Quarterly Report of the Independent Consumer Advocate (ICA)

for the Metropolitan District of Hartford County (MDC)

(January 1, 2022 – March 31, 2022)

Introduction

The ICA submits this document as his first Quarterly Report for the 2022-23 term, in which he summarizes his activities during the first quarter of the 2022 calendar year. Additionally, the ICA includes in this Report a summary of some of the more notable consumer-related issues that he has identified or that ratepayers and other interested parties have brought to his attention. As a final preliminary matter, the ICA would like to express his sincere gratitude to his predecessor, David Silverstone, for helping to make his transition into this new role as easy as possible. This ICA hopes to build upon the crucial, foundational work that Attorney Silverstone performed over the past several years, and this ICA looks forward to working with the MDC Commissioners, Officers, staff, and other stakeholders in order to ensure that the MDC serves the collective needs of its consumers to the best of its ability.

Familiarization with MDC's Governing Documents and Organizational Structure

Admittedly, although the ICA spent some time doing so prior to beginning his current term, the ICA still had to spend a considerable amount of time during this quarter reviewing the MDC's Charter, By-Laws, Ordinances, and other related laws to become more familiar with how the MDC operates. Although the ICA has experience providing legal services in matters involving other quasi-public entities and municipal corporations, including some utilities, the ICA has increasingly become aware of the fact that the MDC is unique in many ways. Not only has the ICA had to review the MDC's own governing documents as well as some of its archival records, but he also has spent some time reviewing certain non-MDC-specific laws that are codified in the General Statutes and elsewhere in order to learn about how the MDC fits in to the larger state and federal regulatory framework pertaining to the provision of drinking water and wastewater services. The ICA attended numerous public meetings held by the District Board, Board of Finance, Water Bureau, BPW, and other MDC Committees this guarter, which helped him become more familiar with MDC's operations, its organizational structure, and its policy goals. The ICA plans to continue this process in the future, but he specifically intends to begin communicating more with leaders in Member Towns, state legislators, and other community groups that comprise MDC's ratepayers to better understand how he can best advocate on their behalf.

Individual Customer Complaints re: Billing and Other Issues

A substantial amount of the work that the ICA performed this quarter entailed advising individual MDC consumers about how they might seek resolution of issues or disputes with MDC concerning, without limitation: their inaccurate water or sewer bills; leaks, overflows, or other infrastructural breakdowns; or liens encumbering their properties. Where appropriate, the ICA communicated customers' complaints to MDC Staff in an effort to seek appropriate resolutions pursuant to applicable Charter provisions, Ordinances, other applicable laws, or

equitable principles. While some of these disputes or complaints were resolved, some remain ongoing or they were never resolved to the customer's satisfaction.

Water/Sewer Billing Disputes: Of primary concern to the ICA is the fact that during this quarter alone several residential customers contacted his office with complaints about substantial 'catchup' water bills that MDC had issued to them after the estimated bills that they or prior property owners previously had been receiving from MDC were adjusted to actual meter readings once a technician came to their properties to either fix a broken meter or install a new RF device. Although the ICA acknowledges that the MDC has made significant progress compared to prior years when estimated bills were much more common, the ICA plans to focus his efforts this term on persuading the MDC to eliminate all estimated bills posthaste to the extent that is feasible. Whether this is achieved through better identifying which water meters in the District still need RF devices and prioritizing such installations or whether it is achieved through better communication with customers as to the actual consequences of estimated bills that go unresolved-namely, that if they don't seek technical assistance for their meters from MDC technicians as soon as possible after receiving estimated bills, they might be retroactively billed large amounts of money if they are not resolved, especially if the estimated readings are underestimates of actual readings-the ICA seeks to explore how such improvements can be implemented and how estimated bills ultimately might be eliminated. For at least two separate water customers in Hartford who complained to the ICA this quarter, they or prior owners had received estimated bills from MDC for months or even years without knowing of the consequences. Once they called an MDC technician to fix their meters so that they either would generate actual water readings or so that an RF device could be installed in the first place, the customers shortly thereafter received six- or even seven-figure catchup bills for the difference between the estimated and actual readings.¹ These disputes are still unresolved and the ICA plans to continue monitoring these matters as well as any similar ones that come to his attention.

Several other customers called the ICA with complaints about what appeared to be relatively minor billing issues (e.g., one residential customer tried to pay his water bill online with a credit card but due to issues with MDC's online payment system, he resorted to the phone-pay system and subsequently learned that he may have been double-charged), at least one of which was resolved.

