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8 Motor Coach Village HOA

9 BEFORE THE IDAHO
10 PUBLIC UTILITIES COMMISSION

11 CDS STONERIDGE UTILITIES, LLC

Case No.: SWS-W-23-01

12 COMPLAINANT,

13 vs.

MOTOR COACH VILLAGE'S ANSWER

14 THE MOTOR COACH VILLAGE HOA,

15 RESPONDENT.

16 **COMES NOW**, Motor Coach Village HOA, (hereinafter the "HOA") and pursuant to
17 that Summons issued by the Idaho Public Utilities Commission (hereinafter "Commission" or
18 "IPUC") and lodges its Answer to the CDS StoneRidge Utilities, LLC's (hereinafter the "Utility"
19 or "StoneRidge") Complaint in the above captioned matter.

20 Please provide all communications related to this matter to Mr. Richardson at the address
21 noted above (electronic mail is preferred) with electronic only copies to the Motor Home Village
22 HOA c/o Mr. Gerald Massy smcvedirector@gmail.com and Mr. Rich Hunter
23 smcvpresident@gmail.com.

24 **I.**
25 **GENERAL DENIAL**

26 For the reasons noted below, the HOA questions whether the nomenclature of
27 "complaint" is properly applied to StoneRidge's pleading and thus whether it is even properly
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1 before the Commission as such. That said, and in an abundance of caution, the HOA hereby
2 denies each and every element of StoneRidge’s ‘complaint’ that alleges wrongdoing on the
3 HOA’s part. The HOA further affirmatively pleads that it has complied in good faith with all
4 applicable regulations, orders, requirements, laws and other mandates of the Idaho Public
5 Utilities Code and this Commission’s orders.
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7 **II.**
8 **STONERIDGE’S COMPLAINT IS SUBSTANTIVELY AND**
9 **JURISDICTIONALLY FLAWED**

10 A. **STONERIDGE’S PLEADING FAILS TO MEET THE SUBSTANTIVE**
11 **REQUIREMENT IN THE COMMISSION’S RULES TO SUSTAIN A COMPLAINT**

12 This Complaint docket was initiated by the Commission’s issuance of a formal summons
13 to the HOA asserting that a “complaint has been filed with the Idaho Public Utilities
14 Commission” by StoneRidge. However, the Commission’s Rules of Procedure provide that a
15 complaint must:

16 Fully state the facts constituting the acts or omissions of the utility or person against
17 whom the complaint is filed and the dates when the acts or omission occurred.¹

18 StoneRidge’s ‘Complaint’ fails to make any allegation of an act or omission committed by the
19 HOA. StoneRidge’s ‘Complaint’ alleges no wrongdoing by the HOA, but rather is merely
20 seeking directional guidance from the Commission. According to the StoneRidge pleading:

21 StoneRidge Utilities, LLC would like to clarify that we are going to be waiting to
22 complete a “final Reconciliation of Acct. #247” until we have clear direction from IPUC
23 Staff and/or Commissioners regarding the length of time we are able to “rebill” on this
24 account.” Are we limited to going back six (6) months from November – i.e. May 2021
or can we go further back to a maximum of 3 years...²

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27 ¹ IPUC Rules of Procedure, Rule 054.02.

28 ² StoneRidge Complaint, cover letter dated February 21, 2023, addressed to Ms. Noriyuki and Ms. Carlock
from Teresa Zamora.

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2 Indeed, the very essence of StoneRidge’s pleading is to attempt to correct for its (the Utility’s)
3 failure to properly and timely bill its customers as required by the Commission’s rules. Thus, the
4 “acts or omissions” being complained of are in fact acts and omissions of the Utility in its failure
5 to abide by the Commission’s rules requiring timely and consistent billing practices.³ Although
6 the Utility states that its reconciliation of meter account #247 is not completed, it is the HOA’s
7 understanding that the amount in controversy that the Utility seeks rebilling authority for is
8 \$57,301.54. StoneRidge admits in its ‘Complaint’ that it (the Utility) is the entity that has
9 “committed acts or omissions” in violation of the Commission’s Customer Relations Rules
10 requiring regular billings by utilities. StoneRidge has made no allegation that the HOA is,
11 likewise, in violation of any public utility law or Commission order.
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14 StoneRidge makes the spurious implication that it is somehow the HOA’s fault that
15 StoneRidge has failed to comply with its tariffs:

16 While usage was regularly charged on this account, the monthly minimum was only
17 billed for a short period of time in 2006/2007. This fact has no doubt resulted in the other
18 SRU water customers experiencing an unequitable burden when MCV did not pay their
19 fair share of the Minimum Monthly Charges for a Six -Inch (6”) water meter for any
20 reconnection charges each spring as called for in the appropriate, in place, IPUC Tariff.⁴
21 [Emphasis provided.]

