

BEFORE THE STATE CORPORATION COMMISSION
OF THE STATE OF KANSAS

JUN 14 2013

In the Matter of the Investigation of Howison)
Heights Inc.'s Ability to Provide Sufficient and)
Efficient Service)

by
State Corporation Commission
of Kansas

Docket No. 13-HHIW-460-GIV

In the Matter of the Application of Howison Heights,)
Inc. for Approval of the Commission to Make)
Certain Changes in its Rates for Water Service)

Docket No. 13-HHIW-570-RTS

**RESPONSE OF HOWISON HEIGHTS, INC. TO
QUALITY OF SERVICE AND INDEBTEDNESS
ISSUES IDENTIFIED BY THE COMMISSION STAFF**

Howison Heights, Inc. ("Howison") submits the following information requested by the Kansas Corporation Commission ("Commission") Staff with respect to the quality of service issues raised by customers in Docket No. 13-HHIW-570-RTS ("570 Docket") and the indebtedness issues identified by the Commission Staff in its Motion filed May 30, 2013:

I. INTRODUCTION

1. Howison takes the quality of service issues raised by its customers in the 570 Docket very seriously. The quality and safety of the ground water provided by Howison to its customers is regulated by the Kansas Department of Health and Environment ("KDHE"). Howison is required by law to provide KDHE samples of its ground water on a routine basis so KDHE can determine the quality of the water and whether it is safe for customers to use the water. KDHE prepares an annual report relating to the quality and safety of the water provided by Howison to its customers. A copy of the KDHE report covering calendar year 2012 is attached hereto and incorporated herein by reference. Also attached are the KDHE's standards for drinking water. According to the KDHE, the quality and safety of Howison's water is good and Howison had no violations of drinking water regulations in 2012.

2. Howison is also submitting photographs taken this week of its water supply and incorporates those photographs herein by reference. The photographs are taken at Howison's well house and other locations on the distribution system. To the extent the quality of water can be determined by photographs (color, content), the photographs taken of Howison's water this week show good color and content.

II. GENERAL QUALITY OF SERVICE ISSUES

3. Paragraph 5 of Staff's Motion identifies the following general quality of service issues raised by Howison's customers in the 570 Docket:

- (1) Low or inconsistent water pressure
- (2) Water main breaks
- (3) Brown water
- (4) Poor service when called-no maintenance crews
- (5) High chlorine content in water
- (6) "scummy" water
- (7) Fraudulent meter reading
- (8) No fire hydrants in development, and
- (9) No water tower

Each of these general quality issues are discussed herein.

A. LOW OR INCONSISTENT WATER PRESSURE

4. In response to the comments and complaints regarding low or inconsistent water pressure, Howison's computer, which automatically monitors the pressure in the water system, failed about 18 months ago. The cost to replace the computer is approximately \$4,500. That amount represents approximately 15% of the total annual revenues received by Howison from its customers.

The computer maintained pressure within four psi, top to bottom of the water system. Since the failure of the computer, Howison had to go to pressure switches to control pressure in the water distribution system. The switches have to have pressure of 12 - 14 psi in order to function (gap from one and off). When Howison is able to replace the computer, it will be able to maintain pressure at the higher elevations on the water distribution system. Howison will be replacing the computer as soon as it can get the funds to purchase the computer. This pressure issue currently affects up to about 10 homes on the water distribution system. Howison would plan to use the additional revenue from the recent rate increase to replace the computer within the next six months.

B. WATER MAIN BREAKS

5. In response to the comments and complaints regarding water main breaks, Howison had a leak in the service line crossing Shipton Road at some old fittings in an abandoned meter pit. This was not an "active service" at the time. This line was capped on the North side of Shipton Road since it was no longer needed (service line). A valve was installed in Reinsch's yard at same time to limit areas of shut-down in the event of an emergency. The breaks on the main (Hull letter) occurred about seven years ago. It had to do with a larger pump constantly turning on and off in order to maintain pressure. The pump created a "water hammer" in the smaller main at the lower end of the distribution system on Sandy Avenue (3" line). Howison installed a \$10,000 multi-speed pump with variable speed drive to stop the water hammer. It is still in use as a lead pump. Water hammer issues have been resolved. Howison may be able to increase the pressure switch a little to help the pressure issues experienced by the customers who are located at the higher elevations on the distribution system. Howison will need to set a pressure reducer on the system at some point in time. The pressure reducer is estimated to cost about \$5,000. When the standpipe is put in place and connected to the system, the pressure reducer will be required to also be installed. Howison estimates it will cost

\$65,000 to put the standpipe in place and connect it to the system. That includes the cost to build a foundation for the standpipe, paint the standpipe and plumb and connect the standpipe to the water distribution system. The capital improvements will eliminate any system pressure issues.