Finally, a large apartment complex in Hartford contacted the ICA regarding a water billing dispute it had as a result of the property manager discovering in 2018 that MDC had been billing it for 7 accounts that had been inactive for years. After discovering this issue, the property manager gave written notice in July 2018 MDC that the complex wanted to officially abandon service for these 7 water lines because they went to vacant units. Although MDC technicians came out and marked the lines to be abandoned around that time, there appeared to be a breakdown in communication and the lines were not cut and capped until August of 2021. After the ICA contacted MDC and Staff conducted a

¹ In one case the customer's confusion was compounded by what appeared to be a lack of notice as to how MDC's Property Closing Form should be used in connection with a real estate closing. The ICA intends to look further into this issue to see if the Form and the general process might be better explained to customers (or future customers) planning to purchase or sell a property in MDC's service area.

factual investigation of the history for these accounts, the MDC was able to provide a credit for these accounts to the customer's satisfaction.

Leaks, Overflows, or Other Infrastructural Breakdowns: Several customers in East Hartford, West Hartford, and Hartford contacted the ICA this quarter with complaints about leaks, sewage backups, or similar breakdowns in the pipe infrastructure. Most of these had been repaired but the customers wanted to receive credits or other financial compensation for damage or loss of use.

One customer whose property suffered a pipe burst informed the ICA that he would like to abandon his water service but that he did not want to be charged the fixed customer service charge at all. The ICA explained the official abandonment process to this customer, with emphasis on the fact that the fixed customer service charge would remain unless and until the line was actually cut and capped.

In connection with another complaint submitted by a West Hartford customer who had a leak in a shared private water service line on a street with landlocked properties lacking frontage, the ICA conducted a factual investigation and followed up with MDC Staff, after which he learned and explained to the customers that MDC typically did not have any responsibility for paying repair costs for private service lines, but that it did offer a financial assistance program for such repairs.

The ICA explained the MDC's Backwater Valve Program to another customer whose basement flooded after a major storm event and who had an exterior backwater valve that had been installed prior to the storm event. It became apparent that there could have been better communication between the MDC and the customer about the Program as well as how the devices actually worked.

Another East Hartford customer who contacted the ICA had noticed an apparent spike in his property's water bills without any knowledge as to why. When an MDC technician inspected the property and ultimately found and repaired a leak, it came to light that the customer had been billed for months for the increased water consumption caused by the leak because it was on the house side of the meter junction. The customer promptly followed up with MDC through the Leak Adjustment Program, but only received a relatively minor credit in his opinion because of the location of the leak. The ICA plans to look further into this issue and to see if there can be a more efficient and equitable way to address such leaks.

Finally, several commercial and residential properties in Hartford submitted complaints to both the District Board and the ICA during this quarter about a significant sewage backup incident that occurred in 2021. In short, the sewage backup appears to have been caused when—in connection with the demolition of a vacant house on an adjacent property—a connection line connecting an MDC main to several of the affected properties was improperly cut and capped. The facts are still being investigated at this time so the ICA will not go into further detail in this Report, but needless to say, he will continue to monitor this matter and assist the affected consumers where appropriate.

• <u>Liens/Clouds on Title:</u> A West Hartford condominium complex contacted the ICA with complaints about MDC liens for unpaid water bills that appeared to be improperly encumbering some condo units. These liens were problematic for unit owners who

recently applied for refinancing. Although the water bills apparently secured by the liens had been paid off and an omnibus release had been recorded on the West Hartford Land Records, it appears that the release may not have properly identified all affected properties. The ICA worked with MDC Staff in an effort to see if this apparent cloud on title could be cleared up and it appears that such clarification from the MDC is forthcoming. The ICA will continue to monitor this matter.

Potential Sale of Surplus Lands and Other Miscellaneous Policy Issues

The ICA performed research this quarter concerning the District Water Bureau's plans to sell some of its surplus, Class III water company land. Not only did the ICA review MDC's internal documents and historical records about land that might be considered for sale, but he also reviewed relevant statutes and regulations pertaining to the requisite process for sale or reclassification of water company lands. As he stated during the District's recent Water Bureau meeting, the ICA generally commends the District for thinking about innovative ways to generate revenue, but he urges the MDC to include land trusts, affected municipalities, state agencies, and any other required parties in the process. Moreover, the ICA remains mindful of the fact that watershed lands must be vehemently protected from pollution and other harmful effects, and he hopes that the District similarly will remain mindful of this in carrying out its plans to sell any Class III land.

More generally, the ICA also received general briefings on the status of MDC's Integrated Plan and Long-Term CSO Control Plan. The ICA also reviewed relevant MDC documents regarding the LTCP and Integrated Plan, as well as some of the correspondence between MDC and DEEP about the Plans. The ICA intends to continue this review process in the next quarter, and he will develop more cohesive comments about the Plans in the near future.

Respectfully submitted,

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Joseph D. Szerejko Independent Consumer Advocate (MDC) April 1, 2022