22 If the Utility is, in fact, not billing for services it provides, then obviously it will have reduced
23 revenues from what it would otherwise have received. That fact alone, however, does not
24 support the Utility’s assertion that its other customers have experienced an “unequitable burden.”
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27 ³IPUC Customer Relations Rules, Rule 201.

28 ⁴ StoneRidge Complaint at Exhibit ‘D’, page 7, “Summary of Underbilling on Account #247 from 2006-2017.” Emphasis provided.

1 In this case, StoneRidge's other customers have been indifferent to the fact that the Utility has
2 been negligent in its billing practices. This is true because the Utility has not had a general rate
3 case since 2006.⁵ Under- or over-recoveries of Commission approved revenue requirements
4 between general rate cases are simply absorbed by the Utility's shareholders/owners and are not
5 the responsibility of the general body of ratepayers.
6

7 Furthermore, past revenue shortfalls caused by poor billing practices are not the
8 responsibility of future ratepayers due to the general prohibition against retroactive ratemaking.

9 It is blackletter law in Idaho that the IPUC does not have the "authority to grant utilities
10 surcharges to make up past deficits." Utah Power & Light Co. v. Idaho Pub. Utils. Comm'n, 107
11 Idaho 47, 53, 685 P.2d 276 (1984). Thus, if StoneRidge experienced a revenue shortfall due to
12 its negligent underbilling practices, its ratepayers have not been harmed. One could also
13 legitimately posit that its owners/shareholders have not been harmed either. After all, this
14 negligent Utility, if it were in fact experiencing a revenue shortfall, always had the option to seek
15 rate relief at any time over the last seventeen years. In all likelihood, this utility has been, in fact,
16 over-earning by a sufficient amount in order for its shareholders/owners to seamlessly absorb the
17 costs associated with its negligent billing practices -- without the need for rate relief for the last
18 two decades.
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27 ⁵ Case No. SWS-W-06-01. The Commission's website labeled Case No. SWS-W-20-01 as a
28 "General Rate Case." However, that case only addressed the Utility's hook-up fees and was not a general revenue
requirement proceeding.

1 B. IDAHO UTILITIES ARE NOT EMPOWERED TO FILE, AND THIS COMMISSION
2 HAS NO JURISDICITON TO ENTERTAIN, COMPLAINTS BY UTILITIES AGAINST
3 THEIR RATEPAYERS

4 The Idaho Public Utility Code does not allow for the filing of a complaint against any
5 entity other than a utility, as such is defined in Chapter 1 of Title 61. The HOA is not a utility
6 and, hence, is not subject to the Commission’s jurisdiction. That the Commission has no
7 jurisdiction over non-utilities is axiomatic, the Idaho Public Utility Code only grants the
8 Commission jurisdiction over complaints against utilities. See specifically Idaho Code §§ 61-
9 612 – 61-616, “Complaint against utility.” The Commission has no jurisdiction over complaints
10 by utilities against their ratepayers/customers.
11

12 **THUS**, although (A) StoneRidge’s pleading has been denominated as a complaint -- it is
13 more akin to a petition for declaratory ruling or for clarification, and (B) although the
14 Commission does not have jurisdiction to entertain a complaint by a utility against one of its
15 customers; in the interests of economic use of the Commission’s time and resources the HOA
16 will address the actual issue at hand: to wit:
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18 *May StoneRidge make up for its negligent failure to bill its customers, and if so, for how*
19 *long of a period of time may it retroactively bill its customers.*

20 **II.**
21 **STONERIDGE HAS WAIVED ANY RIGHTS IT MAY HAVE HAD TO**
22 **RETORACTIVELY BILL THE HOA TO MAKE UP FOR ITS NEGLIGENT BILLING**
23 **PRACTICES**

24 StoneRidge specifically asks the Commission for authority to back bill for the time
25 period November 2018 through November 2021. In the alternative, StoneRidge suggests that, at
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1 a minimum, it should be allowed to back bill for the six months ending November 2021.⁶

2 In support of its claims, StoneRidge cites to IPUC Utility Customer Relations Rule No.
3 203.01. That rule provides, in its entirety:

4 **Billing Errors – Failure to Bill.** Whenever the billing for utility service was not
5 accurately determined for reasons such as a meter malfunction or failure, incorrect
6 installation or programming of metering equipment, or errors in preparation of bills, the
7 utility will prepare a corrected billing. If the utility has failed to bill a customer for
8 service provided, the utility will prepare a bill for the period during which service was
9 provided and the customer was not billed. At its discretion, the utility may waive
10 rebilling for undercharges.

