

May 3, 2010

Ms. Lois Deneui PO Box 106 Lennox, SD 57039

Ms. Carol Wulf 112 W. 3rd Ave Lennox, SD 57039

Re: Utility Billing

Dear Ms Deneui and Ms. Wulf:

Thank you for your recent correspondence with the Commission regarding your MidAmerican meter and billing issue. We understand your meter was recording only half your usage. When the problem was discovered MidAmerican, according to current rules, sent you a bill for all of the unbilled usage. Ultimately, after consumer complaint dockets were opened, the company opted to back-bill consumers for only one year.

SOUTH DAKOTA

PUBLIC UTILITIES COMMISSION

500 East Capitol Avenue

Pierre, South Dakota 57501-5070

www.puc.sd.gov

The relevant South Dakota rule we must follow is (please note the bold portion):

20:10:17:09. Adjustments to bills for other meter errors. If a customer has been overcharged or undercharged as a result of an incorrect reading of the meter, incorrect application of the rate schedule, incorrect connection of the meter, application of an incorrect multiplier or constant or other similar reason, the overcharge shall be refunded to the customer or the undercharge may be billed to the customer. <u>The refund or charge shall not exceed one year, unless the date of the error can be fixed with reasonable certainty, in which case the refund or charge shall be computed from that date.</u>

The rule arguably allows utility companies to back-bill indefinitely for such an error. As you experienced, the back-billed portion could amount to thousands of dollars. So long as the utility can identify the time of the meter error, the rule allows them complete recovery from the consumer. The Commissioners expressed dissatisfaction with the rule and asked Commission Staff to investigate and if necessary propose a revision to the rule allowing indefinite back-billing.

Capitol Office (605) 773-3201 1-866-757-6031 fax

Warehouse (605) 773-5280 (605) 773-3225 fax

Consumer Hotline 1-800-332-1782 A docket has been opened to address these issues. You may follow the docket on our website: <u>www.puc.sd.gov</u> then go to, "Commission Actions," "Commission Dockets," "Rulemaking Dockets," finally choose "2010 Rulemaking Dockets" and open RM10-001. All documents will be posted to this site. To completely understand the position of all stakeholders to this process, we need to hear from affected consumers. Please submit any relevant information that will help the Commission understand how the current rule affects you.

Specifically, the Commission is interested in the following:

- 1. Were you back-billed by your utility provider?
- 2. How many months or years was your meter incorrectly tracking your usage?
- 3. Do you know the total monetary value of the improperly metered usage?
- 4. Explain how the utility communicated with you. Did they explain the issue in a way you could understand it?
- 5. Did the utility provide you with payment arrangements?
- 6. How ultimately, was the situation resolved?
- 7. Were you held responsible for the entire amount of improperly metered usage?
- 8. To your knowledge, has the company ever tested your meter without you having requested it? If so, when?
- 9. Do you know you have the right to one free meter test every 12 months and can be present for the testing? If so, how did you learn this.
- 10. If your meter was tested, were you offered a copy of the report?
- 11. How does this additional billing affect you or your business?
- 12. Provide any other information, argument or suggestions to help this Commission best understand the situation you were in, how it did or could have affected you and how you propose this issue be addressed in the future.

Thank you in advance for your assistance as we move forward. The Commission will hold hearings in the near future. We will notify you and hope you can participate in the hearing process. The Commission allows participation via conference call, so will not be required to attend in person at the hearing. Due to time constraints, we ask that you submit your written information by June 30, 2010. Thank you. Please call me with any questions or concerns.

Sincerely,

Kara Semmler Staff Attorney



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May 3, 2010

Mr. Jeff Danz Zandbroz, Inc. 209 S. Phillips Ave Sioux Falls, SD 57104

Re: Utility Billing

Dear Mr. Danz:

Thank you for your recent correspondence with the Commission regarding your MidAmerican meter and billing issue. We understand your meter was recording only half your usage. When the problem was discovered MidAmerican, according to current rules, sent you a bill for all of the unbilled usage. Ultimately, after consumer complaint dockets were opened, the company opted to back-bill consumers for only one year.