C. BROWN WATER

6. In response to the comments and complaints regarding brown water, the tainted (brown) water is caused by excessive chlorine levels. Howison's chlorinator has not been working well. Howison replaced part of the injector several weeks ago and the chlorinator is working better. Howison will be replacing additional items on the chlorine regulator head in coming weeks. Fixing the chlorinator will eliminate most issues with respect to the color of the water. Howison would expect to use the revenue from the recent rate increase to repair the chlorinator. Howison does have a problem with customers about four to six times a year running over water meters with their tractors and large lawn mowers. This requires Howison to shut down a section of the distribution system to repair the damage. When the system is shut down and then brought back on line, it takes a while for the color of the water to get back to its normal color. Howison continues to send customers notices reminding them not to run over the water meters.

D. NO MAINTENANCE CREWS

7. In response to the comments and complaints regarding no maintenance crews, many of the customer calls are being caused by the customers breaking meter installations by running over them. Howison calls Boyd Excavation out of Abilene, Kansas to assist in customer calls.

E. HIGH CHLORINE CONTENT

8. In response to the comments and complaints regarding high chlorine content in the water supply, please see comments in paragraph 6.

F. "SCUMMY" WATER

9. In response to the comments and complaints regarding "scummy" water, the water supplied by Howison is not "scummy." Clogged filter systems or softeners on the customers' piping may cause water to become "scummy." Clogged up water softeners also cause pressure problems. Howison has informed customers about clogged softeners and when those softeners have been unclogged the quality and pressure has improved. As mentioned at the beginning of these comments, the water safety and quality tests provided to KDHE show Howison's water is safe and is good quality water. Many customers have turned off softeners permanently. Two customers have told Howison very little adjustment to the water needs to be done for the water to be used in their swimming pools. Howison has previously provided the Commission Staff a copy of KDHE's annual water quality report relating to Howison's water. In KDHE's consumer confidence report, all categories relating to water quality of Howison's water supply is exceptional. The chlorine is the one exception and those issues relate to the water chlorinator and the need to replace the chlorinator.

G. FRAUDULENT METER READING

10. In response to the comments and complaints regarding fraudulent meter reading, all of the meters are read each month except when weather conditions prevent Howison from reading the meters. Howison has always rounded the meter up or down based on 1,000 gallons usage. If it is at 500 gallons or above, it is billed at the next 1,000. If it is below 500 gallons, it is billed at the lesser number. Also about half of the meters need to be replaced because of the age of the meter. They stick and record at 0 usage so those customers are only charged for the minimum.

H. NO FIRE HYDRANTS

11. In response to the comments and complaints regarding no fire hydrants in development, very few rural water districts have "true fire hydrants." The fire trucks could collapse the water utility distribution pipeline. Flush hydrants are installed. This is the "norm" through the industry, not the

exception. At such time as Howison can afford to connect the standpipe to the water distribution system, Howison has plans to have plumbing engineered to be able to have four fire trucks fill at one time off of the standpipe.

I. NO WATER TOWER

12. See paragraph 5 relating to the cost to connect the standpipe (water tower) previously purchased by Howison to Howison's water distribution system.

III. QUESTIONS REGARDING ABILITY TO CONTINUE OPERATIONS DUE TO POSSIBLE FORECLOSURE OF UTILITY ASSETS

13. In response to paragraphs 6 and 7 of Staff's Motion regarding Saline County District Court ("District Court") Case No. 12CV444, Howison states:

a. The District Court has set dates for the lenders to file summary judgment and for Howison to respond to the summary judgment motion. Howison's response to the lender's summary judgment motion is due July 9, 2013. If Howison decides to file a motion for summary judgment, it is due June 17, 2013. The District Court has set the motions for hearing on July 25, 2013. The trial on the merits of the case is set for October 1, 2013.

14. Howison continues to provide water service to its customers pending the litigation and will continue to operate the system unless ordered by the Commission to cease operations.

15. Howison is uncertain it will be able to keep the utility in its possession. It plans to take all necessary steps to attempt to keep the utility in its possession.

16. Howison will have to obtain funding for needed system repairs should it retain possession of the utility property. It would plan to do so by (1) renegotiating with current or new lenders to obtain additional financing; (2) using the additional revenues received from the rate increase; (3) obtaining additional equity investment; (4) selling a portion of the utility water supplies and water rights to raise capital; or (5) a combination of all of the above.

17. See, response in paragraph 16 as to what access to capital Howison might have on a going forward basis should it retain possession of the utility property.

18. Howison assumes if Howison's utility is sold as a result of the foreclosure, the purchaser and Howison would have to file some type of application with the Commission to transfer the certificate to the purchaser (unless it is an unregulated rural water district) and for Howison to abandon its certificate. Howison assumes service to the customers would continue throughout any such process and the Commission would have the authority to order the parties to continue to provide water service to the customers.

