

1       BEFORE THE PUBLIC UTILITIES COMMISSION OF OHIO

2                       - - -

3   In the Matter of the       :  
4   Application of Ohio       :  
5   American Water Company to :  
6   Increase its Rates in its : Case No. 07-1112-WS-AIR  
7   Entire Service Area for :  
8   Water Service and Sewer :  
9   Service.                 :

7                       - - -

8                       PROCEEDINGS

9   before Mr. Dick Bulgrin, Hearing Examiner, at the  
10   Public Utilities Commission of Ohio, 180 East Broad  
11   Street, Room 11-G, Columbus, Ohio, called at 10:00  
12   a.m. on Tuesday, August 26, 2008.

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14                      VOLUME II

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10 By Ms. Ann Hotz  
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13 Ten West Broad Street, Suite 1800  
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15 On behalf of the Residential Ratepayers  
16 of Ohio American Water Company.

17 Nancy H. Rogers, Ohio Attorney General  
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26 On behalf of the staff of the Public  
27 Utilities Commission of Ohio.

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1                   Tuesday Morning Session,

2                   August 26, 2008.

3                   - - -

4           THE EXAMINER: Good morning. This is the  
5 continuation of the evidentiary hearing in case  
6 number 07-1112-WS-AIR being the application for a  
7 rate increase of Ohio American Water Company.

8           I guess we'll take appearances from the  
9 parties. From the company.

10          MS. BLOOMFIELD: On behalf of the  
11 applicant the law firm of Bricker & Eckler, Sally W.  
12 Bloomfield and Thomas J. O'Brien.

13          THE EXAMINER: Staff.

14          MR. LINDGREN: Your Honor, on behalf of  
15 the staff, Attorney General Nancy Rogers and Section  
16 Chief Duane Luckey, by Thomas Lindgren and Sarah  
17 Parrot, Assistant Attorneys General, 180 East Broad  
18 Street, 9th floor, Columbus, Ohio 43215.

19          THE EXAMINER: And OCC.

20 MS. HOTZ: On behalf of the residential  
21 customers of Ohio American Water, the Ohio Consumers'  
22 Counsel, Janine Migden-Ostrander, by Ann Hotz and  
23 Greg Poulos, Ten West Broad Street, Columbus, Ohio  
24 43221. Thank you.

1 THE EXAMINER: Is there any public  
2 witness here this morning to testify? Mr. Kennedy.

3 MR. KENNEDY: Yes, Steve Kennedy, 6621  
4 West Broad Street, Galloway, Ohio 43119.

5 The only thing I have to add today is the  
6 last evidentiary hearing I gave some testimony on the  
7 accountability issues, and I got the documentation  
8 today to back that up, I'd like this documentation  
9 entered into the docket.

10 THE EXAMINER: Okay, so you're just going  
11 to file that.

12 MR. KENNEDY: Just file it today, pass it  
13 out so -- I've got copies.

14 THE EXAMINER: Yeah, if you want to  
15 distribute them to the parties.

16 MR. KENNEDY: Who do I need to give it  
17 to?

18 THE EXAMINER: One to the court reporter,  
19 one to the company.

20 MR. KENNEDY: Then I only have one added

21 statement that I'd like to make.

22 THE EXAMINER: We'll swear you in, then.

23 (Witness sworn.)

24 - - -

1           STEVE KENNEDY

2 being first duly sworn, as prescribed by law, was  
3 examined and testified as follows:

4           DIRECT TESTIMONY

5           MR. KENNEDY: The only last thing is that  
6 there's still an issue as late as Sunday. On Sunday  
7 I did a test that was the highest reading ever, it  
8 was 393. I haven't heard an explanation from the  
9 company yet on why that was, and I'd like to hear an  
10 explanation.

11          That's all I have to say.

12          THE EXAMINER: Okay. Thank you.

13          Any cross?

14          MR. POULOS: Yes, I just had a quick  
15 question.

16                   - - -

17          CROSS-EXAMINATION

18 By Mr. Poulos:

19          Q. Mr. Kennedy, when you say that you had

20 the highest reading ever, highest reading of what?