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- 6. How ultimately, was the situation resolved?
- 7. Were you held responsible for the entire amount of improperly metered usage?
- 8. To your knowledge, has the company ever tested your meter without you having requested it? If so, when?
- 9. Do you know you have the right to one free meter test every 12 months and can be present for the testing? If so, how did you learn this.
- 10. If your meter was tested, were you offered a copy of the report?
- 11. How does this additional billing affect you or your business?
- 12. Provide any other information, argument or suggestions to help this Commission best understand the situation you were in, how it did or could have affected you and how you propose this issue be addressed in the future.

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Sincerely

Kara Semmler Staff Attorney



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Consumer Hotline 1-800-332-1782

May 3, 2010

Mr. Mark Pyle A-Plus Towing & Repair 1309 E. Walnut Street Sioux Falls, SD 57103

Re: Utility Billing

Dear Mr. Pyle:

Thank you for your recent correspondence with the Commission regarding your MidAmerican meter and billing issue. We understand your meter was recording only half your usage. When the problem was discovered MidAmerican, according to current rules, sent you a bill for all of the unbilled usage. Ultimately, after consumer complaint dockets were opened, the company opted to back-bill consumers for only one year.

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- 4. Explain how the utility communicated with you. Did they explain the issue in a way you could understand it?
- 5. Did the utility provide you with payment arrangements?
- 6. How ultimately, was the situation resolved?
- 7. Were you held responsible for the entire amount of improperly metered usage?
- 8. To your knowledge, has the company ever tested your meter without you having requested it? If so, when?
- 9. Do you know you have the right to one free meter test every 12 months and can be present for the testing? If so, how did you learn this.
- 10. If your meter was tested, were you offered a copy of the report?
- 11. How does this additional billing affect you or your business?
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Kara Semmler Staff Attorney



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Consumer Hotline 1-800-332-1782

May 3, 2010

Chad Malwitz Soukup Construction 6001 W 9th Street Sioux Falls SD 57106

Re: Utility Billing

Dear Mr. Malwitz:

Thank you for your recent correspondence with the Commission regarding a MidAmerican meter and billing issue. We understand your meter was recording only half your usage. When the problem was discovered MidAmerican chose to bill you for one year of unpaid usage, versus the full amount you could have been charged under current rule.

The relevant South Dakota rule we must follow is (please note the bold portion):

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The rule arguably allows utility companies to back-bill indefinitely for such an error. In your case, the company opted to bill for only one year, but you could have been charged thousands of dollars if the company chose to back-bill for all years of unpaid usage. According to the rule, so long as the utility can identify the time of the meter error, it may completely recover from the consumer. The Commissioners expressed dissatisfaction with the rule and asked Commission Staff to investigate and if necessary propose a revision to the rule allowing indefinite back-billing.

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- 4. Explain how the utility communicated with you. Did they explain the issue in a way you could understand it?
- 5. Did the utility provide you with payment arrangements?
- 6. How ultimately, was the situation resolved?
- 7. Were you held responsible for the entire amount of improperly metered usage?
- 8. To your knowledge, has the Company ever tested your meter without you having requested it? If so, when?
- 9. Do you know you have the right to one free meter test every 12 months and can be present for the testing? If so, how did you learn this?
- 10. If your meter was tested, were you offered a copy of the report?
- 11. Were you aware, prior to this issue, that your meter was improperly set?
- 12. Do you incorporate utility costs into your personal or business budget?
- 13. It is possible you would have made different financial decision had you known the actual cost of your utilities?
- 14. Provide any other information, argument or suggestions to help this Commission best understand the situation you were in, how it did or could have affected you and how you propose this issue be addressed in the future.

Thank you for your assistance as we move forward. The Commission will hold hearing in the near future. We will notify you and hope you can participate in the hearing process. The Commission allows participation via conference call, you will not be required to attend in person at the hearing. Due to time constraints, we ask that you submit your written information by June 30, 2010. Thank you. Please call me with any questions or concerns.

Sincerely,

Kara Demmler

Kara Semmler Staff Attorney



May 3, 2010

Kevin Kuiper Phoenix Properties 633 S Main Street Sioux Falls SD 57106

Re: Utility Billing

Dear Mr. Kuiper:

Thank you for your recent correspondence with the Commission regarding a MidAmerican meter and billing issue. We understand your meter was recording only half your usage. When the problem was discovered MidAmerican chose to bill you for one year of unpaid usage, versus the full amount you could have been charged under current rule.

