

**BEFORE THE PUBLIC SERVICE COMMISSION**  
**OF THE STATE OF MISSOURI**

Kenny and Cathy Cox,	)	
	)	
Complainants,	)	
	)	
v.	)	<b><u>Case No. WC-2008-0302</u></b>
	)	
Missouri American Water Company,	)	
	)	
Respondent.	)	

**NOTICE OF COMPLAINT AND ORDER DIRECTING STAFF**  
**INVESTIGATION AND RESPONSES**

Issue Date: March 17, 2008

Effective Date: March 17, 2008

Missouri American Water Company  
Legal Department  
727 Craig Road  
St. Louis, Missouri 63141

**CERTIFIED MAIL**

On March 12, 2008, Kenny and Cathy Cox filed a complaint with the Commission against Missouri American Water Company ("MAWC"). A copy of the complaint is enclosed. Under Commission Rule 4 CSR 240-2.070, MAWC has 30 days from the date of this notice to file an answer or to file notification that the complaint has been satisfied. Since this notice is being issued on March 17, MAWC's response is due by April 16, 2008.

In the alternative, the Respondent may file a written request that the complaint be referred to a neutral third-party mediator for voluntary mediation of the complaint. Upon receipt of a request for mediation, the 30-day time period shall be tolled while the Commission ascertains whether the Complainants are also willing to submit to voluntary

mediation. If the Complainants agree to mediation, the time period within which an answer is due shall be suspended pending the resolution of the mediation process. Additional information regarding the mediation process is enclosed.

If the Complainants decline the opportunity to seek mediation, the Respondent will be notified in writing that the tolling has ceased and will also be notified of the date by which an answer or notice of satisfaction must be filed. That period will usually be the remainder of the original 30-day period.

All pleadings (the answer, the notice of satisfaction of complaint or request for mediation) shall be mailed to:

Secretary of the Public Service Commission  
P.O. Box 360  
Jefferson City, Missouri 65102-0360

A copy shall be served upon the Complainants at the Complainants' address as listed within the enclosed complaint. A copy of this notice shall be mailed to the Complainants.

Pursuant to Commission Rule 4 CSR 240-2.070(10), the Commission will direct its Staff, an unbiased third party in this complaint case, to investigate the facts in this case and the contested issues set out in the pleadings. Staff also has the discretion to report findings as to any other contested issues in this case that may appear during its investigation. The Staff must then file its findings with the Commission and serve copies on the other parties. The Commission will also allow the parties to file responsive pleadings to that report.

**IT IS ORDERED THAT:**

1. The Commission's Data Center shall mail a copy of this Notice and Order to the Complainants, Kenny and Cathy Cox.
2. Missouri American Water Company shall, no later than April 16, 2008, file a response to this complaint.
3. The Staff of the Commission shall file, no later than April 23, 2008, a report of its investigation in this matter.
4. Any party, including the Complainants, may file a response to Staff's report no later than April 30, 2008.
5. This order shall become effective on March 17, 2008.

**BY THE COMMISSION**



Colleen M. Dale  
Secretary

( S E A L )

Harold Stearley, Regulatory Law Judge  
by delegation of authority pursuant to  
Section 386.240, RSMo 2000.

Dated at Jefferson City, Missouri,  
on this 17th day of March, 2008.

BEFORE THE PUBLIC SERVICE COMMISSION  
OF THE  
STATE OF MISSOURI

FILED  
March 12, 2008  
Data Center  
Missouri Public  
Service Commission

Name: Kenny and Cathy Cox  
Complainant  
417 624-3800

vs.

Case No.

Company Name: Missouri American Water  
Respondent

COMPLAINT

Complainant resides at 2101 E 36th  
(address of complainant)

Jefferson MO 64124

1. Respondent, Missouri American Water  
(company name)

of Water Company, Jefferson MO  
(location of company), is a public utility under the

jurisdiction of the Public Service Commission of the State of Missouri.

2. As the basis of this complaint, Complainant states the following facts:

Company has engaged in a pattern of delaying, withholding information and deceitful practices allowing itself to overbill client thousands of dollars over course of more than 2 years.

1) Customer received property from family member in 2002. Tried numerous times to get name on account switched.

2) Company changed out meter - work done when meter changed in (2004-2005?) caused a horrible fracture in water line.

3) Upon noticing increase in water bill customer contacted company asking if bill seemed high - was told no. Customer changed fixtures etc to make sure no leaks in house. Customer again contact co. was told bill "within normal range".

4) Once leak finally discovered customer contact company and had request "put on hold" until leak could be repaired - Leak was extensive and in area of yard.

3. The Complainant has taken the following steps to present this complaint to the Respondent:

→ other post

- 1) Dozens and dozens of calls.
- 2) Requests for information.
- 3) Repaired water line > replaced fixtures  
asked for relief
- 4) Contact local office - promised to  
look into situation and call  
back - never did.
- 5) Customer has stayed current on monthly  
water bill - has not paid a disputed  
amount.

WHEREFORE, Complainant now requests the following relief:

- 1) Leak adjustment equal to that given  
by the city of Tipton - (additional \$1100)
- 2) Cease and desist of calls to  
home by collectors -
- 3) Reimbursement for the ~~hand~~ dozens of hours  
spent on phone dealing with poor  
un responsive customer service people (PSC)

3/4/07  
Date

  
Signature of Complainant

Attach additional pages, as necessary.  
Attach copies of any supporting documentation.

that could not be easily accessed. Was told by company to fix leak - send copy of work order done and a "leak adjustment" would be made to bill.

At no time in any of the dozens of calls made to company was customer informed of a company policy limiting adjustment to a maximum of 2 months.