21 A. Milligrams per liter. It came in at 393,

22 which the current highest reading was 311 when they

23 had the issue that they ran out of salt back in

24 February.

1 Q. And that relates to the hardness issue?

2 A. The hardness of the water. The  
3 stipulated range, the previous stipulated range is  
4 120 to 150, and they were supposed to stay in the  
5 middle of that. So 393 is extremely outside of  
6 range.

7 Q. And can you tell me about when you took  
8 the sample? Where did you take it?

9 A. I took -- all my samples are taken at the  
10 kitchen sink at the firehouse on Hubbard Road. It  
11 just so happens that I was late getting back in town  
12 so I took a late sample, it was 8:45 in the evening,  
13 and there were four firefighters there that witnessed  
14 the hardness test.

15 Q. How did you take the sample?

16 A. Turned the kitchen sink on, let the water  
17 run for five minutes, and then start pulling the  
18 samples out of that. Pulled the sample out, filled  
19 up the tube, the measuring tube, then start adding

20 drops. Every drop equals 17.1 grains of hardness,

21 and it took 23 drops.

22 Q. And did you take the sample to a lab?

23 A. Yes. Monday morning the sample got taken

24 to Masi Lab in Dublin to be verified. It usually

1 takes a week to ten days to get them results back.

2 Q. And you had a number of documents that  
3 you submitted with your testimony today. Could you  
4 describe these very briefly?

5 A. Very briefly, the front page is an  
6 overview of the test, my test results on the days  
7 that the company was out of range. And the  
8 documentation behind that is -- the company's test  
9 results is first, and then the middle section is my  
10 test results, and the back pages are the lab sheets  
11 from the third-party lab verifying that all the tests  
12 was over.

13 The interesting thing is that on my days  
14 that I tested, on every day that there's 11 cases now  
15 where they were out of range, all but 1 the company  
16 say they were in range. So in my mind there's an  
17 accountability issue there.

18 Q. Where were all these taken? These on  
19 your documentation, the first page, the 11 of them,

20 where were all these? Were they always taken at the

21 same place?

22 A. All taken at the same place.

23 MR. POULOS: Thank you.

24 I have no further questions, thank you.

1 THE EXAMINER: Anything more?

2 (No response.)

3 THE EXAMINER: Thank you.

4 MR. KENNEDY: Thank you.

5 THE EXAMINER: Mr. Welch.

6 MR. WELCH: James Welch, 5460 Acapulco

7 Place, Westerville, Ohio 43081. Huber Ridge.

8 (Witness sworn.)

9 - - -

10 JAMES WELCH

11 being first duly sworn, as prescribed by law, was

12 examined and testified as follows:

13 DIRECT TESTIMONY

14 MR. WELCH: Actually, I don't know what

15 you're going to listen to and what you can't listen

16 to today. I've got a lot of things here to discuss;

17 some were brought up.

18 First I'd like to thank the PUCO for

19 having a public hearing in Westerville last

20 Wednesday. There's a lot that was brought up then, a  
21 lot that wasn't brought up then that I wanted to  
22 discuss, a lot of inaccuracies that I read, but I'm  
23 not an expert on anything. What I do for a living is  
24 a mechanic. I work on cars for a living, so I don't

1 know the technical terms.

2 I have a computer that is download speed  
3 of dial up, so what I use for these 200-some page  
4 entries is work which is DSL, which I can't print  
5 there. I can print at home which is -- takes forever  
6 to download them, so some of this is by memory, some  
7 of it is not.

8 I have facts to support. All of these  
9 are logged into the docket information. Before I  
10 proceed with that I'd like to also submit some more  
11 petitions that was turned in to me this week from the  
12 residents of Huber Ridge.

13 MS. BLOOMFIELD: Your Honor, I'm going to  
14 object at this point. We've had Mr. Kennedy here for  
15 three times; that is not typically what you do. You  
16 get one opportunity to testify. Mr. Welch has been  
17 here two times. If he has petitions, they can be  
18 filed in the case; I don't think we need testimony  
19 about that.