IV. SPECIFIC CUSTOMER QUALITY ISSUES

19. In paragraph 1 of the "Wherefore" clause of Staff's Motion, Staff requests Howison to file the following information:

1) Using the attached customer complaints, provide a detailed list, on an individual customer basis, how each customer's issues have been addressed and how they will be resolved. For example, if Customer A complains about high chlorine and low water pressure, Howison must address the steps already taken to resolve the matter, as well as a future plan of action. In explaining how the customer's issues will be resolved, provide a cost estimate and an explanation of those costs. If possible, keep responses devoid of confidential information pertaining to the customer.

Howison provides the following information regarding each specific complaint attached to Staff's Motion, in response to paragraph 1 of the "Wherefore" clause:

A. Marie Simpson

20. Ms. Simpson's residence is located in the Barnes Subdivision. Most of these homes built in the "Barnes Subdivision" were built approximately 40 years ago. Most of the homes had galvanized fittings coming off of the meter and going into a black hose. Some still have the old lines in place. The galvanized fittings close over time, restricting pressure to nearly nothing. The neighbor within 100 yards of this customer replaced his line years ago. Pressure in this area is 52-55 psi. Other

homes in this subdivision have good pressure in that immediate area. The galvanized fittings may need to be looked at by a plumber and if closed, would need to be repaired. Howison does not know the reasons for Ms. Simpson having to replace her hot water heater several times over the last 20 years.

B. Dave Bieberly

21. See, response provided above in paragraphs 8 and 9. Mr. Bieberly says Howison's water should be checked by a third party. As indicated in Section I of this Response, Howison's water is checked by KDHE for safety and quality on a routine basis and KDHE issues an annual report. A copy of the KDHE 2012 Annual Report is attached to this Response.

C. Mike Immenschuh

22. Mr. Immenschuh asks for information that compares Howison's water rates with the water rates charged by adjacent rural water districts. That comparison is included in Staff's report and recommendation in the 570 Docket. Mr. Immenschuh indicates he only received three days' written notice of the first public meeting held by Howison in the 570 Docket. Howison apologizes to any customer who was unable to make the public meeting because of the three day notice. The general concerns raised by Mr. Immenschuh are addressed in Section II of this Response. Mr. Immenschuh asks for verification of Howison's income and expense. This was done in the 570 Docket. Mr. Immenschuh suggests Howison install a back-up generator to run pumps when electricity is lost. Such a generator would cost between \$20,000 - \$25,000 to install, or about \$485 per customer. Connection of the standpipe has a higher priority than a back-up generator.

D. Wayne Juenemann

23. Mr. Juenemann states rates are higher now than they were five years ago and so rates have been increased over the past 18 years. Howison has not increased rates the past 18 years. Mr. Juenemann complains Howison "was not nice" when he called relating to service issues and therefore,

stopped calling. Howison apologizes to Mr. Juenemann and would encourage him to call in any time he has an issue with his water service. In reference to a vacuum on the system with a water loss to 0 pressure, Howison does not agree with Mr. Juenemann's comments. Most waste systems are totally separate from water systems and should be constructed in that fashion. Also, if properly installed, waste systems should have "check valves" to stop backflow. Also, backflow preventers should be part of the installation. The septic systems are all downhill substantially. Even if this was possible, it would take one tremendous vacuum.

24. As indicated in Section II of this Response, connection of the standpipe to the distribution system would eliminate many issues. The delay in connecting the purchased standpipe to the water utility system has been due to a number of issues including obtaining approval from the state of the engineering plans, the downturn in the economy starting in September 2007, and the lack of capital to make the improvement.

25. Mr. Juenemann's comments about general quality issues are responded to in Section II of this Response.

26. Two wells are online currently. One of the two is a backup that will automatically kick on if needed. The third well must be manually turned on.

27. Howison is unaware of any document Mr. Juenemann signed relating to his water rights.

E. Beth Prendergast

28. Howison was not aware the water pressure at this residence was this low. Replacement of the failed computer should address this pressure issue. See, Section II with respect to the general customer issues raised by Ms. Prendergast.

Mr. Howison is not using water utility revenues to cover costs relating to his other business. Revenues generated by the water utility are insufficient to cover the cost of the water utility.

F. Jody Pfannenstiel; Rick & Michele Wolfe; Lisa Peters; Lynn Kleiber; Caude Sokol; Peggy Kleiber; Suzan Madden; Eric Campbell; Steve Boyd

29. See, comments in Section I and Section II with respect to general customer issues raised by each of these customers. In addition, the state of Kansas requires chlorine or reverse osmosis to treat water. Reverse osmosis is expensive, but Howison will check into this process. Mr. Campbell's meter is 10' from the next meter. He ended up receiving free water for several months because of an error made by Howison. At one time several months ago the readings were almost identical. He has since received a large credit due to the error. Howison apologizes to any customer who did not receive sufficient notice of the two public meetings held by Howison to discuss the reasons for the rate increase. Howison's customers will have a third opportunity to provide the Commission with any additional comments regarding the rate increase and customers can always contact Howison if they have any concerns.

