

EXHIBIT A

MEMORANDUM

EFIS Complaint No. C201301951
Customer: Karen Smith
Utility: Missouri-American Water Company

TO: EFIS Complaint File

FROM: Jerry Scheible, P.E., Utility Regulatory Engineer- Water & Sewer Unit

/s/ Jerry Scheible November 8, 2013
Water and Sewer Unit

SUBJECT: Staff Report of Investigation

DATE: November 8, 2013

BACKGROUND

Ms. Karen Smith (Ms. Smith or customer) submitted an informal complaint (EFIS No. C201301951) against Missouri-American Water Company (MAWC or Company) with the Public Service Commission (Commission) on April 2, 2013. (All following dates refer to 2013 unless otherwise noted.) Ms. Smith resides at 8930 Harrison Avenue, St. Louis, Missouri, which is located in St. Louis County.

COMPLAINT INFORMATION

In the complaint, Ms. Smith states that a MAWC water main replacement project was on-going in her neighborhood in January and February. Ms. Smith has kept a very detailed record of the events that followed. That record is attached to the complaint in EFIS.

Ms. Smith has three separate issues that she wishes to be addressed: First, her water service line was hit by excavation equipment during the main replacement project. Subsequently, she experienced problems with her plumbing fixtures and incurred cost to have them repaired. Second, the restoration of her property after the main replacement project was complete is less than satisfactory. Third, she had difficulty in contacting MAWC to discuss these issues and reports poor customer service.

Service Line Damage/Plumbing Fixture Issue

On February 4th, Ms. Smith was notified by the gas utility that serves her home that the gas service line to her house had been damaged by excavation equipment working on the water main replacement project. The consequential repair of the gas line caused Ms. Smith much stress and extra work cleaning up after the gas company repair crew. More importantly though, Ms. Smith

EXHIBIT A

C201301951

Karen Smith

Page 2 of 3

noticed that when she turned on the faucets in her home, there was "significant air in the pipes," decreased water pressure, cloudy water and "sand and grit" in the water. She also noticed "oil pellets" in her water, which reportedly left stains in the tub that were very difficult to remove.

Ms. Smith called MAWC on February 5th to report these issues. MAWC stated that no damage had occurred to her service line during the excavation and had no explanation for her reported issues. The plumbing issues continued. Ms. Smith called MAWC again on February 12th at which point the representative stated that excavation equipment had indeed "nicked" her service line at the same time that her gas service line was damaged. The MAWC representative stated that calcium deposits built up in the service line were probably knocked loose and that is what then caused the plumbing issues. On two separate occasions, a MAWC representative came to the home and flushed the plumbing fixtures.

Ms. Smith continued to experience problems with her plumbing fixtures and ultimately hired a plumber, at her own cost, to clean and repair the fixtures as needed. MAWC reported the incident to their insurance company, who notified Ms. Smith that no payment would be made for damages, claiming that the facts do not clearly show that MAWC was responsible for the alleged damages.

Property Restoration Issue

Ms. Smith reports that during the main replacement project, the work crews did not stay within the boundaries of the easement and hers and neighboring properties were damaged by excavation equipment and due to the piling of supplies. She reports picking up rocks and debris from her lawn. She also feels that MAWC took too long to initiate and finalize the restoration work as the majority of the work did not occur until late June. Finally, she is dissatisfied with the quality of the restoration work, citing that street curbing, sidewalks and driveways were damaged in several places and not repaired and that grass seed was put down on disturbed lawn areas where she feels sod would have been a better alternative.

Customer Service Issue

Ms. Smith's records show that she had numerous contacts with MAWC, beginning on February 5th. She reports that on multiple occasions she was not able to reach anyone who was able to assist her. She reports being transferred numerous times on the same phone call, not being able to speak to a supervisor when requesting to do so, and not having her phone messages returned.

STAFF FINDINGS

Staff has been in contact with the customer via multiple phone conversations, email correspondences, has visited the site and met with the customer at her property. Staff also contacted MAWC customer service representative, Chelsie Harmon, numerous times to request information.

EXHIBIT A

C201301951

Karen Smith

Page 3 of 3

Ms. Smith claims that MAWC did eventually confirm that her service line was “nicked” during excavation work for the main replacement project. Staff has asked MAWC on multiple occasions to verify the extent of the damage that occurred to the customer’s service line, but has not been given any specific information. It is a near certainty that the sand and grit reported to have clogged and damaged fixtures and appliances would have been a result of whatever the damage may have been. The sand and grit reported is most likely mineral deposits that have built up in the service line over time that were broken loose upon the contact with the service line. Although the actions of MAWC do appear to have initiated the scenario that resulted in particles traveling through the customer’s plumbing, any and all maintenance of the service line and internal plumbing is the responsibility of the customer, per MAWC’s tariff. It is impossible to know what the actual origin of the particles was and it could be argued by MAWC that the customer could have better maintained the service line and plumbing in the home by periodically flushing the lines, therefore minimizing any mineral deposit build-up. It should be noted, however, that flushing of service lines and internal plumbing for general maintenance is not common practice by the general population. Ultimately, it is not evident that any negligence on the part of MAWC occurred regarding the service line damage and resulting effect on the customer’s plumbing fixtures.

Property restoration is a common topic of disagreement between utilities and property owners as it is essentially an issue of perception. Staff visited the site and has reviewed photographs taken and submitted by Ms. Smith. Although it does appear that some damage did occur to the street curbing, sidewalks and driveways in the form of chipping and cracking, the extent of the damage was not blatantly obvious or excessive.

STAFF CONCLUSIONS

As for the customer service issues reported, Ms. Smith’s information was given to Staff members of the Commission’s Engineering and Management Services Unit (EMSU). EMSU Staff contacted Ms. Smith on multiple occasions to discuss her particular issues, and met with MAWC personnel regarding those issues. Although no specific relief can be expected for Ms. Smith’s frustrating experience, it is Staff’s hopeful prediction that MAWC will work to improve customer service based upon recommendations from EMSU staff.

Upon Staff’s request, MAWC reportedly resubmitted the claim for plumbing fixture damage to their insurance carrier. Staff was informed on October 29th that the claim was again denied. Ultimately, Staff is not aware of any scenario in which the Commission would have the authority to award monetary damages for property damage and therefore Ms. Smith is not likely to find satisfaction from the Commission on the plumbing fixtures or the property restoration issue, either in this informal venue or by means of a Formal Complaint. Ms. Smith may wish to file an appeal with MAWC’s insurance carrier in this civil matter between the parties.

A copy of this Report will be forwarded to Ms. Smith and this complaint will be closed on this date.