SPSO decision report

Case: **201306245, Business Stream**
Sector: water
Subject: charging method / calculation
Outcome: upheld, recommendations

Summary

Mr C's company paid for water and trade effluent through Business Stream. He found that the company's trade effluent bills, which are based partly on the metered water usage, were unexpectedly high for one quarter in 2013. He queried the high bill with Business Stream and an investigation was carried out. This found that the company's water meter was faulty. However, a meter accuracy test found that the meter was under-reading rather than over-reading. With this in mind, Business Stream advised that the charges should stand. Mr C disputed this, as the meter was faulty and, therefore, unreliable. He contended that, if the meter was under-reading, the company's bills should have been lower than normal.

We found that the meter had actually stopped altogether and there was no evidence to support the claim that it was under-reading prior to the meter accuracy test. That said, we acknowledged that faulty meters normally under-read and there was evidence of the company increasing production over the period in question. Ultimately we were concerned by the lack of transparency and independence in the meter accuracy test and the fact that the wrong size of meter appeared to have been installed, increasing the likelihood of failures. We considered it fair for Business Stream to share the burden of the increased charges with the company.

We made three recommendations for redress and improvement.

Recommendations

We recommended that Business Stream:

- recalculate the trade effluent charges over a specified period based on the average daily usage for the previous billing period and credit the company's account with 50 percent of the overcharge;
- consider reviewing their procedures with a view to ensuring customers are able to obtain a truly independent meter accuracy test in disputed cases; and
- consider checking whether the new meter servicing the premises is of the appropriate size.