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- 9. Do you know you have the right to one free meter test every 12 months and can be present for the testing? If so, how did you learn this?
- 10. If your meter was tested, were you offered a copy of the report?
- 11. Were you aware, prior to this issue, that your meter was improperly set?
- 12. Do you incorporate utility costs into your personal or business budget?
- 13. It is possible you would have made different financial decision had you known the actual cost of your utilities?
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Sincerely, areformale

Kara Semmler Staff Attorney



May 3, 2010

Corky's Radiator Service 810 N Helen Ave Sioux Falls, SD, 57104

Re: Utility Billing

Dear Corky:

Thank you for your recent correspondence with the Commission regarding a MidAmerican meter and billing issue. We understand your meter was recording only half your usage. When the problem was discovered MidAmerican chose to bill you for one year of unpaid usage, versus the full amount you could have been charged under current rule.

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- 5. Did the utility provide you with payment arrangements?
- 6. How ultimately, was the situation resolved?
- 7. Were you held responsible for the entire amount of improperly metered usage?
- 8. To your knowledge, has the company ever tested your meter without you having requested it? If so, when?
- 9. Do you know you have the right to one free meter test every 12 months and can be present for the testing? If so, how did you learn this?
- 10. If your meter was tested, were you offered a copy of the report?
- 11. Were you aware, prior to this issue, that your meter was improperly set?
- 12. Do you incorporate utility costs into your personal or business budget?
- 13. It is possible you would have made different financial decision had you known the actual cost of your utilities?
- 14. Provide any other information, argument or suggestions to help this Commission best understand the situation you were in, how it did or could have affected you and how you propose this issue be addressed in the future.

Thank you for your assistance as we move forward. The Commission will hold hearing in the near future. We will notify you and hope you can participate in the hearing process. The Commission allows participation via conference call, you will not be required to attend in person at the hearing. Due to time constraints, we ask that you submit your written information by June 30, 2010. Thank you. Please call me with any questions or concerns.

Sincerety Lacademnle

Kara Semmler Staff Attorney



May 24, 2010

Peter Larson Leisuresports@aliancecom.net

Re: Utility Billing

Dear Mr. Larson:

Deb Greg and I spoke with you last winter after local media highlighted consumer complaints filed in our office. Specifically, several South Dakota consumers were billed for past electric usage many years after the fact. The consumers' meter was not set properly and recorded only half the actual electric usage. The relevant South Dakota rule we must follow in this circumstance is (please note the bold portion):

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The rule arguably allows utility companies to back-bill indefinitely for such an error. We understand you experienced a similar situation and ultimately paid several thousand dollars in past usage. Both consumers and the Commission are frustrated with the relevant rule. A docket has been opened to address these issues. You may follow the docket on our website: <u>www.puc.sd.gov</u> then go to, "Commission Actions," "Commission Dockets," "Rulemaking Dockets," finally choose "2010 Rulemaking Dockets" and open RM10-001. All documents will be posted to this site. To completely understand the affect of the above rule we wish to hear from affected consumers. Please submit any relevant information that could help the Commission understand how the current rule affected you and your business.

Specifically, you may want to share the following:

- 1. Were you back-billed by your utility provider?
- 2. How many months or years was your meter incorrectly tracking your usage?
- 3. Do you know the total monetary value of the improperly metered usage?
- 4. Explain how the utility communicated with you. Did they explain the issue in a way you could understand it?
- 5. Did the utility provide you with payment arrangements?
- 6. How ultimately, was the situation resolved?

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- 7. Were you held responsible for the entire amount of improperly metered usage?
- 8. Tell about any time, you are aware of a company initiated meter test.
- 9. Do you know you have the right to request a meter test? If so, were advised you could be present for such testing?
- 10. If your meter was tested, were you offered a copy of the report?
- 11. Were you aware, prior to this issue, that your meter was improperly set?
- 12. Do you incorporate utility costs into your personal or business budget?
- 13. It is possible you would have made different financial decision had you known the actual cost of your utilities?
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