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**FILED**

FEB 19 2013

February 13, 2013

Missouri Public  
Service Commission

Missouri Public Service Commission  
Attn: Data Center  
PO Box 360  
Jefferson City MO 65102

In re: Before the Public Service Commission, State of Missouri  
Paul Schaefer v I. H. Utilities, Inc.  
File No. WC-2013-0357

Dear Ladies and Gentlemen:

Please find enclosed Answer of Respondent in the above-referenced matter for filing.

Very truly yours,



Mark M. Wenner  
Attorney for I. H. Utilities, Inc.

MMW/dk  
Encl.

cc: Ms. Shelley Brueggemann, Acting Secretary  
Missouri Public Service Commission

Mr. Paul Schaefer, Complainant

Office of Public Counsel

Missouri PSC Staff Counsel

**FILED**

BEFORE THE PUBLIC SERVICE COMMISSION  
OF THE STATE OF MISSOURI

FEB 19 2013

PAUL SCHAEFER,

Complainant,

v.

I.H. UTILITIES, INC.,

Respondent.

Missouri Public  
Service Commission

File No. WC-2013-0357

**ANSWER OF RESPONDENT**

**COMES NOW** Respondent, I.H. Utilities, Inc., by and through counsel, and for its answer to Complainant's Complaint filed herein states:

**Response to Allegations Set Forth in Complaint**

1. Respondent admits it is a public utility under the jurisdiction of the Public Service Commission of the State of Missouri.

2. Respondent notes that Complainant does not state specific facts as the basis of his Complaint; but instead refers to correspondence from Complainant to James Bush dated 12/7/12; correspondence from Complainant to Respondent dated April 3, 2012; an unsigned application for water tap supply of service dated April 3, 2012; and a proposed Installation Agreement between Respondent, Complainant and Complainant's wife. Accordingly, Respondent shall respond to what it surmises to be Complainant's allegations of material fact found therein:

a. Respondent denies that it agreed to provide a one inch tap to Complainant's vacant lot by the end of April or any time thereafter.

b. Respondent denies that it informed Complainant verbally or in a letter that the cost of a one inch tap, yoke, pit and lid would be \$650.00 payable after completion.

c. On or about July 2012, Respondent determined that the tariff issued by the Missouri Public Service Commission pertaining to Respondent provides

that Respondent shall not install a service connection to a vacant lot. See, PSC Mo Tariff No. 3 effective October 27, 2009, I.H. Utilities, Inc. applying to Indian Hills Subdivision, Crawford County, Cuba, Missouri 65453 [hereinafter, "Tariff"] Rule 5(f). Respondent thereafter conveyed said provision to Complainant.

d. Respondent has offered to consent to an amendment to the Tariff allowing for the installation of a water connection to a vacant lot within the Tariff service area to be in compliance with other rules and requirements set forth in said Tariff.

e. Respondent has offered to install a service line to Complainant's vacant lot property utilizing a 3/4" line running to a 3/4" meter to be installed by Respondent for a cost of \$650.00 (see Tariff Rule 11(b), (c), this size line and meter is standard throughout the subdivision of over 700 houses); with the provision that Complainant and his wife will be responsible for Respondent's cost of any main supply line extension, in accord with the Tariff (Rule 14). This installation was to be conditioned upon Complainant and his wife's agreement that they will make no attempt to extend Respondent's water services off of Lot No. 1355 Indian Hills Subdivision outside the Tariff area. See, attachment to Complaint filed herein (designated REC 12-14-12 #4).

f. The aforementioned contract requirement was predicated upon Complainant's statement made to Respondent that he intended to install a booster or "sucker" pump to move the water through vacant Lot 1355 (2322) through which Complainant has built a road, to a remote location many hundreds of feet outside the Tariff area onto a 100-acre tract owned by Complainant. See Exhibit A attached hereto. The Respondent, after consulting with third parties determined that such an installation would be harmful to the Respondent's water system and would degrade service to the existing customers within the Tariff area. The explanation later given by Complainant for wanting a one inch service to a frost-free hydrant was to "provide water to landscaping for the vacant lot." It is the Respondent's position that a 3/4" line and meter is more than adequate to serve landscaping watering purposes on vacant lot #1355. Tariff Rule 11(c).