G. Robert D. Hull

30. There has never been a "main break" at D. Reinsch's house. Howison has provided water service for 42 years and plans to continue to provide service. Mr. Howison did not inherit Howison. Mr. Howison has spent over a million dollars in capital improvements in 28 years in operating the water utility. The investment in Howison by Mr. Howison is much larger than all debts owed by Howison.

H. Clay & Fran Staton; Cindy M. Monroe; Darin Monroe

31. Howison apologizes to any customer who did not receive sufficient notice of the two public meetings about the rate case. See, Section II of this Response that addresses the general customer issues raised by Clay and Fran Staton, Cindy Monroe and Darin Monroe.

32. With respect to Ms. Monroe's comments about the quality of water at the time she fills her swimming pool, every year people start watering heavily some time between March and April. This year it was in June. Howison told Ms. Monroe the heavy water usage will dislodge any sediment

that will discolor the water. This is similar to what occurs when there is a water line break. By simply flushing hydrants, the issues relating to the quality of water can be minimized. Howison has been flushing the water utility in the fall the last few years to attempt to stay ahead of this problem.

33. The issue raised by Ms. Monroe also has to do with the cleaning of wells. Cleaning of wells normally occurs in the spring prior to heavy usage during the summer months. The well being cleaned is "shut off" line and a flush out is opened. Muriatic acid is first used by dumping it down the casing of the well. It is pumped out an hour or two later. Then Clorox is dumped down the well and sets for several hours. This kills the "iron bacteria" that grows in wells on the casing. This is thoroughly flushed for close to an hour. The water is tasted numerous times before being put back into use. The cleaning of the wells also significantly increases the water volume pumped from the wells.

34. Water usage is estimated based on prior month's usage when there is no access to the meters, usually due to the weather. A snow cover or freezing rain and bitter cold insulate the meters and freeze lids down so it is not possible to read the meters.

35. A large number of the older meters are running slow. Most people are getting undercharged. CURB made reference to the number of "0 readings" it came across in its audit. Most of these meters need to be replaced.

I. Sue Watson

36. The hardness of Howison's water is currently 160 mgm/liter. This compares favorably with the hardness of the City of Salina's water (155mgm/liter).

J. Larry & Jenny Watts

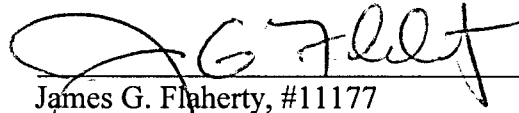
37. The rate increase approved by the Commission will be used by Howison to cover the water utility's expenses.

K. Valerie K. Linenberger

38. See Section I and Section II in response to the general customer issues raised by Ms. Linenberger. In addition, the "new wells" which were added approximately in 1993, produced water that has a much higher quality. In reference to surge protectors, Howison does have them. At the last meeting a person said for \$1,200 Howison could get a surge protector that would work. Howison will look into installing a surge protector at the time it installs a new telemetry system (computer).

L. Tim Heyde

39. See, Section I and Section II in response to the general customer issues raised by Mr. Heyde.

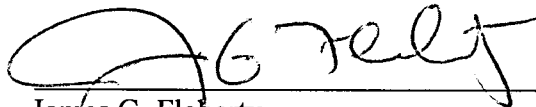


James G. Flaherty, #11177
ANDERSON & BYRD, LLP
216 S. Hickory, P. O. Box 17
Ottawa, Kansas 66067
(785) 242-1234, telephone
(785) 242-1279, facsimile
jflaherty@andersonbyrd.com
Attorneys for Howison Heights, Inc.

VERIFICATION

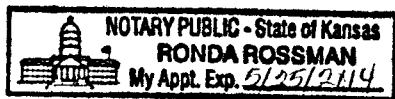
STATE OF KANSAS)
) ss:
COUNTY OF FRANKLIN)

James G. Flaherty, being duly sworn upon his oath, deposes and states that he is the attorney for Howison Heights, Inc.; that he has read and is familiar with the foregoing Response of Howison Heights, Inc. to Quality of Service and Indebtedness Issues Identified by the Commission Staff; knows the contents thereof; and that the statements contained therein are true.



James G. Flaherty

SUBSCRIBED AND SWORN to before me this 14th day of June, 2013.