When customer followed company instructions - a leak adjustment policy was cited to limit relief. Total leak adjustment offered was \$400 (estimate).

5) Company then engaged in further delay and deceit in the form of "winter averaging" waste usage and overbilled during summer approximately \$200 per month.

Customer service never disclosed that waste water adjustments could only be made by city of Joplin. They just claimed "there is nothing we can do." They agreed bill was inaccurate but never disclosed a way we could rectify situation, for about 10 phone calls.

6) Customer contacted City of Joplin to discuss wastewater bill. One phone call talking to one person resulted in a "leak adjustment" by city of approx \$1500. City confirmed that customer was overbilled for more than 18 months.

7) Customer made dozens of phone calls to company attempting to speak with persons able to discuss the account. The pattern was the same -

- A) Offer limited information.
- B) Claim company policy is being followed and that there is nothing else they can do.
- C) Claim that if wished to appeal I needed different office.
- D) Claim different office would not allow incoming phone calls.
- E) Promise would look into matter and get back with me -> They never have.

This process has been repeated dozens of times

In short customer claim is:

Company knew or could reasonably infer from size of bill that we had leak. Customer was assured bill was "normal". When leak basically exploded company gave customer steps to take to allow for leak allowance yet never disclosed a time limit -

Company then used a fall back position of the time limit to disallow an adequate adjustment.

Customer service was inadequate to meaningfully discuss this extreme situation. Company was negligent in follow up and habitually overbilled for 18 months.



**Commissioners**

**JEFF DAVIS**  
Chairman

**CONNIE MURRAY**

**ROBERT M. CLAYTON III**

**LINWARD "LIN" APPLING**

**TERRY JARRETT**

***Missouri Public Service Commission***

POST OFFICE BOX 360  
JEFFERSON CITY, MISSOURI 65102  
573-751-3234  
573-751-1847 (Fax Number)  
<http://www.psc.mo.gov>

**WESS A. HENDERSON**  
Executive Director

**DANA K. JOYCE**  
Director, Administration

**ROBERT SCHALLENBERG**  
Director, Utility Services

**NATELLE DIETRICH**  
Director, Utility Operations

**COLLEEN M. DALE**  
Secretary/Chief Regulatory Law Judge

**KEVIN A. THOMPSON**  
General Counsel

**Information Sheet Regarding Mediation of Commission Formal Complaint Cases**

Mediation is a process whereby the parties themselves work to resolve their dispute with the aid of a neutral third-party mediator. This process is sometimes referred to as "facilitated negotiation." The mediator's role is advisory and although the mediator may offer suggestions, the mediator has no authority to impose a solution nor will the mediator determine who "wins." Instead, the mediator simply works with both parties to facilitate communications and to attempt to enable the parties to reach an agreement which is mutually agreeable to both the complainant and the respondent.

The mediation process is explicitly a problem-solving one in which neither the parties nor the mediator are bound by the usual constraints such as the rules of evidence or the other formal procedures required in hearings before the Missouri Public Service Commission. Although many private mediators charge as much as \$250 per hour, the University of Missouri-Columbia School of Law has agreed to provide this service to parties who have formal complaints pending before the Public Service Commission at no charge. Not only is the service provided free of charge, but mediation is also less expensive than the formal complaint process because the assistance of an attorney is not necessary for mediation. In fact, the parties are encouraged not to bring an attorney to the mediation meeting.

The formal complaint process before the Commission invariably results in a determination by which there is a "winner" and a "loser" although the value of winning may well be offset by the cost of attorneys fees and the delays of protracted litigation. Mediation is not only a much quicker process but it also offers the unique opportunity for informal, direct communication between the two parties to the complaint and mediation is far more likely to result in a settlement which, because it was mutually agreed to, pleases both parties. This is traditionally referred to as "win-win" agreement.



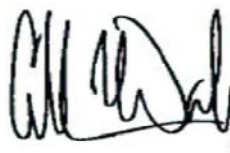
The traditional mediator's role is to (1) help the participants understand the mediation process, (2) facilitate their ability to speak directly to each other, (3) maintain order, (4) clarify misunderstandings, (5) assist in identifying issues, (6) diffuse unrealistic expectations, (7) assist in translating one participant's perspective or proposal into a form that is more understandable and acceptable to the other participant, (8) assist the participants with the actual negotiation process, (9) occasionally a mediator may propose a possible solution, and (10) on rare occasions a mediator may encourage a participant to accept a particular solution. The mediator will not possess any specialized knowledge of the utility industry or of utility law.

In order for the Commission to refer a complaint case to mediation, the parties must both agree to mediate their conflict in good faith. The party filing the complaint must agree to appear and to make a good faith effort to mediate and the utility company against which the complaint has been filed must send a representative who has full authority to settle the complaint case. The essence of mediation stems from the fact that the participants are both genuinely interested in resolving the complaint.

Because mediation thrives in an atmosphere of free and open discussion, all settlement offers and other information which is revealed during mediation is shielded against subsequent disclosure in front of the Missouri Public Service Commission and is considered to be privileged information. The only information which must be disclosed to the Public Service Commission is (a) whether the case has been settled and (b) whether, irrespective of the outcome, the mediation effort was considered to be a worthwhile endeavor. The Commission will not ask what took place during the mediation.

If the dispute is settled at the mediation, the Commission will require a signed release from the complainant in order for the Commission to dismiss the formal complaint case.

If the dispute is not resolved through the mediation process, neither party will be prejudiced for having taken part in the mediation and, at that point, the formal complaint case will simply resume its normal course.

A handwritten signature in black ink, appearing to read 'Colleen M. Dale', with a stylized, cursive script.

Colleen M. Dale  
Secretary