



Stoneridge Utilities
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Sent by: Certified USPS, Email

April 28, 2023

Jan Noriyuki, Commission Secretary
Terri Carlock, Administrator
Idaho Public Utilities Commission
11331 West Chinden Boulevard
Building 8, Suite 201-A
Boise, ID 83714

RE: Motor Coach Village Account #247 Complaint–Final Comments

Dear Ms. Noriyuki, Ms. Carlock;

We have reviewed the comments made on behalf of Motor Coach Village by their legal counsel and would like to add the following to the discussion:

- A. *Did CDS StoneRidge Utilities, LLC–Water “Underbill” Motor Coach Village from 2018-2021 for their 6” water meter Account #247?*

Yes, in November 2021 a review of the water company’s billing records showed that Motor Coach Village’s Meter Account #247 status had been put in “Seasonal Disconnect” mode in the fall of 2018, at that time most of the “carryover” staff were still employed with the Utility Company. Over the first quarter of 2019 several utility staff left the company and were replaced by new staff unfamiliar with the day-to-day operations of the water company.

The following spreadsheets for 2019-2022 are based upon application of CDS StoneRidge Utilities, LLC current tariff rules for this 6” Water Meter Account #247.

The minimum monthly Fee is \$1,536.00 due each month unless the meter is put into “Seasonal Shutoff” by the property owner—typically that would be done for November-March each year. If the meter is not put into seasonal shutoff, then per our current tariff, we bill the minimum monthly fee of \$1,536.00 each month year-round.

In reviewing and revising these spreadsheets we made a decision to assume that a Seasonal Reconnect Fee was charged each April/May rather than charging the minimum monthly fee from November to March each year. This reduces the total billing since the Seasonal Reconnect Fee of \$4,160 is less than five months of \$1,536.00 (equals \$7,680.00) for a savings to the customer of approximately \$3,520.00 per year.

It appears that even though the water was turned back on for the 2019 season to Meter #247 in May 2019, the billing status on the meter was inadvertently left in several subsequent incorrect rate code selections up until the fall 2021 when an audit of the account discovered the errors:

1. 2019

- a. **Original Billing:** From January 2019 to December 2019 no minimum monthly charge was made to the account for \$1,536 each month. Usage was tracked and billed at \$.79/1,000 gallons through September. In October 2019 the usage code was changed to a flat \$.79/month vs \$.79/1,000 gallons and this usage rate code continued in place till December 2020 (other than the month of Sept. 2020 when a local wildfire pre-empted the normal monthly water billing).
- b. **Rebilling:** Minimum Monthly was billed April through October 2019 at \$1,536.00/month. A Seasonal Reconnection Charge of \$4,160.00 was charged in April 2019 (the charges of \$4,160.00/mo. vs Five Months at \$1,536.00 saved the customer approximately \$3,520.00 per year the rebill covered Nov. 2018-March 2019 Minimum Monthly charges that would be required per Tariff)

2. 2020

- a. **Original Billing:** No Seasonal Reconnect Charge was incurred and Monthly Minimum of \$1,536.00 was charged June through December (other than September 2020 when a local wildfire resulted in no monthly billing being made to any customers.) Note: the November and December Minimum Monthly Charges were adjusted with a credit to the customers account made in February 2021 for \$3,073.58. Usage was charted at a flat \$.79/month during all of 2020 other than Sept.
- b. **Rebilling:** In April 2020 a Seasonal reconnection Charge of \$4,160.00 was made in lieu of billing the monthly Minimum Monthly charge November 2019 to April 2020. Monthly minimum was charged June-October 2020. Usage was charged each month at \$.79/1,000 gallons.

3. 2021

- a. **Original Billing:** Beginning April 2021, a minimum Monthly Charge of \$1,536.00/month was charged April through October 2021. In February 2021 a credit adjustment was made to the account to remove the November 2020 & December 2020 Monthly minimum charges and the \$1.58 in usage charges. \$.79/Month usage charge was incurred April 2021-October 2021 (when the audit revealed this charging error).
- b. **Rebilling:** Seasonal reconnect fee of \$4,160.00 charged in April 2021 to cover the months from November 2020 to March 2021 minimum

monthly fees. Usage charged June 2021 to October 2021 at \$.79/1,000 gallons.

4. 2022

- a. **Original Billing:** Beginning April 2022 the account was billed \$1,536 minimum monthly charge through December 2022 as they did not file a formal request for disconnecting the water over the winter and one of their members was in residence up to approximately the middle of December 2022.
- b. **Rebilling:** We added a seasonal reconnect charge of \$4,160 in April 2022 to cover the months the meter was disconnected from November 2021 to March 2022.

B. What was the specific amount of the underbilling on this Account?

Approximately \$43,220.74 from Jan 2019 to Dec. 2022.

C. What was the date the "underbilling" was discovered and shared with the customer and IPUC?

November 2021

D. How far back should a "rebilling" extend? Customer cited "budgetary concerns" prompted them to request a letter from CDS StoneRidge Utilities, LLC confirming the balance on their account in March of 2020.

