

FILED³

FEB 14 2001

Missouri Public
Service Commission

Exhibit No.:
Issues: SERVICE COMPLAINTS
Witness: **Hummel, Martin**
Sponsoring Party: MoPSC Staff
Case No.: **SR-2000-556**

MISSOURI PUBLIC SERVICE COMMISSION

UTILITY OPERATIONS DIVISION

OSAGE WATER COMPANY

CASE NO. SR-2000-556

DIRECT TESTIMONY

OF

MARTIN HUMMEL

Jefferson City, Missouri
February, 2001

Direct Testimony of Martin Hummel
Case No. SR-2000-556

1 Q. What is the purpose of your testimony?

2 A. The purpose of this testimony is to comment on the Commission Staff's
3 (Staff) investigations of customer complaints.

4 Q. Have you prepared a Staff Report on Service Complaints?

5 A. Yes. A copy of that report is attached to this testimony as Schedule 1. I
6 was a primary contributor to that report, and other W/S Dept Staff members had input
7 into the development of the report as well.

8 Q. Are you familiar with the service-related complaints received by the Staff
9 since the time that Osage Water Company (OWC) submitted its request for a rate
10 increase to the Commission?

11 A. Yes. I am familiar with most of those complaints and I have made on-site
12 visits to all of the utility systems involved.

13 Q. Did you attend the local public hearing that the Commission held for this
14 case on January 9, 2001?

15 A. Yes.

16 Q. Were any new service-related issues or complaints brought to your
17 attention during that hearing?

18 A. Yes, but they had to do with water service in areas where no sewer service
19 is provided by OWC. Comments about those water-related issues are in my direct
20 testimony in case number WR-2000-557.

21 Q. Does this conclude your pre-filed direct testimony?

22 A. Yes, it does.

In the Matter of Osage Water Company's)
Request for a Rate Increase for Sewer Service) **Case Nos. SR-2000-556**
Pursuant to the Public Service Commission's) Tariff File No. 2000 00346
Small Company Rate Increase Procedure)

STATE OF MISSOURI)
) ss
COUNTY OF COLE)

Martin Hummel

Joyce C Neuner
Notary Public

Joyce C. Neuner
Notary Public, State of Missouri
County of Osage
My Commission Exp. 06/18/2001



Staff Report on Service Complaints

Osage Water Company

Case Nos. WR-2000-557 & SR-2000-556

**Prepared by Steve Loethen and Martin Hummel
January 3, 2001**

William T. Kitchen (received 2/00): "The sewage pump station between buildings 1 and 2 continually malfunctions causing a buzzer to go off. No one responds to the noise, and sewer overflows onto ground and runs into the lake." (See next two complaints)

**243 Cedar Glen Condos
Camdenton, MO 65102**

Elvis L. Henson (received 2/00): "We have a continuing problem with the sewage pump station between buildings 1 and 2. Sewage discharges out of the tank onto the sidewalk, steps and towards the lake." (See next complaint)

**234 Cedar Glen Condos
Camdenton, MO 65102**

Anonymous Cedar Glen customer (received 3/00): "OWC has provided substandard service and response time when called to Cedar Glen Condos. I have called numerous times regarding sewer overflowing and have failed to receive a response in a timely matter. On Dec. 25 1998, Cedar Glen Condos were without water due to a circulator that had not been turned on in the well house, this caused the pipes to freeze and shatter. There was no response from OWC until the next day, and then it took a phone call from the contractor of Cedar Glen to the home of one of the owners of the Water Company."

Company's response (by Pat Mitchell): OWC's response time is usually within an hour. On the sewer complaint, OWC replaced the pump and floats in the sewage pump station between buildings 1 and 2 and haven't had a problem since (Feb.2000). They have also replaced the pump in the sewage station between buildings 2 and 3.

On the water outage on Dec. 25, 1998, it did take longer (a couple of hours) for OWC to respond because of it being Christmas. The reason the water was off is because the contractor of Cedar Glenn had entered the well house to the water system and turned some valves. This eliminated the pressure switch in the system which controls when the well pump shuts off. Without the switch, the well continued to run causing pressure to build up in the water lines. The pressure continued to build up until it burst some water lines.