11 StoneRidge and the HOA were aware of the Utility’s failure to bill for the monthly minimums
12 contained in the Utility’s Tariff’s as far back as at least 2017. On November 15, 2017, the
13 Utility and the HOA entered into an agreement (the “Waiver Agreement”) that addressed
14 StoneRidge’s underbilling’s and its failure to bill for the monthly minimums on Meter Account
15 #247. A copy of the Waiver Agreement is attached hereto as HOA Exhibit No. 1. In relevant
16 part, the Wavier Agreement provides that for Meter 247 (the meter billing at issue herein):

17 Meter 247 will have the Minimum Monthly Customer Charge (currently \$1,536) imposed
18 during the months that water usage IS detected, normally the irrigation months of May
19 through September (a five-month period).

20 Meter 247 will not have the Minimum Monthly Customer Charge imposed during the
21 months that water usate is NOT detected, normally October through April (a seven-
22 month period).

23 Meter 247 will have no seasonal re-connect fee (currently \$4,160) imposed in April.⁷

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27 ⁶StoneRidge ‘Complaint’ at p. 1.

28 ⁷HOA Exhibit 1, at page 1. Capitalization in original.

1 Here, of course, the Utility is waiving any rights it may have had to recover underbillings related
2 to its otherwise mandatory Minimum Monthly Customer Charge or for its seasonal re-connect
3 fee. The Commission’s Customer Relations Rules specifically allow a utility to do just that:
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5 *At its discretion, the utility may waive rebilling for undercharges.*⁸

6 The Waiver Agreement has never been formally filed with, nor approved by, the Commission.

7 However, Rule 201.01 does not require Commission supervision of a utility’s decision to waive
8 rebilling for undercharges. That decision is specifically “*at [the utility’s] discretion.*” Rule
9 203.01 does not require the utility’s waiver of its underbillings to be in writing or made via any
10 specific declaration or averment. In addition to the Waiver Agreement specifically waving
11 underbillings related to Meter 247, this Utility has an established course of dealing over the past
12 six years that is consistent with the terms of its Waiver Agreement. The HOA has reasonably
13 relied on the Utility’s Waiver Agreement – both as to its express waiver and as to its implied
14 waiver through a consistent course of dealing.
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17 StoneRidge is not entitled to any back billing rights because it has expressly, as well as
18 impliedly by course of dealing, waived any rights it may have otherwise had to do so as it is
19 specifically allowed to do, at its discretion pursuant to IPUC Customer Relations Rule No.
20 203.01.

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28 ⁸ IPUC Utility Customer Relations Rules, Rule 201.01.
MOTOR COACH VILLAGE’S ANSWER - 7

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3 **III.**
4 **THE HOA’S RELIANCE ON THE WAIVER BY STONRIDGE WAS REASONABLE**
5 **AND SPECIFICALLY INVITED BY THE UTILITY ITSELF**

6 Of course, as discussed in the immediately preceding section, it is reasonable for the
7 HOA to have relied on the Utility’s contractual waiver of its purported right to rebill via the
8 Waiver Agreement. However further underpinning the HOA’s reliance upon the Utility’s
9 Waiver Agreement is a letter from the Utility dated March 26, 2020. In that short letter, (the
10 “All Accounts Are Current Letter”) the Utility informs the HOA that:

11 *All water and sewer accounts owed to StoneRidge utilities is [sic] current as of January*
12 *30th 2020. If you have any questions, please feel free to call the office⁹.*

13 The letter, upon which the HOA has reasonably relied, is signed by Ms. Becca Loughnan, Office
14 Manager and Utilities Administrator.