Since their balance was current, the only reasonable concern on their part for asking for written confirmation had to be that they were in fact concerned they were being underbilled, not overbilled.

They did not share this concern with CDS StoneRidge Utilities, LLC, but rather requested confirmation that the balance was correct. A review of communications between the HOA Board members, as well as with their property management company during this time period might confirm that they were aware they were running up to \$10,000.00 under their annual "Water Budget" per year due to the "misbilling"—but apparently chose to not share that knowledge with us.

We have previously provided you with copies of the HOA Annual Budget for several years documenting the MCV HOA Annual budget being below forecast for water during the 2018-2022 period. It is our position that we are allowed to go beyond the standard 6-month period up to three years provided under the Idaho Code in the event that a reasonable party would have realized an "underbilling" occurred on this account for several years.

E. Special Contract Exists? Initial comments from the HOA Board stated that the agreement/letter from Dean Allara of the StoneRidge Golf Community was a "Special Contract" as identified in our current Tariff.

It has been our position that agreement/letter has not been a binding agreement upon this account in the past nor is it going forward for the following reasons:

1. As a Special Contract our current Tariff requires IPUC review and approval—there is no evidence that has occurred.
2. The agreement/letter is between Motor Coach Village HOA and StoneRidge Golf Community and not the CDS StoneRidge Utilities, LLC so StoneRidge Utilities, LLC a separate legal entity was not bound by the agreement/letter.
3. The agreement/letter does not address if the agreement/letter is binding upon successor parties to the original agreement—and we were never provided with a copy of the agreement by the prior owners of the Utility Company, nor Motor Coach Village HOA until the 1st quarter of 2022.

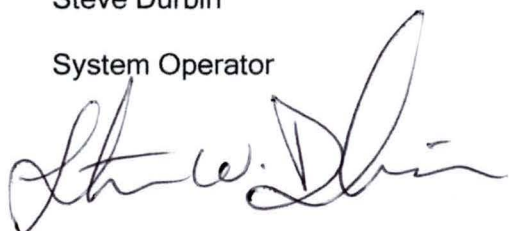
We look forward to resolution of these matters by IPUC Staff/Commissioners in the coming months so that we might proceed with clear guidelines on this account. Thank you and your staff for patiently working with us on this matter.

Please let us know if you need any further information from us on this matter.

Sincerely

Steve Durbin

System Operator

A handwritten signature in black ink, appearing to read "Steve Durbin". The signature is written in a cursive style with a large, prominent loop at the end.

2020													
Per IPUC Tariff													
Acct. 247 Motor Coach Village HOA Monthly Water Billing Reconciliation													
Rate Code SB #29 6" has been #14 MC Minimum with Fixed .79/Mo													
Prepared by JGM													
Wednesday, April 26, 2023													
FYE 12/31/2020													
	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Totals
	No Seasonal Disconnect								No Bill In Sept		No Seasonal Disconnect		
Beginning Stmt. Balance	\$ 14,909.63	\$ 14,909.63	\$ 14,909.63	\$ 14,909.63	\$ 20,607.21	\$ 22,143.21	\$ 23,945.44	\$ 24,279.61	\$ 25,312.14	\$ 26,848.14	\$ 27,698.97	\$ 26,162.18	
Should have been Billed													
Monthly Minimum Charge Due	\$ -	\$ -	\$ -	\$ 1,536.00	\$ 1,536.00	\$ 1,536.00	\$ 1,536.00	\$ 1,536.00	\$ 1,536.00	\$ 1,536.00	\$ -	\$ -	\$ 10,752.00
Seasonal Re-Connect	0	0	0	4,160.00	0	0	0	0	0	0	0	0	4,160.00
Usage Gallons				2,000	-	337,000	429,000	1,308,000	-	1,078,000	-	-	3,154,000
Sewer Usage Due													
Usage Charge Due	\$ -	\$ -	\$ -	\$ 1.58	\$ -	\$ 266.23	\$ 338.91	\$ 1,033.32	\$ -	\$ 851.62	\$ -	\$ -	\$ 2,491.66
Total Should have been Billed	-	-	-	5,697.58	1,536.00	1,802.23	1,874.91	2,569.32	1,536.00	2,387.62	-	-	17,403.66
Actual Billed This Month													
Actual Monthly Min. Billed	0	0	0	0	0	1,536.00	1,536.00	1,536.00	-	1,536.00	1,536.00	1,536.00	9,216.00
Actual Min. Sewer Billed													
Seasonal Re-Connect Billed	-	-	-	-	-	-	-	-	-	-	-	-	-
Actual Usage Charged	0.79	0.79	0.79	0.79	0.79	0.79	0.79	0.79	0	0.79	0.79	0.79	8.69
Total Billed This Month	0.79	0.79	0.79	0.79	0.79	1,536.79	1,536.79	1,536.79	-	1,536.79	1,536.79	1,536.79	9,224.69
Payments/Adjustments on Account													
Payment on Account	-					(3.95)	(1,540.74)	(1,536.79)		(1,536.79)	(1,536.79)		(6,155.06)
Adjustment To Account Increase													
Adjustment To Account Decrease	0					3.95							3.95
Total Pymts/Credits to Account	-	-	-	-	-	-	(1,540.74)	(1,536.79)	-	(1,536.79)	(1,536.79)	-	(6,151.11)
Ending Stmt Balance	\$ 14,909.63	\$ 14,909.63	\$ 14,909.63	\$ 20,607.21	\$ 22,143.21	\$ 23,945.44	\$ 24,279.61	\$ 25,312.14	\$ 26,848.14	\$ 27,698.97	\$ 26,162.18	\$ 26,162.18	
Under/(Over) Billing for this Month Total	\$ (0.79)	\$ (0.79)	\$ (0.79)	\$ 5,696.79	\$ 1,535.21	\$ 265.44	\$ 338.12	\$ 1,032.53	\$ 1,536.00	\$ 850.83	\$ (1,536.79)	\$ (1,536.79)	\$ 8,178.97
Under/(Over) Billing for this Month Sewer	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Under/(Over) Billing for this Month Water	\$ (0.79)	\$ (0.79)	\$ (0.79)	\$ 5,696.79	\$ 1,535.21	\$ 265.44	\$ 338.12	\$ 1,032.53	\$ 1,536.00	\$ 850.83	\$ (1,536.79)	\$ (1,536.79)	\$ 8,178.97