20           And he's talking about some undisclosed  
21 information and documents that he has. I just think  
22 that's totally improper. We have not said a word up  
23 to this point and let everybody testify, but when  
24 there's two and three chances, that is way beyond

1 anything that I've ever experienced.

2 Usually you get one opportunity to  
3 testify and that's it, that's all the company's going  
4 to get, and I just think this is improper and we  
5 should not -- it is improper to have this testimony  
6 at this time.

7 MS. HOTZ: Your Honor, if Mr. Welch has  
8 something new to discuss, he should be permitted that  
9 opportunity.

10 THE EXAMINER: Well, I agree with that,  
11 however, we are borrowing a court reporter at the  
12 moment so I would ask you to keep it as brief as  
13 possible so she can get back to the other hearing.

14 MR. WELCH: Can I submit this?

15 THE EXAMINER: Yeah, if you want to file  
16 that.

17 MR. WELCH: I just want to file it,  
18 that's why I'm here now.

19 THE EXAMINER: I'll take that, so I'll

20 make sure that gets filed.

21 Was there anything, though, that you

22 wanted to add this morning?

23 MR. WELCH: Well, I don't know what

24 you're allowing and what you're not allowing. I can

1 write all this up, put it on a piece of paper and

2 mail it into the docket information if it is read.

3 THE EXAMINER: If it's something from

4 your personal knowledge or belief, that's fine. If

5 you're talking about somebody else's opinion or

6 somebody -- you know, if it's your own personal

7 knowledge, that's one thing.

8 MR. WELCH: Okay. Quite a few areas here

9 are still my personal knowledge.

10 THE EXAMINER: Okay. Go ahead.

11 MR. WELCH: First, in reviewing the

12 documents, like I said, I can't download a lot of

13 everything, a lot of big documents. I did -- was

14 looking at some of the leak logs that was filed I

15 believe it was the 07-252-WS-UNC for the Ohio

16 American Water. On the first quarter report for '08

17 I believe it was, and I've got that paperwork also

18 here, it states that a leak -- let me pull it up so I

19 can give you the exact street.

20           Montevideo there was a leak reported.

21   The leak log here says that the report date was

22   3/7/2008 and repair date was 3/7/2008. I called that

23   in myself. Me and my son was driving something else

24   through the community and drove by, it was a cold

1 day, there was steam rising out of the middle of the  
2 street.

3 THE EXAMINER: Let me stop you one  
4 second.

5 Let's go off the record.

6 (Discussion off the record.)

7 THE EXAMINER: Let's go back on the  
8 record, then. Mr. Welch.

9 MR. WELCH: As I said, I called in the  
10 one on Montevideo. I can't recall the exact dates.  
11 I can tell you I work a three-week rotation which is  
12 I work six, off two, work eight, off five. I can  
13 tell you it was a Saturday evening that I was off for  
14 five days. If I go back through the calendar that  
15 would approximately put it at 2/23/08 when I called  
16 it in. I'm sure that Ohio American Water can verify  
17 the date it was called in because of the time it  
18 occurred.

19 When I called the line to report the leak

20 coming out of the middle of the street, a lady from  
21 Florida answered the line saying the normal call line  
22 was erupted or out of service, and she's not familiar  
23 with the Ohio area because this is not her normal  
24 call area and they're only open eight hours a day;

1 due to the phone problems they have it was forwarded  
2 there. That would put it almost two-and-a-half weeks  
3 from the time they say they fixed it to the time it's  
4 reported, which that statement to the leak log is  
5 incorrect; it says the same day.

6 I know there's a time frame that they  
7 have to fix the leak. I know I called in, I verified  
8 two-and-a-half weeks later -- or, two days later I  
9 drove by, it was marked for utility, and five days  
10 later it was still leaking.

