



Montgomery County OFFICE OF CONSUMER PROTECTION



WSSC Water Bills Inquiry – June 16, 2014

In April 2014, OCP began an inquiry into complaints about WSSC water bills after receiving the names and addresses of approximately 50 residents of MC who contacted Councilmember Roger Berliner, County Executive Ike Leggett, or the Office of Consumer Protection. These residents believed that water bills they received from WSSC were incorrect and higher than normal. (see Councilmember Berliner letters and newspaper articles – attachment A).

This large a number of complaints regarding WSSC water bills has not been received by our office at any time during the past 30 years. In addition, these complaints appear to have been exacerbated by the severe winter weather conditions which prohibited WSSC from reading meters in a timely fashion and resulted in longer than usual "quarterly" billing cycles.

OCP reviewed information WSSC provided to Councilmember Berliner, reviewed documentation provided by residents, and obtained first-hand information in the field from a WSSC meter reader. In addition, OCP reviewed State of Maryland statutes regarding water utilities, requested an opinion from the Office of the County Attorney, and gathered general information from other water utilities. (see County Attorney Memorandum and State Code – attachment B).

Residents filing complaints typically make reference to how much more they were required to pay WSSC from one bill compared to previous WSSC bills. However, while the amount the resident is told to pay may be upsetting to consumers, the dollar amount referenced in a WSSC bill is not of value for comparison purposes. The length of each billing cycle varies and the rates change periodically. Only the amount of water usage (Average Daily Consumption) is appropriate to be used for comparison purposes.

WSSC and consumers typically assert contradictory conclusions to explain identical facts. Both contradictory conclusions may be equally plausible and may be impossible to prove. For example, where there is a spike in water usage followed by a return to normal usage, the consumer may conclude that WSSC misread the meter or that the meter malfunctioned. However, WSSC may conclude that the consumer used more water or had an intermittent leak.

While there is no "one size fits all" explanation for each consumer's allegations, there appear to be a limited number of possible explanations for why water usage and the corresponding water bill may be higher than usual:

- the consumer used more water,
- the consumer had a leak (permanent or intermittent),
- the meter was not properly read by WSSC, or
- the meter was not properly operating.

In some instances a spike in water usage was followed by a return to normal water usage readings. In some cases the fluctuations were 200% to 400% while other consumers experienced fluctuations of 5% to 100%. In some cases, the fluctuations resulted in lower usage as well as in higher usage and bills (see OCP chart – attachment C).

WSSC's responses to complaints from residents regarding high water usage and bills are generally limited in number. In the majority of cases, WSSC has confirmed that its bills are accurate. In many cases the underlying cause of any spike in usage will remain a mystery, as no definitive answer is ascertainable. (See WSSC Press Release regarding higher water bills and WSSC letters with charts – attachment D).

WSSC maintains several internal mechanisms and procedures to address billing dispute complaints from consumers:

- Consumers may first contact WSSC's "Customer Relations Group" to seek assistance regarding billing disputes.
- With regard to unpaid charges, consumers may then file a complaint with WSSC's "Dispute Resolving Board." By statute, the DRB may only grant adjustments that are authorized by approved WSSC policies and procedures.
- With regard to paid charges, consumers may file a claim for a "Refund Hearing."
- Subject to available funding, WSSC also offers "Residential Bill Adjustments" of 50% of the excess water/sewer usage to individual customers once every seven (7) years if the water consumption increases at least three (3) times greater than normal usage.
- On occasion WSSC may offer to waive the cost to have a WSSC inspector visit a consumer's home to look for water leaks (currently \$70.).
- On occasion WSSC may offer to waive the cost to have WSSC remove and bench test a meter (currently \$190.).

WSSC maintains approximately 475,000 residential water meters in Montgomery County. Approximately 161,000 meters are located in a hole or "pit" in the ground outside each resident's house. Approximately 313,154 are found inside each resident's house; of which approximately 19,000 can only be read by WSSC by going inside the consumer's house. In addition WSSC maintains 386 "Automatic Meter Reader" residential water meters that can be read by WSSC using "drive-by" electronic technology.

Other local water utility companies appear to have more sophisticated meter reading capabilities. "Automatic Meter Readers" enable a utility company to "drive-by" a resident's home and retrieve/record the meter reading without having to physically see or touch the metering device and without having to manually input a series of numbers. All of the residential water meters in the City of Rockville are read by the utility company using "drive-by" technology. In addition, most of the water meters in Howard County are read electronically via radio interface, thereby minimizing human error (see attachment E).

Summary

The major customer frustration and apparent deficiency in the regulatory structure regarding these issues appears to be a lack of independent oversight with respect to WSSC and complaints regarding WSSC bills. All of the current avenues of redress for consumers with regard to billing disputes are administered within WSSC and without requiring WSSC to report to any independent review body. The limited review of WSSC rates by the Montgomery County and Prince George's County Councils does not appear to provide any oversight regarding complaints against WSSC, including billing disputes. In addition, the Maryland Public Service Commission does not take complaints, such as billing disputes, regarding municipally-owned water companies. Accordingly, it appears that WSSC does not "report" to any independent review body with regard to billing disputes and related issues.

While the extent to which these consumer complaints regarding high water bills may or may not be related to inaccurate meter reading by WSSC, the lack of more sophisticated "drive-by" electronic meter reading technology as employed by other local water jurisdictions gives the appearance that WSSC's meter reading infrastructure and capabilities are antiquated by comparison and therefore potentially subject to inaccurate readings.

WSSC appears to maintain extensive and detailed documentation regarding many operational issues. Further inquiry may be needed by an independent reviewer with specialized utility expertise in order to shed any additional light regarding these high water bill complaints and related issues.