													2022			
Per IPUC Tariff																
Acct. 247 Motor Coach Village HOA Monthly Water Billing Reconciliation																
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Rate Code SB #29 6" has been #14 MC Minimum with Fixed .79/Mo																
	Jan-22	Feb-22	Mar-22	April 2022	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct. 2022	Nov-22	Dec-22	Totals			
Beginning Stmt. Balance	\$ 41,289.65	\$ 41,289.65	\$ 41,289.65	\$ 41,289.65	\$ 47,159.61	\$ 48,739.77	\$ 50,292.83	\$ 38,514.94	\$ 40,274.83	\$ 40,233.27	\$ 40,147.95	\$ 41,683.95				
Should have been Billed																
Monthly Minimum Charge Due	-	-	-	1,536.00	1,536.00	1,536.00	1,536.00	1,536.00	1,536.00	1,536.00	1,536.00	1,536.00	1,536.00	\$ 13,824.00		
Seasonal Re-Connect	-	-	-	4,160.00	-	-	-	-	-	-	-	-	-	4,160.00		
Usage Gallons	-	-	-	220,200	55,900	21,600	162,100	283,400	109,500	1,500	-	-	1,000	855,200		
Sewer Usage Due	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Usage Charge Due	-	-	-	173.96	44.16	17.06	128.06	223.89	86.51	1.19	-	-	0.79	\$ 675.61		
Total Should have been Billed	-	-	-	5,869.96	1,580.16	1,553.06	1,664.06	1,759.89	1,622.51	1,537.19	1,536.00	1,536.79	\$ 18,659.61			
Monthly Min. Water Billed																
Monthly Min. Water Billed	-	-	-	1,536.00	1,536.00	1,536.00	1,536.00	1,536.00	1,536.00	1,536.00	1,536.00	1,536.00	1,536.00	\$ 13,824.00		
Min. Monthly Sewer Billed	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ -		
Re-Connect Billed	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ -		
Useage Charged	-	-	-	173.96	44.16	17.06	128.06	223.89	86.51	1.19	-	-	-	\$ 674.83		
Total Billed This Month	-	-	-	1,709.96	1,580.16	1,553.06	1,664.06	1,759.89	1,622.51	1,537.19	1,536.00	1,536.00	\$ 14,498.83			
Payment on Account Total																
Payment on Account Total	-	-	-	-	-	-	(13,441.95)	-	(1,664.06)	(1,622.51)	0	0	0	\$ (16,728.52)		
Adjustment to Account Increase	-	-	-	-	-	-	-	-	-	-	0	0	0	-		
Adjustment to Account Decrease	-	-	-	-	-	-	-	-	-	-	0	0	0	-		
Total Pymts/Credits to Account	-	-	-	-	-	-	(13,441.95)	-	(1,664.06)	(1,622.51)	-	-	\$ (16,728.52)			
Ending Stmt Balance	\$ 41,289.65	\$ 41,289.65	\$ 41,289.65	\$ 47,159.61	\$ 48,739.77	\$ 50,292.83	\$ 38,514.94	\$ 40,274.83	\$ 40,233.27	\$ 40,147.95	\$ 41,683.95	\$ 43,220.74				
Under/(Over) Billing for Month Total	\$ -	\$ -	\$ -	\$ 4,160.00	\$ 0.00	\$ 0.00	\$ (0.00)	\$ (0.00)	\$ (0.00)	\$ (0.01)	\$ -	\$ 0.79	\$ 4,160.78			
Under/(Over) Billing for Month Sewer	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			
Under/(Over) Billing for Month Water	\$ -	\$ -	\$ -	\$ 4,160.00	\$ 0.00	\$ 0.00	\$ (0.00)	\$ (0.00)	\$ (0.00)	\$ (0.01)	\$ -	\$ 0.79	\$ 4,160.78			