Notary Public

Commission/Appointment Expires:

CERTIFICATE OF SERVICE

I hereby certify that a copy of the above and foregoing was served via electronic mail, this 14th day of June, 2013, addressed to:

Niki Christopher
Citizens' Utility Ratepayer Board
1500 SW Arrowhead Road
Topeka, KS 66604
n.christopher@curb.kansas.gov

C. Steven Rarrick
Citizens' Utility Ratepayer Board
1500 SW Arrowhead Road
Topeka, KS 66604
s.rarrick@curb.kansas.gov

Della Smith
Citizens' Utility Ratepayer Board
1500 SW Arrowhead Road
Topeka, KS 66604
d.smith@kcc.ks.gov

Shonda Smith
Citizens' Utility Ratepayer Board
1500 SW Arrowhead Road
Topeka, KS 66604
sd.smith@curb.kansas.gov

David Springe
Consumer Counsel
Citizens' Utility Ratepayer Board
1500 SW Arrowhead Road
Topeka, KS 66604
d.springe@curb.kansas.gov

Michael Neeley
Litigation Counsel
Kansas Corporation Commission
1500 SW Arrowhead Road
Topeka, KS 66604-4027
m.neeley@kcc.ks.gov

Jay Van Blaricum
Advisory Counsel
Kansas Corporation Commission
1500 SW Arrowhead Road
Topeka, KS 66604-4027
j.vanblaricum@kcc.ks.gov

Timothy B. Howison
1212 Meyer Drive
Salina, KS 67401
timhowison.remax@yahoo.com

James G. Flaherty

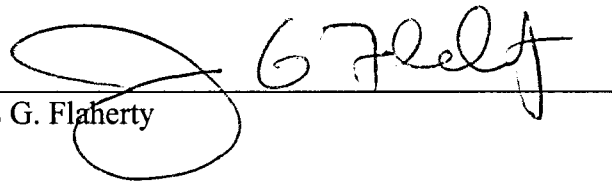
A handwritten signature in black ink, appearing to read "G Flaherty", is written over a horizontal line. The signature is stylized with a large, looping initial "G".

EXHIBIT A

Howison Heights Water District

Consumer Confidence Report – 2013

Covering Calendar Year – 2012



This brochure is a snapshot of the quality of the water that we provided last year. Included are the details about where your water comes from, what it contains, and how it compares to Environmental Protection Agency (EPA) and state standards. We are committed to providing you with information because informed customers are our best allies. It is important that customers be aware of the efforts that are made continually to improve their water systems. To learn more about your drinking water, please attend any of the regularly scheduled meetings which are held: _____ (Date/Time/Location of meeting).

For more information please contact, Tim Howison at 785-825-6449.

Your water comes from 2 Ground Water Wells.

Your water is treated to remove several contaminants and a disinfectant is added to protect you against microbial contaminants. The Safe Drinking Water Act (SDWA) required states to develop a Source Water Assessment (SWA) for each public water supply that treats and distributes raw source water in order to identify potential contamination sources. The state has completed an assessment of our source water. For results of the assessment, please contact us or view on-line at: <http://www.kdheks.gov/nps/swap/SWreports.html>

Some people may be more vulnerable to contaminants in drinking water than the general population. Immuno-compromised persons such as those with cancer undergoing chemotherapy, persons who have undergone organ transplants, people with HIV/AIDS or other immune system disorders, some elderly, and infants can be particularly at risk from infections. These people should seek advice about drinking water from their health care providers. EPA/CDC guidelines on appropriate means to lessen the risk of infection by *Cryptosporidium* and other microbial contaminants are available from the Safe Drinking Water Hotline (800-426-4791).

Drinking water, including bottled water, may reasonably be expected to contain at least small amounts of some contaminants. The presence of contaminants does not necessarily indicate that water poses a health risk. More information about contaminants and potential health effects can be obtained by calling the EPA's Safe Drinking Water Hotline (800-426-4791).

The sources of drinking water (both tap water and bottled water) included rivers, lakes, streams, ponds, reservoirs, springs, and wells. As water travels over the surface of the land or through the ground, it dissolves naturally occurring minerals and, in some cases, radioactive material, and can pick up substances resulting from the presence of animals or from human activity.

Contaminants that may be present in sources water before we treat it include:

Microbial contaminants, such as viruses and bacteria, which may come from sewage treatment plants, septic systems, livestock operations and wildlife.

Inorganic contaminants, such as salts and metals, which can be naturally-occurring or result from urban storm water runoff, industrial or domestic wastewater discharges, oil and gas production, mining or farming.

Pesticides and herbicides, which may come from a variety of sources such as storm water run-off, agriculture, and residential users.

Radioactive contaminants, which can be naturally occurring or the result of mining activity.

Organic contaminants, including synthetic and volatile organic chemicals, which are by-products of industrial processes and petroleum production, and also come from gas stations, urban storm water run-off, and septic systems.

