51	Actual Rate:	3.84	Actual Volume:	1.01
High Tol:	1.51				

Location:	ReadBefore:	ReadAfter:	Accuracy:	Passed:
2	149374.0790	149375.0910	100.20	Yes

SubTestName:	LOW .75 gpm	Units:	Cubic Feet	Tank:	10 Gal
Line:	1/2" Line	Rate:	0.75	Volume:	1.00
Low Tol:	10.01	Actual Rate:	0.71	Actual Volume:	1.00
High Tol:	1.01				

Location:	ReadBefore:	ReadAfter:	Accuracy:	Passed:
2	149375.0910	149376.0750	98.80	Yes

SubTestName:	G.O. 103 1.5 gpm	Units:	Cubic Feet	Tank:	10 Gal
Line:	1/2" Line	Rate:	1.50	Volume:	1.00
Low Tol:	10.01	Actual Rate:	1.49	Actual Volume:	1.00
High Tol:	1.01				

Location:	ReadBefore:	ReadAfter:	Accuracy:	Passed:
2	149376.0750	149377.0790	100.40	Yes

PUBLIC UTILITIES COMMISSION505 VAN NESS AVE
SAN FRANCISCO, CA 94102**INFORMAL COMPLAINT**

CPUC File No: 382052

Assigned CPUC Rep: Robert Navarro

Consumer Name: Malcolm Bordelon

Contact Filed: 13-FEB-2016

To Utility: 17-FEB-2016

Closed On:

Contact Type: INFORMAL COMPLAINT

Impound Amount:

Contact Source: WEB

Utility Industry Type: Water Utility - Class = A

CORP ID/Utility: 168 / San Jose Water Company

Billing Agent:

Service Address: 6599 Graystone Meadow Cir
San Jose, CA 951201631

Mailing Address:

Service Account #: 6224410000-4

Phone#: (408)505-1531

(CBR#):

E-Mail Address: mmbordelon@gmail.com

Language: ENGLISH

Details to Utility:

1. Billing High Bill

02/17/16 Customer is disputing the high bill and seeks review and investigation of the account. Please refer to the customer's web complaint below.

PUBLIC UTILITIES COMMISSION505 VAN NESS AVE
SAN FRANCISCO, CA 94102

- 1). Please investigate and address all issues raised in customer's letter and respond in writing to both customer and CPUC .
- 2). Please make the necessary adjustment/credits to customer as appropriate
- 3). Please withhold any disconnection activity pending resolution of the dispute.
- 4). Please provide tariffs for sustained charges

Complaint / Concern: We recently received an extremely high water bill of \$1,219. We are 2 adults (one who goes to work daily) living in a 2,719 Sq.Ft. home on 8,489 Sq.Ft. lot. Our previous bills have been: \$201, \$187, \$343, \$492 (which we also contested – I just noticed as look at bill, this was for MORE water than current bill Yet now paying \$727 more?!), \$432, \$153, \$123, \$269, \$496, \$269, \$294.

The current bill says we used 107 units (vs same time last year 18 units - a 599% increase?) It indicates we used 1,194 gallons a DAY (vs 195 gal a day same time last year! - A 612% increase?). {Candidly - I not even sure how we could use 195 Gal Day} This means we would have to use nearly 50 gallons an HOUR 24 hours a day. It is simply not possible for us to use that volume of water. We made no significant changes during this time. We do not have a pool or hot tub or any other significant water consuming device. We have tested for leaks (none), we have checked our water softener (no issues).

Utility Comment: The SJ Water Company has tested the meter – twice. Once at our residence and then again after removing it and testing at their offices. They continue to report that the meter is functioning fine and is accurate. They indicate we need to pay the bill. The meter is "infallible" and we have no recourse. We paid \$250 of the \$1,219. We asked what the process is to contest this – what the next step is in elevate this issue. The Water Co suggested we file a formal complaint with the California Public Utilities Commission Consumer Affairs Branch.

We have noticed others in our area have had similar randomly, wildly escalated, unjustified and unexplained bills. There was an article in the Almaden Times (Jan 29-Feb 11, 2016) on this very issue. I have written a letter to the editor complaining about this as well. Plan to elevate this to other media soon.

Request of CPUC: I would like assistance in contesting this. It is virtually impossible for us to be using this volume of water. Yet we have no way to prove otherwise. We are required to take the water company word and meter as absolutes. As we have spoken with this to neighbors and friends in the area they noted times they have witnessed excessive bills but not questioned them or fought them. Not trying to come across as a conspiracy theorist - but the article in the Almaden Times and conversations with others leads me to believe this is more of an issue than some may be aware. This is wrong. As mentioned earlier ... While investigating our past bills I noticed that the ones in the \$400 range (Which we complained about them) indicate we used 1,407 gal a day (\$492) and 1,022 gal a day (\$432). While I dont agree with these either ... why would my current bill say I use 1,194 gal a day and charge me \$1,219? Shouldnt it be in the \$400 range too?

Utility Name: San Jose Water Company

2. Billing

Bill Adjustment

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVE
SAN FRANCISCO, CA 94102

**Compliance:**

1. Provide tariff reference or cite authority for utility action.
2. Check for leaks / grounds
3. Contact customer to resolve complaints.
4. Explain company's position.
5. Suggest means of resolving this complaint.
6. Is any adjustment indicated? If yes, provide amount.
7. Furnish answer within twenty business days. (If more time is needed, please advise contact representative approximately how much additional time is needed to respond to complaint).
8. Provide all pertinent information including a copy of all related correspondence with the customer.
9. Furnish meter readings / consumption history for 12 months.
10. Reread meter(s). Test meter(s) and notify customer of right to be present.