3. See Respondent's answer to paragraph 2 above.

### **Additional Defenses**

4. Pursuant to 4 CSR 240-2.070(9), Respondent sets forth its additional grounds of defense as follows:

a. Section 393.140 R.S.Mo. provides this Commission with general supervision of water corporations, including Respondent herein, and pursuant thereto, the Commission issued the current "Tariff" governing Respondent's activities and conduct of operations. Rule 5(d) of said Tariff provides that the water service line shall have a minimum inside diameter of 3/4"; and further provides that the customer [Complainant herein] is responsible for the determination of whether or not a larger size is needed to provide adequate flow to the unit. Complainant has provided no objectively verifiable determination showing that a 3/4" service line, as proposed by Respondent would not provide adequate flow to the "unit" which is a vacant lot, to provide for watering of landscaping.

b. The aforementioned Tariff provides that under its terms, no sale of water for redistribution shall be made, and that service by Respondent is available only to dwellings and commercial buildings in the service area. See, Tariff, Rate Schedule 1 and Rate Schedule 2. Moving water onto Complainant's adjacent 100-acre tract, which is outside the service area, is not required of Respondent.

c. The installation of a new service line to Complainant's vacant lot may require a main line extension, the cost of which is to be borne by Complainant. See, Tariff Rule #14. It is unknown whether the main line extends to a point adjacent to Complainant's lot. There is no known main line within 150'± to Complainant's lot. See attached subdivision plat (partial), Lots 2316, 2318, 2320 and 2322 (also known as "Subject Lot #1355") are vacant lots, and have never had water service. (Respondent's Exhibit A.) Exploratory digging will not be undertaken without a contract.

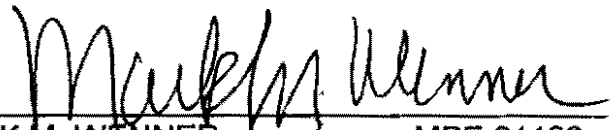
d. Rule 4(c) of the Tariff provides that when in order to provide the service requested, a main extension or other unusual construction or equipment expense is required, the Respondent shall require a written contract; and that said

contract may include but not be limited to the obligations upon the company and applicant.

e. The proposed "installation agreement" between I.H. Utilities, Inc. and Mr. and Mrs. Paul Schaefer on Lot No. 1355 2322 Itawomba, Cuba, Missouri 65453 submitted by Respondent to Complainant and specifically paragraph 2 thereof, is authorized under Rule 4(c) of said Tariff, and Respondent is entitled to include the language contained in paragraph 3 of said proposed agreement confirming that Complainant and his wife will make no attempt to extend Respondent's water service outside the Tariff area to ensure compliance with Tariff requirements and to protect Respondent's water distribution system and its ability to provide service to all of its customers.

f. Complainant's Complaint with this agency is premature, as Complainant, offered a contract as contemplated by Tariff Rule 4(c) has failed to sign the contract, all without stating good reason or exemption from the Tariff requirements.

WHEREFORE, Respondent herein respectfully requests that Complainant's formal Complaint filed herein be dismissed.



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### CERTIFICATE OF SERVICE

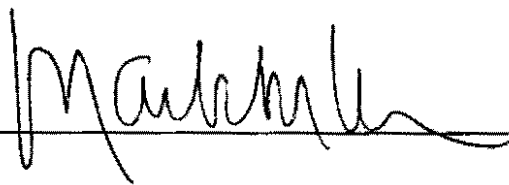
The undersigned hereby certifies that a true and correct copy of the foregoing Answer of Respondent was served upon the Public Service Commission of the State of Missouri and Complainant by mailing a copy of same U.S. Post Office first class mail, postage prepaid, this 13th day of February 2013 to:

Ms. Shelley Brueggemann  
Acting Secretary  
Missouri Public Service Commission  
PO Box 360  
Jefferson City MO 65102

Mr. Paul Schaefer, Complainant  
732 S Ballas Rd  
Kirkwood MO 63122

Office of Public Counsel  
PO Box 2230  
200 Madison Ste 650  
Jefferson City MO 65102

Missouri PSC Staff Counsel  
PO Box 360  
200 Madison Ste 800  
Jefferson City MO 65102



A handwritten signature, appearing to read "Mark Miller", is written over a horizontal line.

Note: Lot 2322 is also known as Subject Lot No. 1355.

Schaefer  
100+  
acre  
tract  
P. Schaefer  
house  
hot

Respondent's  
Exhibit A

ASSOCIATION IMPACT  
OPEN DE RECREATION AREAS  
BOAT DOCK AREAS  
BEACH AREA  
PARKING AREA

