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*Submitted at
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MONTEREY PENINSULA WATER MANAGEMENT DISTRICT MEETING
Thursday, Feb. 26th.

Good evening and thank you for allowing me a few minutes to speak before your board. I should mention that I work out of my house as a wholesale distribution sales rep and that I have never had an affiliation with Cal Am other than being a retail customer, nor has any member of my family.

I'm sympathetic toward Cal Am for the unaccountable water losses which I understand to be in the hundreds of thousands of gallons per year. I think that Cal Am should do everything they can to find their inventory discrepancies.

I should add that I have no issue with the quality of the water delivered to my home.

I'll explain my recent experience with Cal Am in detail and then get to my summary of concerns immediately after.

My concern for myself and other Cal Am customers began two weeks ago on February 11th when I received a Cal Am bill for over two hundred dollars. This was for one month's billing. My previous month's bill was a low of \$13.32 compared to my \$27.00 average, so I was expecting a higher bill coming up, but certainly not for \$219.00. Looking closer at the billing statement I saw that I was billed for 18 units equaling 13,500 gallons of water far exceeding my monthly average. I have in my files, water bill copies going back to April of 2006. My two person occupancy home has used an average of 4.8 units of water a month over 30 months. One unit equals 750 gallons, for an average usage of 3,600 gallons of water per month.

After looking over the bill, I immediately called the customer service number and got through to a woman in Alton, IL.. I gave her my account # and asked her to bring up my billing history, which she did. I asked her if anything looked odd. "No," she said. I then referred to the extra 10,000 gallons of water that I was billed for and she insisted that I had a leak that I didn't know about. I know that we have no leaks, and in my 1,100 sq. ft. home we can easily hear any running water. She said 'okay' and that she would put a billing hold on my account and told me a service person would be calling me and coming to my house for an inspection. I did not receive a call the next day, so I called again later on Thursday and spoke to another service rep who told me that no billing hold had been put on my account and that a service person would be out the

next morning. This second woman also told me that Cal Am had recently installed a new meter at my residence.

A service person did come out the next morning on Friday, the 13th. He first began by suggesting that we had a leak, or that we'd had "company that took a lot of showers", or maybe we had a leak that we weren't telling him about. He also said that the 'good news' was that we now have a new meter. I didn't see that way. My thought was that this company is not seriously interested in finding out what the problem truly is. It felt as though a smokescreen was going up. I brought my 30 months of Cal Am statements with me and he and I went out to his truck. I presented my stapled stack of water bills, he chose not to look. He checked his laptop for my account history and he called the main office to make sure the history was accurate. I continued to make my point that the bill could not possibly be correct and he continued to deny any errors. Then we actually checked the meter itself. He showed me that on the new meters there is a dial with a red triangle that rotates while water is flowing, and that with all water turned off in a home, the red triangle should not move unless there is a leak. It didn't move while watched for a full minute - no movement. Finally he agrees that there was indeed an error and they'd get to the bottom of it. He began to offer apologies and tell me how on top of it I was. My immediate thought was why do I or why does anyone need to be on top of it to be billed accurately? The service man also informed me that my meter and other new meters like this one have a type of communication sensor and are being installed at every tenth house.

The next afternoon I went to visit my folks in Pacific Grove. I mentioned to my father the problem that I had with Cal Am and to my surprise he had the same problem! A new meter was installed at their house in December and my 87-year-old parents were billed for an additional 11 units of water, an extra 8,250 gallons over their average of 3,900 gallons per month. My father did have the focus to call and question the billing, and the error is being worked out. He told me that Cal Am blamed the error on the accounting department.

Days later, having received no information or call from Cal Am about correcting my bill and thinking over the general situation, I issued a letter of complaint to the California Public Utilities Commission and made a call to the Monterey Peninsula Water Management District. I received a call back from Arlene Tavani at Water Management and was asked to send to her a detailed letter explaining my billing error. She was kind enough to give a me contact at the local Cal Am office which I did call and spoke to both Craig Anthony and a woman named Rose. Rose was helpful on seeking out and reasoning how the error happened in the first place. She understood my questioning the company's efficiency since Cal Am is amazingly two for two on billing errors in my immediate family. I hope to soon receive in the mail an accurately adjusted bill.

My major concerns regarding Cal Am's recent billing errors are:

1. Cal Am's internal warnings - With the extreme losses of water that Cal Am has been reporting for years, why was there no 'Red Flag' put on my account ? Thirteen thousand additional gallons, an extra 16 units was billed on top of my 3,600 gallon average yet no 'red flag' was issued to my account. I would've expected that when I called Cal Am the very first time, that the customer service agent would have said 'Yes, there is a problem with your account', rather than insisting that I have a leaky pipe and "no, I don't see a problem". I must now question Cal Am's accuracy in their estimate of their water losses.
2. Accuracy of the meters - After Cal Am removed my old meter, was it tested for accuracy? One would think that if Cal Am is seriously working on accounting for the missing units of water, that replaced old meters would be checked and double checked. I'd like to know why there is no independent third party that tests Cal Am's meters. Does Cal Am provide meter testing results to Water Management ? Overall accuracy of the new meters must also be questioned.
3. Automatic payment withdrawals – Increasingly more customers are using automatic payments that are set up with their bank accounts. It seems less likely that customers with this type of billing payment system will question errors in billing, thereby adding ill-gotten gains into the bank accounts of Cal Am.
4. Elderly people - My 87-year-old father is focused enough and watches his money closely enough to recognize that there was a problem and called Cal Am about it immediately. My mother who has a bit of Alzheimer's, would not have bothered to challenge it. There are, as we all know, many older people or even young people who are not focused, or those who do not have the energy or the time to challenge an error in billing. I suspect that many of Cal Am's customers are simply going to pay the bill without thinking, or they are not going to invest the time to call. Nor would many attempt to figure out their bill or write a letter to get the problem corrected. Again, putting more unjustified gains into Cal Am's bank account.
5. Consumer alerts - I ask that Cal Am, Water Management and local Media, print and broadcast consumer warnings to Cal Am customers advising them to look at their Cal Am bills carefully. Relatives of elderly persons, caregivers and personal assistants need to be watchful of possible billing errors of those in their care.

In summary, I am hopeful that the MPWMD and the CPUC will act quickly and responsibly to hold Cal Am accountable to future accuracy in the metering and customer billing of their water delivery system. - Thank you.