Water and Sewer staff's findings: On the sewer complaints, apparently the sewage overflows have not reoccurred since OWC replaced the floats. We feel that the sewage pump stations should have a duplex pump set up. This will allow one pump to act as a "back up" if the other malfunctions. If the station is checked on a regular basis, the operator will be able to see that a pump is malfunctioning. The pump can be replaced or repaired before sewage backs up and overflows onto the ground. We recommended that

at the very least there should be a spare pump available and we did see pumps that OWC keeps on hand for this reason. We also recommended that future stations be built with a duplex pump set up.

On the water complaint, there are two control switches at the well house. Only one is in operation at a time depending on which storage tanks are supplying water to the system. One switch is in the outside water storage tanks. The other is inside the well house on the water pressure tanks. We believe that the well pump was being controlled by the switch on the outside tanks. There is a recirculating pump that pumps water through the outside tanks so they will not freeze. We feel that it was not turned on, not sufficient or malfunctioned and allowed the water to freeze either in the piping or the outside tanks. The freezing problem caused the customers to be out of water. We feel that because of poor response time from OWC, the contractor from Cedar Glen entered the well house try to fix the problem. He turned the correct valves to allow water to flow to the condos from the inside pressure tanks that were not frozen. We feel that he did not hook up the correct pressure switch. Without the pressure switch in operation to shut the well off, it ran until it built up enough pressure to burst the water mains. Although we don't know exactly how long it took OWC to respond to the complaint, we feel it was probably inadequate, otherwise someone from Cedar Glenn wouldn't have tried to fix the problem. Also, it may have been Cedar Glenn Condo's employee that caused the pipes to burst, but it is the responsibility of OWC to keep the well house locked as to not allow entrance of anyone but OWC's employees. We believe that with the current set up the freezing problem may happen again. OWC said they have plans to install a pressure tank, which is on site, that will eliminate the problem. Completion date is unknown.

Reinhardt F. Bergmann (received 3/00): "In Feb. 99 I received two separate bills with different account numbers. Labor Day weekend 99, the water was dark brown in color for approximately two days and during that period of time we were completely without water for several hours. It was to our understanding that this problem was caused by workers connecting water supply lines to our system to add a nearby condominium (Harbor Bay). On Feb. 10, 00 I received a bill that stated the previous month charges had not been paid when in fact it was."

(Cimarron Bay)
4011 Northern Aire Drive
St. Louis, MO 63125

Company's response (Pat Mitchell and office staff): OWC was not familiar with the above mentioned water quality and service problems. The office staff stated that it is common to have bills be off due to computer generated bills and the timing of when people mail their payment and when it is received. The Company stated that the customer should just call them and they would work out the problem.

Water and Sewer Staff's findings: We suggests that OWC keep better record of when they are working on the water mains and inform the customers whenever possible. We also recommended that they flush the mains properly when doing any construction on the mains. We suggest that the office staff properly inform the customers of the billing procedures so customers will be able to send there bills in accordingly.

John D. Miller (received 2/00): "Water and sewer mains were buried in the same ditch, one of the lines was moved after homeowners brought it to the attention of the construction company and DNR. Water mains are only buried 18 inches deep. Two road cuts were made and the road was not returned to original condition. I am concerned that the water and sewer systems are undersized for the amount of growth to the system, the water pressure is already low. There is no fence or security perimeter at the sewer treatment facility. Water is rust colored and smells like bleach."

(Cimarron Bay)
HCR 77, Box 241-5
Sunrise Beach, MO 65079

Company's response (Pat Mitchell): The lines in the same ditch were a water line and an electric line. The line that was moved was a sewer line that was too close to the well. OWC did not install these lines. Pat did agree that he has some water lines only 18 inches deep, but he hasn't had any problems with them freezing. The road cuts were fixed by the county not OWC. OWC plans to expand the water and sewer systems with the growing number of connections.

Water and Sewer Staff's findings: We were informed that the two lines in question are a water line and a sewer line and that they were put in the ground closer than the minimum of 10 feet. OWC had agreed to expose these lines for DNR to verify the separation distance, but has failed to do so. OWC has the authority and the responsibility to assure that these lines are properly placed regardless of who installs them. All work to make any improvements or maintenance to either the water or the sewer system at Cimarron Bay has ceased at least since August 2000.