15 Commission Utility Customer Relations Rule No. 203.03(c) provides a ‘safe harbor’ of
16 just a six-month period for back billings unless a “reasonable person should have known of the
17 inaccurate billing.” Specifically, that Rule provides:

18 *If the time when the billing problem can be reasonably determined and the utility*
19 *determines the customer was undercharged, the utility may rebill for a period of six (6)*
20 *months unless a reasonable person should have known of the inaccurate billing, in which*
21 *case the rebilling may be extended for a period not to exceed three (3) years. Utilities*
22 *must implement procedures designed to monitor and identify customers who have not*
23 *been billed or who have been inaccurately billed.*

24 On its face, the All Accounts Are Current Letter is a document upon which any reasonable
25 person would rely. The HOA is no exception. The reasonableness of the HOA’s reliance is

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28 ⁹ StoneRidge ‘Complaint’ attached to Exhibit H, unpaginated. A copy of the
MOTOR COACH VILLAGE’S ANSWER - 8

1 reinforced by the Utility's execution, and adherence to, the Waiver Agreement back in
2 November 2017. Combined, the Waiver Agreement and the All Accounts Are Current Letter,
3 present irrefutable evidence of the reasonableness of the HOA's reliance on the Utility's billing
4 practices up to and including the month of January 2020.

5
6 In its 'Complaint' the Utility's attempts to impeach its own Office Manager / Utility
7 Administrator's competence by asserting that she was "very knew [sic] in her role as billing
8 manager" and that she "had no prior experience nor education and had to 'learn on the fly.'"
9 The Utility's after-the-fact attempt to question Ms. Loughnan's fitness for the job it entrusted her
10 with is, at worst transparent historic revisionism, or at best further indicia of the Utility's
11 negligent management of its own internal affairs. Regardless, however, the HOA's reasonable
12 reliance on the All Accounts Are Current Letter, is not defeated by whatever the Utility's owners
13 secretly thought of its management's abilities.
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15 **IV.** 16 **SUMMARY**

17 The Utility makes several attempts to paint the HOA as the bad guy by claiming, falsely,
18 that the HOA hasn't paid its "fair share" and that the HOA wants to "shuffle" costs off to less
19 fortunate ratepayers. As noted above, in this instance the Utility's failure to bill only impacts its
20 shareholders' pocketbooks. The other ratepayers on this water utility's system are indifferent to
21 whether or not the HOA has been billed properly by the Utility because there have been no
22 general rate cases during the time period in question. In between general rate cases, lost
23 revenues (assuming there are lost revenues) only impact the owners of the utility and not the
24 utility's other ratepayers. There is simply no equitable argument in favor of the Utility's request
25 to back bill. To the contrary, the equitable arguments (if there are any) weigh against back
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1 billing due to the fact that it is the Utility's negligence that resulted in its failure to properly bill
2 in the first place.


3 Denying the Utility's request to back bill will have no impact on the other ratepayers
4 (either beneficial or detrimental). Allowing the Utility's request to back bill, on the other hand,
5 will unjustly reward the owners for their failure to follow this Commission's billing and
6 customer accounting requirements. The Utility specifically waived its back billing 'rights' in the
7 Waiver Agreement.¹⁰ It also ratified that wavier in the January 30, 2020, All Accounts Are
8 Current Letter.
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11 **V.**
RELIEF REQEUSTED

12 The Utility's request for back billing authority should be denied in its entirety due to its
13 discretionary waiver of its back billing rights as specifically provided for pursuant to IPUC
14 Customer Relations Rule No. 203.01.
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16 In the alternative, the Commission should invoke the six-month safe harbor rule from
17 IPUC Customer Relations Rule No. 203.03(c) due to the HOA's Utility-induced and justified
18 reliance on the All Accounts Are Current Letter and the operation of the Waiver Agreement.
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20 Dated this 13th day of April 2023.

21 
22 Peter J. Richardson, ISB #3195
23 Counsel for Motor Coach Village HOA
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28 ¹⁰ See the discussion, supra, a utility may waive back billing rights at its discretion.

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CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on the 13th day of April 2023, I served a true and correct copy of The Motor Coach Village HOA's Answer to the Commission's Summons upon the following by the method indicted below and addressed to the following:

Jan Noriyuki
Commission Secretary
Idaho Public Utilities Commission
Jan.noriuki@puc.idaho.gov

CDS StoneRidge Utilities,
Attn: Teresa Zamora, Utilities Administrator
P. O. Box 298
Blanchard, ID 83804
utilities@stoneridgeidaho.com



BEFORE THE IDAHO

PUBLIC UTILITIES COMMISSION

CDS STONERIDGE UTILITIES, LLC

COMPLAINANT,

vs.

THE MOTOR COACH VILLAGE HOA,

RESPONDENT.