11 The quarterly report for the Huber Ridge  
12 water treatment plant for manganese and iron report  
13 since July of '07 was the last entry I've seen for  
14 that, I don't know if it's included in the quarterly  
15 report for the whole area, but I know the last  
16 stipulation and agreement was asked for a quarterly  
17 report, and then again I believe a letter submitted  
18 in July was a reminder for that quarterly report by  
19 Thomas G. Lindgren, the date on that was July 13th,

20 2007, and I have not seen a report for that since

21 then.

22           It may be in there, and it might be in

23 them 300-page reports I cannot look at, but I'm

24 looking at the iron and manganese reports for July of

1 '07 and have not seen that since that time which I  
2 believe is supposed to be a quarterly report.

3       Going with Mr. Kennedy over here who's  
4 doing testing in his community, it's awful funny that  
5 the -- and this is my experience, that he's doing  
6 testing which is a backup test to what is supposed to  
7 be submitted to the PUCO quarterly I believe; yeah.  
8 That report came out maybe monthly. They fall out of  
9 range, and that's the area being backed up. The  
10 report, when they reported out of range, was from the  
11 21st to the 22nd and didn't get reported till  
12 March 4th, the letter.

13       I wonder, because he was backing that up  
14 and researching that, if we don't have any meddling  
15 going on. I'm just creating a scenario I guess that  
16 there is no real -- Ohio American Water does their  
17 own testing. Who's to back it up to verify there's  
18 not other water treatment plants that are falling out  
19 of range too. Their own testing obviously has been

20 proven to be ineffective.

21 My question is it was just brought up

22 once, it showed the same area, he's double-checking

23 it, it's come about later, who's to say it's not

24 happening in any other communities especially in

1 Huber Ridge where the last testimony was all about  
2 water conditions, water quality.

3 I know, on that note, that I replaced  
4 water faucets in my house on a lot of bases, more  
5 frequent than I have in any other home, and right  
6 now -- if I had time to bring this picture, I would.  
7 I was prepared to come today -- I was supposed to be  
8 at work, took time off just for this, and I would  
9 have had pictures of water faucets with white  
10 deposits coming off and they're a year old out of the  
11 kitchen.

12 Trying to get things going through here.

13 I have a discrepancy also that the rate  
14 increases keep coming on year after year after year.  
15 Citizens Utilities from 1990 to 2002 had three  
16 increase applications. Ohio American Water from '02  
17 to '08 currently has three increase applications on  
18 record. These increase applications is a lot of  
19 expense that's passed on to the consumer.

20 I think the last increase, if my figures  
21 were right, were a little over \$400,000 in expenses  
22 that will be added on to the consumers' price of  
23 water for this increase due to the last increase.  
24 Year after year, every year and a half, those

1 expenses are just burdensome to the community itself.  
2 There needs to be, and I know that there is no way to  
3 limit this, but there needs to be a time frame undo  
4 for emergencies when it comes for rate increases  
5 because if you look at -- if it was an average of  
6 400,000 per increase in the last five years, that's  
7 \$1.2 million that the consumers owed for their rate  
8 increases for this application in five years. It's a  
9 lot of money added to us to pay for these rate  
10 increases.

11 I'm here on my own recognizance taking  
12 time off work. Huber Ridge Area Association, which  
13 I'm president of, has spent well over a thousand  
14 dollars on this increase to oppose it. The last  
15 increase, which is 06-0433-WS-AIR, we spent about a  
16 thousand dollars on that opposition with no  
17 reimbursement. This come out of the customers'  
18 expense. Also they're paying for the high price of  
19 water, they also paid for opposition. Reimburse --

20 Ohio American Water is reimbursed

21 If they have the actual expense, put the

22 money up front, get them reimbursed. What's to keep

23 them coming back next year, the year after, the year

24 after, the year after? It looks like a pattern is

1 set and it's -- three increases in five years is a  
2 definite pattern.

3         So there is no penalty for coming back  
4 year after year, but yet we spend a lot of money out  
5 of our pocket to oppose it, at the same time we're  
6 paying for the application for the increase. So  
7 we're getting double hit on both sides.