In order to ensure that tap water is safe to drink, EPA prescribes regulation which limits the amount of certain contaminants in water provided by public

water systems. We treat our water according to EPA's regulations. Food and Drug Administration regulations establish limits for contaminants in bottled water, which must provide the same protection for public health.

Our water system is required to test a minimum of 2 samples per month in accordance with the Total Coliform Rule for microbiological contaminants. Coliform bacteria are usually harmless, but their presence in water can be an indication of disease-causing bacteria. When coliform bacteria are found, special follow-up tests are done to determine if harmful bacteria are present in the water supply. If this limit is exceeded, the water supplier must notify the public.

Water Quality Data

The following tables list all of the drinking water contaminants which were detected during the 2012 calendar year. The presence of these contaminants does not necessarily indicate the water poses a health risk. Unless noted, the data presented in this table is from the testing done January 1- December 31, 2012. The state requires us to monitor for certain contaminants less than once per year because the concentrations of these contaminants are not expected to vary significantly from year to year. Some of the data, though representative of the water quality, is more than one year old. **The bottom line is that the water that is provided to you is safe.**

Terms & Abbreviations

Maximum Contaminant Level Goal (MCLG): the "Goal" is the level of a contaminant in drinking water below which there is no known or expected risk to human health. MCLGs allow for a margin of safety.

Maximum Contaminant Level (MCL): the "Maximum Allowed" MCL is the highest level of a contaminant that is allowed in drinking water. MCLs are set as close to the MCLGs as feasible using the best available treatment technology.

Secondary Maximum Contaminant Level (SMCL): recommended level for a contaminant that is not regulated and has no MCL.

Action Level (AL): the concentration of a contaminant that, if exceeded, triggers treatment or other requirements.

Treatment Technique (TT): a required process intended to reduce levels of a contaminant in drinking water.

Maximum

Maximum Residual Disinfectant Level (MRDL): the highest level of a disinfectant allowed in drinking water. There is convincing evidence that addition of a disinfectant is necessary for control of microbial contaminants.

Non-Detects (ND): lab analysis indicates that the contaminant is not present.

Parts per Million (ppm) or milligrams per liter (mg/l)

Parts per Billion (ppb) or micrograms per liter (µg/l)

Picocuries per Liter (pCi/L): a measure of the radioactivity in water.

Millirems per Year (mrem/yr): measure of radiation absorbed by the body.

Monitoring Period Average (MPA): An average of sample results obtained during a defined time frame, common examples of monitoring periods are monthly, quarterly and yearly.

Nephelometric Turbidity Unit (NTU): a measure of the clarity of water. Turbidity in excess of 5 NTU is just noticeable to the average person. Turbidity is not regulated for groundwater systems.

Running Annual Average (RAA): an average of sample results obtained over the most current 12 months and used to determine compliance with MCLs.

Testing Results for: Howison Heights Water District

Microbiological	Result	MCL	MCLG	Typical Source
No Detected Results were Found in the Calendar Year of 2012				

Regulated Contaminants	Collection Date	Your Highest Value	Range (low/high)	Unit	MCL	MCLG	Typical Source
ARSENIC	4/4/2011	1.5	1.5	ppb	10	0	Erosion of natural deposits
BARIUM	4/4/2011	0.047	0.047	ppm	2	2	Discharge from metal refineries
FLUORIDE	4/4/2011	0.33	0.33	ppm	4	4	Natural deposits; Water additive which promotes strong teeth.
NITRATE	7/24/2012	1.5	1.5	ppm	10	10	Runoff from fertilizer use
SELENIUM	4/4/2011	3.4	3.4	ppb	50	50	Erosion of natural deposits

Disinfection Byproducts	Monitoring Period	Your Highest RAA	Range (low/high)	Unit	MCL	MCLG	Typical Source
No Detected Results were Found in the Calendar Year of 2012							

Lead and Copper	Monitoring Period	90 th Percentile	Range (low/high)	Unit	AL	Sites Over AL	Typical Source
COPPER, FREE	2012	0.0464	0.044 - 0.047	ppm	1.3	0	Corrosion of household plumbing

If present, elevated levels of lead can cause serious health problems, especially for pregnant women and young children. Lead in drinking water is primarily from materials and components associated with service lines and home plumbing. Your water system is responsible for providing high quality drinking water, but cannot control the variety of materials used in plumbing components. When your water has been sitting for several hours, you can minimize the potential for lead exposure by flushing your tap for 30 seconds to 2 minutes before using water for drinking or cooking. If you are concerned about lead in your water, you may wish to have your water tested. Information on lead in drinking water, testing methods, and steps you can take to minimize exposure is available from the Safe Drinking Water Hotline or at <http://www.epa.gov/safewater/lead>

Radiological Contaminants	Collection Date	Your Highest Value	Range (low/high)	Unit	MCL	MCLG	Typical Source
COMBINED RADIUM (-226 & -228)	10/19/2010	2.6	2.6	pCi/l	5	0	Erosion of natural deposits
GROSS ALPHA, EXCL. RADON & U	10/19/2010	11	11	pCi/l	15	0	Erosion of natural deposits.