Case No.: SWS-W-23-01

HOA EXHIBIT NO. 1



P.O. Box 280
364 STONERIDGE ROAD
BLANCHARD, IDAHO 83804
PHONE 208-437-3148
FAX 208-437-3048
STONERIDGEIDAHO.COM

November 15, 2017

Mr. Lloyd Holloway
President: Motor Coach Village at Stoneridge
Blanchard, ID 83804

RE: Agreement and Understanding on Water Meter 357 and Inland Power Refund Request

It is agreed that, by entering into this Agreement, neither Stoneridge Land, LC, Stoneridge Utilities, LC, Bridge Investment Group or any of its Employees nor Motor Coach Village at Stoneridge or its Board of Directors make any admission of any failing or wrongdoing. The parties merely have agreed to resolve amicably all disputes regarding Water Meter 357 and the Inland Power Refund Request. This document will serve as an agreement to rectify any inequality and as an agreement of procedure from this date forward.

Stoneridge Utilities agrees to credit Motor Coach Village at Stoneridge \$3,363.38 (Three Thousand Three Hundred Sixty Three Dollars and Thirty Eight Cents) for water usage billed to Motor Coach Village over the past five years. Stoneridge Utilities also agrees to credit Motor Coach Village at Stoneridge \$3,413.40 (Three Thousand Four Hundred Thirteen Dollars and Forty Cents) for Meter Fees associated with meter 357 over the past five years.

It is agreed upon that beginning with the September 2017 water bill which will not be subject to late fees if paid on or before December 1, 2017, charges associated with Meter 357 will be split in the following manner: Monthly Minimum Customer Charge will be 1/3 Motor Coach Village at Stoneridge, 1/3 Stoneridge Utilities, 1/3 Stoneridge Storage Condominiums. Water usage charges of Meter 357 will be split 55% Motor Coach Village at Stoneridge, 40% Stoneridge Utilities, 5% Stoneridge Storage Condominiums. Rates will be current IPUC rates (subject to change in accordance with the Idaho Public Utility Commission) of \$170.67 for the Minimum Monthly Customer Charge, and the Commodity (or water usage) Charge will be \$0.79 per 1,000 gallons used.

It is also agreed upon that Motor Coach Village at Stoneridge will continue to be billed for two additional water meters, as follows:

Meter 247 (a six-inch meter used for lots and irrigation)

Meter 247 will have the Minimum Monthly Customer Charge (currently \$1,536) imposed during the months that water usage IS detected, normally the irrigation months of May through September (a five-month period).

Meter 247 will not have the Minimum Monthly Customer Charge imposed during the months that water usage is NOT detected, normally October through April (a seven-month period).

Meter 247 will have no seasonal re-connect fee (currently \$4,160) imposed in April.

Meter 338 (a two-inch meter used for lots and irrigation)

Meter 338 will NOT have the Minimum Monthly Customer Charge imposed during the months that the Minimum Monthly Customer Charge is imposed on Meter 247.

Meter 338 WILL have the Minimum Monthly Customer Charge imposed only during those months when water flow is detected on Meter 338 but NOT on Meter 247, typically the months of April and October.

The following chart outlines this understanding concerning the Minimum Monthly Customer Charges:

	Meter 357 Split Three Ways	Meter 338 (two inch meter)	Meter 247 (six inch meter)
Jan	No Meter Charge	No Meter Charge	No Meter Charge
Feb	No Meter Charge	No Meter Charge	No Meter Charge
Mar	No Meter Charge	No Meter Charge	No Meter Charge
Apr	Re-Connect Fee	Meter Charge if there is usage on 338 only	Meter Charge if there is usage
May	Meter Charge	No Meter Charge	Meter Charge
Jun	Meter Charge	No Meter Charge	Meter Charge
Jul	Meter Charge	No Meter Charge	Meter Charge
Aug	Meter Charge	No Meter Charge	Meter Charge
Sep	Meter Charge	No Meter Charge	Meter Charge
Oct	Meter Charge	Meter Charge if there is usage on 338 only	Meter Charge if there is usage
Nov	No Meter Charge	No Meter Charge	No Meter Charge
Dec	No Meter Charge	No Meter Charge	No Meter Charge

In addition, it is agreed upon that Stoneridge Land will credit Motor Coach Village at Stoneridge \$2,515.22 (Two Thousand Five Hundred Fifteen Dollars and Twenty Two Cents) for Inland

Power Refund Request dated May 5th, 2017. This agreement will end all further claims by the Motor Coach Village. As part of the agreement Stoneridge Land, LC agrees to assist the Motor Coach Village at Stoneridge in collecting Inland Power charges from both the JMBCA and any individual listed on the Refund Request Document.

Brad Hansen 
G.M. Stoneridge Golf & Recreational Community

Date 11-15-17

Lloyd Holloway 
President Motor Coach Village at Stoneridge

Date 11-20-17