8         I can go on, but the last three -- in the  
9 '03 increase Ohio American Water said there was 8 CCF  
10 was the average bill and the '06 increase it was 7  
11 CCF was the average bill. This increase they're  
12 saying 6 CCF is the average bill. In five years  
13 consumers has backed off 2 CCF. That's a drastic  
14 decrease in volume of water use because due to the  
15 high prices of water that's undue to the customer.

16         It's so outrageous, people has backed  
17 off. The cutbacks the consumers, including me, have  
18 went to the lengths, that's cost me thousands of  
19 dollars itself.

20           Since I moved into my household, received  
21 the first bill of \$150 per month, at that point there  
22 was four people living in my house, we drastically  
23 cut back, changed showerheads, changed toilets, so on  
24 and so forth, and now I've got it down to 6 CCF, but

1 that costs to keep the expenses low, and then yet the  
2 expenses keep going higher and higher for the cost of  
3 water and sewage.

4           And the rate increase -- everything I  
5 keep hearing about was the water and sewer itself is  
6 the increase; it's being underrated. The whole  
7 billing, the way it's broadcast on the news, the way  
8 it's put everywhere else it's just talking about  
9 water and sewer, but the whole bill reflects a  
10 service charge, then it's got a water bill, then the  
11 sewer bill. And then Huber Ridge, we have reverse  
12 osmosis, so the total bill combined is a lot more  
13 than what we're seeing that makes the difference.

14           If you want to compare bills --

15           THE EXAMINER: Let me cut you off because  
16 they're waiting here.

17           (Recess taken.)

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1 HEARING EXAMINER: Let's go back on  
2 the record. This is the continuation of the  
3 Case No. 07-1112-WS-AIR, and we are continuing  
4 with the testimony of Mr. Welsh. I want to  
5 remind you that you are still under oath. And  
6 go ahead.

7 THE WITNESS: Okay. Well, I was  
8 cutting a lot of things short last time, so I  
9 will try and remember where I left off at.

10 As I mentioned I am the President of  
11 the Huber Ridge Association and you asked to  
12 hear from only my experience, and my experience  
13 as being the President, when a new customer  
14 moves into Ohio American Water or the Huber  
15 Ridge area, a lot of new residents move in  
16 and call me two or three months later  
17 complaining about the price of water even during  
18 when we don't have a water rate increase. There  
19 is nothing out there that says anything about

20 opposing any Ohio American Water rates, most  
21 residents are shocked to the fact that they have  
22 a water bill and moving, buying a house, they  
23 did not check with the utility thinking they  
24 come from another community, Westerville or any

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1 other area, Columbus, and their water bills are  
2 three times higher moving in.

3 In the letters submitted to the PUCO  
4 docketing information and our testimony and a  
5 lot of residents called me that are moving out  
6 purely because of the rates of the water in the  
7 community.

8 There is at least three letters in  
9 the docket information talking about moving.  
10 There is at least four or five people that  
11 testified last Wednesday that they are moving  
12 purely based on water. And my experience of  
13 being President I have got a lot more calls than  
14 that.

15 And being for every one or two  
16 people that actually step up and say something,  
17 there is three or four behind them that have the  
18 belief. So, it does have a direct effect on my  
19 home as far as the pricing goes and effect on

20 our community, so on and so forth.

21 And dealing with the -- I will go

22 back to the people that talked about dealing

23 with Ohio American Water when calling in, I have

24 on several occasions had the experience of

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1 talking to the call center, I think it's based  
2 in New Jersey if I am not mistaken, and most  
3 every time I have called in the operators there  
4 are rude. I have had reports from residents  
5 saying the same thing.

6 I have personally had a water leak  
7 underneath my driveway a couple years ago and I  
8 was told because there was rain about 12 hours  
9 earlier that am I sure it was a water leak and  
10 wasn't rain coming out under my driveway.  
11 Pretty much called me stupid at any rate.

12 And I give you testimony to the way  
13 I have been treated by the call center itself.  
14 My fiance of 10 years, her parents are getting  
15 elderly and moved from Reynoldsburg to the Huber  
16 Ridge area to be closer so Jean can take care of  
17 them as they increase in age.