Secondary Contaminants	Collection Date	Your Highest Value	Range (low/high)	Unit	SMCL
ALKALINITY, TOTAL	4/4/2011	91.7	91.7	MG/L	300
ALUMINUM	4/4/2011	0.014	0.014	MG/L	0.05
CALCIUM	4/4/2011	47	47	MG/L	200
CHLORIDE	4/4/2011	27	27	MG/L	250
CONDUCTIVITY @ 25 C UMHO/CM	4/4/2011	480	480	UMHO/CM	1500
HARDNESS, TOTAL (AS CaCO3)	4/4/2011	160	160	MG/L	400
IRON	4/4/2011	8.2	8.2	MG/L	0.3
MAGNESIUM	4/4/2011	9.3	9.3	MG/L	150
MANGANESE	4/4/2011	0.075	0.075	MG/L	0.05
NICKEL	4/4/2011	0.0078	0.0078	MG/L	0.1
PH	4/4/2011	6.5	6.5	PH	8.5
PHOSPHORUS, TOTAL	4/4/2011	0.57	0.57	MG/L	5
POTASSIUM	4/4/2011	2.2	2.2	MG/L	100
SILICA	4/4/2011	28	28	MG/L	50
SODIUM	4/4/2011	34	34	MG/L	100
SULFATE	4/4/2011	93	93	MG/L	250
TDS	4/4/2011	300	300	MG/L	500
ZINC	4/4/2011	0.013	0.013	MG/L	5

During the 2012 calendar year, we had no violation(s) of drinking water regulations.

Please Note: Because of sampling schedules, results may be older than 1 year.

STANDARDS for Drinking Water

KANSAS HEALTH AND ENVIRONMENTAL LABORATORY Department of Health and Environment

SIGNIFICANCE OF INORGANIC WATER ANALYSES FOR HUMAN USAGE

REPORTING UNITS: Most analytical results are reported in units of either in milligrams per liter (mg/L) which are equivalent to parts per million or micrograms per liter (ug/L) which are equivalent to parts per billion. The exceptions are pH which is reported in pH Units, Corrosivity which is reported as Langerlier's Index (LI), Turbidity which is reported in nephelometric turbidity units (NTU) and Specific Conductivity which is reported in micromhos per centimeter (umho/cm).

TOTAL HARDNESS: Calcium and magnesium are the principal minerals contributing to total hardness. Hard water has a tendency to develop scale deposits, especially when heated above 140° F. Soft water may be corrosive. A total hardness of 400 mg/L is considered as excessive in Kansas.

SODIUM: Because high sodium levels can adversely affect those persons on a restricted sodium diet, people need to be aware of the sodium level in their drinking water, especially if the sodium value is greater than 100 mg/L. Water softeners which are recharged with salt further increase the sodium level.

POTASSIUM: The concentration of potassium normally found in drinking water has no physiological or aesthetic effects on drinking water users.

ALKALINITY, pH AND LANGERLIER'S INDEX: The alkalinity of water is a measure of its capacity to neutralize acids. Bicarbonate and carbonate are the major contributors to alkalinity. The pH value of a solution indicates the intensity of the acidic or basic character of the solution. The pH scale extends from 0, very acidic, to 14, very alkaline, with 7 being neutral. The relationship of pH, calcium and alkalinity determines whether a water is corrosive or whether it will deposit calcium carbonate. Langerlier's Index (LI) is an indicator of the corrosivity of water. KDHE interprets a water as being highly aggressive if the LI is less than -2.0, moderately aggressive if between -2.0 and 0, and nonaggressive if greater than 0.

CHLORIDE: The suggested limit for chloride is 250 mg/L because some people can detect a salty taste when chloride exceeds 250 mg/L. Chloride has no physiological effect.

SULFATE: The suggested limit for sulfate is 250 mg/L because of the bitter taste and laxative effects of sulfate above that level. Sulfate can act as a laxative to sensitive persons not accustomed to high sulfate water.

NITRATE: The drinking water standard for nitrate, reported as nitrogen (N), is 10 mg/L. Excessive nitrate may result in infant cyanosis, also known as methemoglobinemia or "blue baby syndrome", in children less than one year of age. There are no significant health effects for older children or adults. Boiling water will not remove nitrate.

FLUORIDE: The maximum contaminant level (MCL) for fluoride is 4.0 mg/L with a suggested limit of 2.0 mg/L. A fluoride concentration of approximately 1.0 mg/L helps prevent dental caries. At concentrations below 0.7 mg/L, fluoride will not be of any benefit. At concentrations above 2.0 mg/L, fluoride may cause mottling of the teeth.