Ronald Sodano (received 2/00): "Last year we experienced a leak in our sewer system. Raw sewage was discovered seeping from the ground between our home and our neighbor's. More than 4 phone calls were made to OWC and it was over a month before they responded. They dug up the leaking pipe but did not have the proper parts to complete the repair. Needless to say they left the hole opened for almost a week before they returned to finalize the repair."

(Cimarron Bay)
HCR 77, Box 241-8
Sunrise Beach, MO 65079

Company's response (Pat Mitchell): Pat said he responded the day he received the call. He dug up the leak the next day by hand. He did leave the excavation open while he got the parts to fix the leak. He stated that the hole wasn't very deep and it wasn't leaking very much.

Water and Sewer Staff's findings: We feel that the hole may not have been deep enough to hurt anyone, but suggest in the future excavations be fenced and marked off with warning tape. No matter how bad, a raw sewage leak is a health and environmental hazard, the proper measures should be taken to not allow it to happen.

Mike Knoch (received 3/00): "Water is heavily loaded with minerals, we occasionally get blasts of silt, sand and hydrogen sulfide gas that smells terribly if it stands for more than a day or two. The current water system provides no fire protection capability at all, not even a small standpipe for emergency use. We have been trying to get one of our parking areas repaired for over 6 months after a water main was repaired and the pavement was not relayed. The water company keeps saying they will patch the asphalt, but our tenants keep parking on clay, mud and rocks."

(Mariner's Cove Apts.)
1017 Mariner Circle #728
Osage Beach, MO 65065

Company's Response (Pat Mitchell): OWC stated that there is a lot of iron in there water. He also agreed that the asphalt was not fixed and that it had been this way for about a year. It is an area of about 2 feet by 2 feet and they are trying to get someone to fix it.

Water and Sewer Staff's findings: Originally, customers were told the water problems they were having was in their internal plumbing. The company eventually installed a flushing point. When the water mains are flushed on a regular basis the customers haven't had any problems with their water. The disturbed asphalt is bigger than the company had indicated and was still not fixed. Although the parking area needs to be completely resurfaced, OWC should fix the area in question or provide the money needed to have it done. The customers in this area are expecting to hook on to the "city" water, when it is available, for a real solution to their problems.

Vera A. Wilson (received 2/18): "Several sewer failures and back-ups in the neighborhood. Water is off sometimes off all day due to breaks in the water lines and the company working on them. Water pressure is low, especially in the summer, I am unable to shower, fill the washing machine or dishwasher, water plants or my lawn because there is just not enough pressure. It is difficult to live with. Is there enough pressure for fire protection? I keep spare water on hand to cook with, fill commodes etc."

(Chelsea Rose)
R. R. 2, Box 262-J
Sunrise Beach, MO 65079

Company's Response (Pat Mitchell) OWC installed a new well which solved the low water pressure problem.

Water and Sewer Staff's findings: We contacted Mrs. Wilson and she agreed that since the new well was installed she didn't have much of a problem anymore. The system does need more storage capacity. At the present the well pump may come on for only 20 seconds and then turn off because there is so little storage capacity. This causes the well pump to cycle excessively, reducing the efficiency and life of the pump. The system has two wells, one in the lower level and one at the top of the hill, the wells can be separated and work essentially as two separate systems by turning a valve. The system should not

be separated and should be operated as a two well system. This will allow one well to act as the main well and the other to be a backup, which will help eliminate the possibility of a water outage. Pressure in the lower levels may increase and needs to be monitored, a pressure reducer may need to be installed in this area.

Staff's Summary of OWC's Operations & Maintenance Performance:

We have investigated the above service complaints and feel that most have currently been addressed.

Some complaints we had nothing to base our opinion on except for the statements of the customer and OWC, so we question if they were handled properly or if the correct measures were taken to prevent a reoccurrence of the problem.

We are of the opinion that OWC should keep more comprehensive records of complaints, inquiries, operations, and service calls, etc.

We are of the opinion that the overall service by OWC is lacking.

The systems are not getting the adequate attention and some of the systems are in need of improvements.