18 When they moved in -- before they  
19 moved in I told them the water rates were high.

20 Don't be alarmed. For about 13, 14 months I  
21 have been told by her father that water rates  
22 were high and just kept writing it off, and I  
23 warned you that is what it is.

24 About 13, 14 months into it he said

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1 his water bill was about 130, like \$135 for a  
2 two level home. So, let me see your bill. So I  
3 looked at the bill. They used, if I remember  
4 right, three or four CCF for that month. And  
5 the water bill was 130 some dollars. He just  
6 paid it.

7           So, he did keep all of his bills for  
8 the prior -- forever. So, I went through the  
9 last 13, 14 months, and his bills were only  
10 three, four CCF, but they were 80, 90, 120, 130  
11 per month. So, I started looking at it and  
12 the charges on the left-hand side -- or the  
13 right-hand side, I am sorry, where the water was  
14 for three or four CCF. The wastewater did say  
15 three or four CCF, but the difference was in the  
16 wastewater column.

17           They was paying \$12, \$9 for water,  
18 but the rest of the bill was in the wastewater  
19 column. There would 80, 90, \$100 just included

20 in the wastewater. I looked over the bill, and  
21 I am not a lawyer, but as I stated earlier I am  
22 a mechanic, I work on cars, so I spotted the  
23 difference being in the left-hand column, the  
24 charges on the side where they talk about time

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1 for the bill, I looked over there and in each  
2 month the bill was stated for 230 days, 150  
3 days, 180 days. And it did reflect over in the  
4 wastewater column.

5           So, I called Ohio American Water and  
6 started inquiring about it. First, which is not  
7 a complaint, they want a statement from him  
8 saying that I could talk in his behalf, which  
9 wasn't unexpected, so I had him call and say  
10 that I could state on his behalf.

11           I talked to the call center, to the  
12 lady there. I talked to, I don't have a  
13 recollection of the name, I don't think I need  
14 to write all this stuff down. I didn't think I  
15 would have to be here testifying to the exact  
16 times, dates and who I talked to about  
17 everything in dealing with them.

18 So, I didn't have to write this down I didn't  
19 feel at the time. Looking back, I did.

20 But, the conversation went on and  
21 she said, well, maybe you have got a water leak.  
22 I said a water leak? You are charging me 4 CCF,  
23 but the bill is \$140, whatever it was. I said  
24 do me a favor and pull up my bill.

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1           So, she pulled up my bill on her  
2 screen and mine was for 7 CCF and it was  
3 approximately 80 bucks at the time. I said I  
4 have 7 CCF, the bill showed 4 CCF, and yet their  
5 bill is \$40 higher than mine. Then she  
6 discussed the water leak idea, but didn't seem  
7 to have a problem with it.

8           I asked to speak to someone in  
9 billing because she couldn't handle my problem.  
10 She said they do not receive incoming calls,  
11 they only received -- they could only call out.

12           I left my name and number and asked  
13 them to call me. I didn't hear nothing back.  
14 This went on for about month, month and a half,  
15 me talking to the call center and not allowed to  
16 talk to no one else but the people that answered  
17 the phone there why the water rates were -- why  
18 the water bills are so high.

19           They called me back on a couple

20 occasions and said there was a problem,  
21 approximately 60 bucks, and that was it. I  
22 said, no, it's not \$60. There is a lot more  
23 than that. This is for 13 months.  
24           So, with no resolve and to have a

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1 dozen, dozen calls to Ohio American Water and  
2 not be able to talk to no one but the call  
3 center person I reported this to the PUCO.  
4 They asked for all of our bills. I faxed them  
5 in. I circled every amount where I seen a  
6 discrepancy on the bill.

7           After faxing that in, it was  
8 probably 10, 15 days I got a call from Ohio  
9 American Water saying indeed there was a mistake  
10 in their billing, and indeed they owed a refund.  
11 The amount they overcharged for a little over 13  
12 months to my in-laws was a little over \$900. It  
13 was paid.

