

<b>TO:</b>	<b>CHAIR AND MEMBERS CIVIC WORKS COMMITTEE MEETING ON DECEMBER 3, 2012</b>
<b>FROM:</b>	<b>JOHN LUCAS, P. ENG. DIRECTOR, WATER AND WASTEWATER AND TREATMENT</b>
<b>SUBJECT:</b>	<b>CUSTOMER REQUEST FOR BILLING REDUCTION</b>

**RECOMMENDATION**

That, on the recommendation of the Director, Water and Wastewater and Treatment that the following report on the request for consideration of the amount charged on the water and sewer bill to Lynne Stein, 475 McGarrell Dr., Unit 20, **BE RECEIVED** for information.

**PREVIOUS REPORTS PERTINENT TO THIS MATTER**

- No previous reports pertinent to this matter.

**BACKGROUND**

**Purpose**

Lynne Stein of 20-475 McGarrell Dr. in London has requested that the City refund or rebate a portion of the water bill issued to her for \$3583.00 on February 27<sup>th</sup>, 2012.

**Background**

In 2011 the City provided a reduction to the customer’s bill following a leaky toilet and a faulty sump valve. The customer is now asking for consideration of a rebate to her water and sanitary charges by Civic Works Committee following the rejection of a second claim for a rebate by City staff. The second claim has been made following the failure of the same sump pump valve in the customer’s home for which the previous rebate was given.

**First Claim**

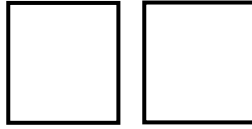
In August, 2011 the customer called London Hydro’s Customer Service Department to discuss a possible rebate for a leaky toilet and faulty valve on her sump pump which uses domestic water as backup in the event of a power failure. Notes from the call are detailed below:

*Lynne called wanted to book a meeting about her high water bill with a supervisor. As I spoke to her we realized not necessary so I spoke to her partner and explained to him also meeting not required. They had a faulty valve and toilet leak so I asked them to send in receipts of repairs we will forward to city. Explained that nothing is guaranteed and the max credit they could get is 25%.*

In October, of 2011 a rebate of 25% was given to help offset the costs associated with Mrs. Stein’s toilet leak and faulty sump pump valve. Based on 413m<sup>3</sup> of measured water use caused by the two faulty pieces of the customer’s equipment a credit was given as follows:

	Rebated Amount	Rate per Cubic Meter	Volume Rebated
Water Credit	\$170.08	\$1.64714	103.25m <sup>3</sup>
Sanitary Credit	\$159.72	\$1.54688	103.25m <sup>3</sup>
Total Rebate	<b>\$329.80</b>		

The credit was given under the understanding that the customer had taken steps to prevent the



issues from occurring again in the future.

**Second Claim**

In 2012, the customer called London Hydro again to request a second billing adjustment for water use associated with the failure of the same flow control valve on her Bur-cam sump pump.

In the analysis of each individual claim, City staff attempt to be consistent and fair and ask the same questions:

1. Has the City, or agent of the City, incorrectly applied the terms and conditions of the by-law to the particular situation?
2. Was there neglect on behalf of the City or its agent(s)?
3. Did the issue occur on public or private property?
4. Is this a repetitive occurrence?
5. If a second claim, was there opportunity for the customer to learn from the previous experience?
6. Were there steps that the customer could have taken to limit or prevent the situation from occurring?
7. Assuming that the customer had no way of knowing the leak or billing issue could occur, would the payment of the outstanding bill result in undue financial hardship?
8. Did the customer provide correct billing information to London Hydro, or take steps to ensure bills were received or paid in due time?

In this case:

- the customer had prior knowledge of the issue and was in a position to take steps to prevent a second occurrence.
- Staff are not aware of a financial hardship
- the customer has advised that there was a postal service “mix-up” that delayed the forwarding of bills, but this is related to a service not provided by the City. London Hydro bills can be accessed from anywhere in the world with an internet connection through “My Account” on the London Hydro website.

**Questions Posed by Civic Works Committee, October 22<sup>nd</sup>, 2012**

1. *How much did (the City) rebate previously?*

The reduction was made in the amount of \$329.80.

2. *Did (the City) provide education?*

The letter from the customer’s plumber (Appendix A) suggests the homeowner showed a “...heightened awareness caused by the previous experience...” It should also be noted, that the City will come and close the street service valve (curbstop) if a customer will be away from the residence or property being serviced for an extended period of time.

3. *Are there ways to advise customers of “unusual usage patterns”?*

The water meter is read once a month and if there is a large spike in consumption, London Hydro sends a “high consumption” letter to the homeowner. This was sent on January 9, 2012.

4. *Can new technology improve customer service with respect to excessive usage?*

The City is currently working on replacing all residential water meters with electronic reading devices. At this point approximately 50% of all residential water meters have been converted to the new technology with another 5 years remaining in the program. Near the completion of the program, staff will look at leveraging the electronic reading technology which could provide on demand water use data to all customers, i.e. Time of Use water data.

--	--

**Current Water By-Law, W-3**

Within the current Water By-Law (W-3) there is no defined mechanism to provide a customer with a reduction or rebate to their water and/or sewer bill. Staff have an existing practice which attempts to use good judgment and attempt to follow the similar practice of other municipalities to fairly and equitably deal with each individual situation.

The new rate structure provides a tool whereby staff can deal with these billing situations using fairness and equity and by ensuring consistency across all customers. The regulations tied to the Low Income and Customer Assistance Program will attempt to deal with all water and sewer billing issues but will require some flexibility to handle extreme situations. However, the request outlined in this report is not eligible for the program.

**Conclusion**

Staff recommend that no further billing adjustments be granted for this customer. In this situation, the City provided service to the customer as per the terms of our agreement outlined in the Water By-Law, W-3. Pressures required to operate the sump pump (above 40psi) were provided as was the delivery of safe drinking water. The customer’s equipment was not damaged by the City nor is it the responsibly of the City to maintain equipment on private property.

**Acknowledgements**

This report was prepared by Matt Feldberg, Water Demand Manager.

<b>SUBMITTED BY:</b>	<b>RECOMMENDED BY:</b>
<b>ROLAND WELKER, P. ENG. DIVISION MANAGER, WATER ENGINEERING</b>	<b>JOHN LUCAS, P. ENG. DIRECTOR, WATER AND WASTEWATER AND TREATMENT</b>
<b>CONCURRED BY:</b>	
<b>JOHN BRAAM, P. ENG. MANAGING DIRECTOR, ENVIRONMENTAL AND ENGINEERING SERVICES AND CITY ENGINEER</b>	

**ATTACHMENTS**

- Appendix A – July 2011 letter, first incident
- Appendix B – June 2012 letter, second incident
- Appendix C – Bur-Cam Sump Pump Product Sheet
- Appendix D – High Consumption Letter