14           At that point I said, well, I would  
15 like to see the check in 10 days, and I would  
16 like to have interest. And they said we don't  
17 do that. My question was on the bill, if I get  
18 a bill for water service and it gives me a  
19 certain time frame, usually 10 days, 15 days to

20 pay it, I will get shut off if's it's not paid  
21 and get charged a late fee. But, yet it took  
22 over 30 days to get this refund due to my  
23 in-laws of \$900 for an overcharge. It took over  
24 30 days to get it, no interest and no penalty.

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1 That is the deal when you call over there.

2 For reference to that, 6100 Paris

3 Boulevard North was their address. Since then

4 we just sold the house and they acquired a new

5 home, so it is under a different name. But, the

6 name is John Dawson. That is a valid fact.

7 I can't give you the dates on that.

8 But, that is the kind of calls we

9 get, the kind of dealings we get with the call

10 center, along with the bad water and prices well

11 above the average for anybody else in the

12 community here in Franklin County.

13 I brought it up, but my bills,

14 approximately 6 CCFs, 72.70 a month. A Columbus

15 bill, I have a copy of it here, 24 CCF, they are

16 billed quarterly, and theirs was \$86.25 for a

17 three-month bill. Mine was 72.70 for a

18 one-month bill. So, I am paying just \$14 under

19 per month what Columbus pays for three months

20 worth of service.

21 I understand it is a private

22 company, they do need to make a profit, but if

23 Columbus can put out for non-profit 86.25 in a

24 three-month period, 10 to 15 percent above that

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1 would be a reasonable -- what I would say is a  
2 reasonable profit would be acceptable. But, not  
3 what I pay in one month for what they receive in  
4 three months.

5           Shut off notices. Most utilities  
6 give you a one, two or three-month depending on  
7 who it is for non-payment. I get a lot of  
8 complaints a lot of times with the due date.  
9 The day or two after the due date the water  
10 being shut off for that month. Not behind one  
11 month, for two months, it's that month's. If  
12 it's due on September, this coming bill, I think  
13 mine is due September 10th or 12th.

14           I have personally never got a shut  
15 off, but I do get calls a lot of times for shut  
16 offs that is over due. Again, this is because I  
17 am the President and I get these calls, and not  
18 because I am a resident. So, I am here in a  
19 dual capacity.

20           Cut backs. As far as -- well, I  
21 talked about the residents and costs and what  
22 the Association costs has done. And we don't  
23 get no refunds or any money back. By the way,  
24 this is an area association, not a homeowners

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1 association. The fees we collect that we spend  
2 the residents' fees to fight this increase is  
3 volunteer. There is 1,623 homes in Huber Ridge  
4 and approximately 700 in Sunbury Woods. Sunbury  
5 Woods is part of Huber Ridge water plant, but  
6 they are not part of our Association. So,  
7 homeowners are not required to pay a fee period  
8 to belong to the Association. It is a volunteer  
9 basis only.

10           And the fee of \$15 per month, you  
11 got 120, 130 residents, active members currently  
12 right now. And \$15 a month and the expenses are  
13 a majority of our budget that goes to -- what  
14 should be going back to the community. It's not  
15 going back to the community.

16           If you go to any utility and look at  
17 any utility that has a building anywhere they  
18 are always well kept condition. They also  
19 represent the community they reside in or do

20 business in. Even, for example, Time Warner has  
21 got a drop off box in Westerville just to drop  
22 off the equipment when people are done with it  
23 which is in beautiful shape, the building  
24 itself. It's not really staffed, it's not

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1 really used.

2           But, you go to the Huber Ridge water  
3 treatment plant which is right in front of a  
4 park that the Association has residents that  
5 spent the last three years working hard to make  
6 this park a very nice park, and Ohio American  
7 Water's -- Huber Ridge -- I believe it used to  
8 be Franklin County operations network facility,  
9 is in a horrible shape. Does not do nothing for  
10 our community period. You drive by -- that is  
11 the main entrance and it stands out like a sore  
12 thumb. Parking lot is horrible, the landscaping  
13 is horrible. It's just an eye sore for the  
14 community when the community is trying to  
15 revitalize at this current time.

16           Putting back into the community.  
17 Ohio American Water does not put nothing.  
18 Exorbitant rates, huge rates they take out of  
19 our community and puts nothing back into it.

20 We are a volunteer association. No funds are  
21 ever donated to do work across the street in the  
22 park every year. Nothing has ever been donated  
23 to that area.

24 What I would like to see Ohio

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1 American Water do as far as put something back  
2 in the community for their rates they have taken  
3 out of it, there is a bike trail that runs  
4 parallel right behind the Ohio American Water's  
5 property that goes from Galena down to south of  
6 Morse Road and eventually connects down here to  
7 downtown. Huber Ridge residents has no access  
8 to that directly as Ohio American property  
9 borders up to -- there is a creek right behind  
10 it.

11 I would like see them at least put  
12 something back into the community, put some  
13 money back, at least connect that trail from  
14 right across the park going across the creek to  
15 that trail. I think that is the least they can  
16 do to give back to the community for what they  
17 have taken out of it.

18 And I would like to see the PUCO  
19 deny any rate increase due to the huge, high

20 prices and the water conditions we deal with.

21 As far as the notes I have got that

22 pretty much summarizes it. I didn't go into a

23 lot of detail trying to cut time off. Thanks.

24 HEARING EXAMINER: Ms. Bloomfield.

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1 MS. BLOOMFIELD: Two clarifying  
2 questions.

3 - - -

4 EXAMINATION

5 By Ms. Bloomfield:

6 Q. Do you have a softener in your home  
7 at this time?

8 A. No, I do not.

9 Q. Did you have a softener in your  
10 home?

11 A. When I bought the home there was a  
12 softener in my house. I was told I didn't need  
13 a softener. I cut it out because it used water.

14 Q. When did you buy your house?

15 A. Citizens Utilities owned it when I  
16 bought it. I bought it in 6 of 00.

17 Q. And the occurrence that you talked  
18 about with your fiance's parents, approximately  
19 what period of time was that? What year?

20       A. I can't give you the year. I can  
21 tell you about three or four years ago maybe at  
22 the most. But, still dealing with the call  
23 center.

24           MS. BLOOMFIELD: Thank you.

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1 HEARING EXAMINER: Mr. Poulos.

2 MR. POULOS: Yes. Just one.

3 question.

4 - - -

5 EXAMINATION

6 By Mr. Poulos:

7 Q. Did you put documents into the

8 record earlier? Do you recall that?

9 A. Pardon?

10 Q. The exhibit, did you give --

11 A. Yes.

12 Q. What were those exhibits?

13 A. Those were petitions of some of the

14 residents that went around the community

15 opposing the water rate increase. And those

16 were turned into me after the meeting Wednesday

17 night. I had been mailing them prior to that

18 and it was given to me right after the meeting.

19 MR. POULOS: Thank you.

20 HEARING EXAMINER: You are excused.  
21 Thank you. Anything more? If not this hearing  
22 will be continued until Wednesday, September 3rd  
23 at 9:00 A.M. and it will be in either hearing  
24 Room 11 B or possibly 11 C depending on how many

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1 other cases are going. So, you just need to  
2 check that in the morning. If there is nothing  
3 further then we are continued. Thank you.

4 - - -

5 (At 11:00 A.M. the hearing was  
6 concluded)

7 - - -

8

9

CERTIFICATE

10

I do hereby certify that the foregoing  
11 is a true and correct transcript of the  
proceedings taken by me in this matter on August  
12 26, 2008, and carefully compared with my  
original stenographic notes.

13

14

\_\_\_\_\_  
Michael O. Spencer,  
Registered Professional  
Reporter.

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Summary: Transcript Hearing from 8/26/08 electronically filed by Mrs. Jennifer D. Duffer on behalf of Armstrong & Okey, Inc.