TURBIDITY: Turbidity in water is the suspended material which causes a beam of light to scatter. Turbidity can be significant aesthetically and physiologically because it can provide a support for bacteria. The limits for surface water is a maximum two-day average of 5 NTU and a maximum average of 1 NTU over a thirty-day period. No limits are established for ground water.

SPECIFIC CONDUCTANCE: Conductance is a numerical expression of the ability of water to conduct an electric current. Because the number which is expressed as micromhos per centimeter, depends on the concentration of the dissolved minerals, conductance indicates the degree of mineralization in water. A conductance greater than 1,500 umho/cm is considered excessive.

TOTAL DISSOLVED SOLIDS: TDS is a measure of the dissolved material in water. EPA suggests a TDS over 500 mg/L is objectionable because of the mineral taste and the possible physiological effects.

TOTAL PHOSPHORUS: Phosphate is a nutrient found in water. In raw surface water, phosphate may cause water treatment problems associated with aquatic plants and with coagulation. Phosphate is used occasionally in a effort to keep iron and manganese in solution.

SILICA: Silica has no physiological significance to humans, but can cause crusting deposits on well screens, pipes and water heaters. Concentrations above 50 mg/L may cause a cloudy appearance.

AMMONIA: Ammonia can occur naturally in water supplies, while some water treatment plants add ammonia to react with chlorine to form a combined chlorine residual to control formation of trihalomethanes. At concentrations normally found it has no health effect, but may cause unpleasant odors.

IRON AND MANGANESE: Iron and manganese are objectionable because of the bad taste associated with the water, the staining of plumbing fixtures and laundered clothes, and the probable deposition of the elements in the distribution system. They have no significance physiologically. The suggested limits for iron and manganese are 0.3 mg/L and 0.05 mg/L respectively.

HEAVY METALS: For physiological effects the present standards for heavy metals and cyanide are (ug/L = micrograms/liter [parts per billion]):

Arsenic	50.0 ug/L	Barium	2000 ug/L	Cadmium	5.0 ug/L	Nickel	100.0 ug/L
Chromium	100.0 ug/L	Lead	15.0 ug/L	Mercury	2.0 ug/L	Thallium	2.0 ug/L
Selenium	50.0 ug/L	Antimony	6.0 ug/L	Beryllium	4.0 ug/L	Cyanide	200.0 ug/L

The suggested limits for copper and zinc are 1.3 mg/L and 5.0 mg/L respectively. The presence of copper and zinc indicates a possible corrosion problem.

Should there be further questions, the telephone number of the KDHE Bureau that deals with water and the Laboratory are:

Bureau of Water
Inorganic Chemistry Laboratory

(913) 296-5518
(913) 296-1657

#6222 P.004/005

06/13/2013 10:33

785 825 5695

From: REMAX ADVANTAGE REALTORS INC.

Jun 13 2013 10:42am

Received:

Testing Results for: Howison Heights Water District

Microbiological	Result	MCL	MCLG	Typical Source
No Detected Results were Found in the Calendar Year of 2012				

Regulated Contaminants	Collection Date	Your Highest Value	Range (low/high)	Unit	MCL	MCLG	Typical Source
ARSENIC	4/4/2011	1.5	1.5	ppb	10	0	Erosion of natural deposits
BARIUM	4/4/2011	0.047	0.047	ppm	2	2	Discharge from metal refineries
FLUORIDE	4/4/2011	0.33	0.33	ppm	4	4	Natural deposits; Water additive which promotes strong teeth.
NITRATE	7/24/2012	1.5	1.5	ppm	10	10	Runoff from fertilizer use
SELENIUM	4/4/2011	3.4	3.4	ppb	50	50	Erosion of natural deposits

Disinfection Byproducts	Monitoring Period	Your Highest RAA	Range (low/high)	Unit	MCL	MCLG	Typical Source
No Detected Results were Found in the Calendar Year of 2012							

Lead and Copper	Monitoring Period	90 th Percentile	Range (low/high)	Unit	AL	Sites Over AL	Typical Source
COPPER, FREE	2012	0.0464	0.044 - 0.047	ppm	1.3	0	Corrosion of household plumbing

If present, elevated levels of lead can cause serious health problems, especially for pregnant women and young children. Lead in drinking water is primarily from materials and components associated with service lines and home plumbing. Your water system is responsible for providing high quality drinking water, but cannot control the variety of materials used in plumbing components. When your water has been sitting for several hours, you can minimize the potential for lead exposure by flushing your tap for 30 seconds to 2 minutes before using water for drinking or cooking. If you are concerned about lead in your water, you may wish to have your water tested. Information on lead in drinking water, testing methods, and steps you can take to minimize exposure is available from the Safe Drinking Water Hotline or at <http://www.epa.gov/safewater/lead>.

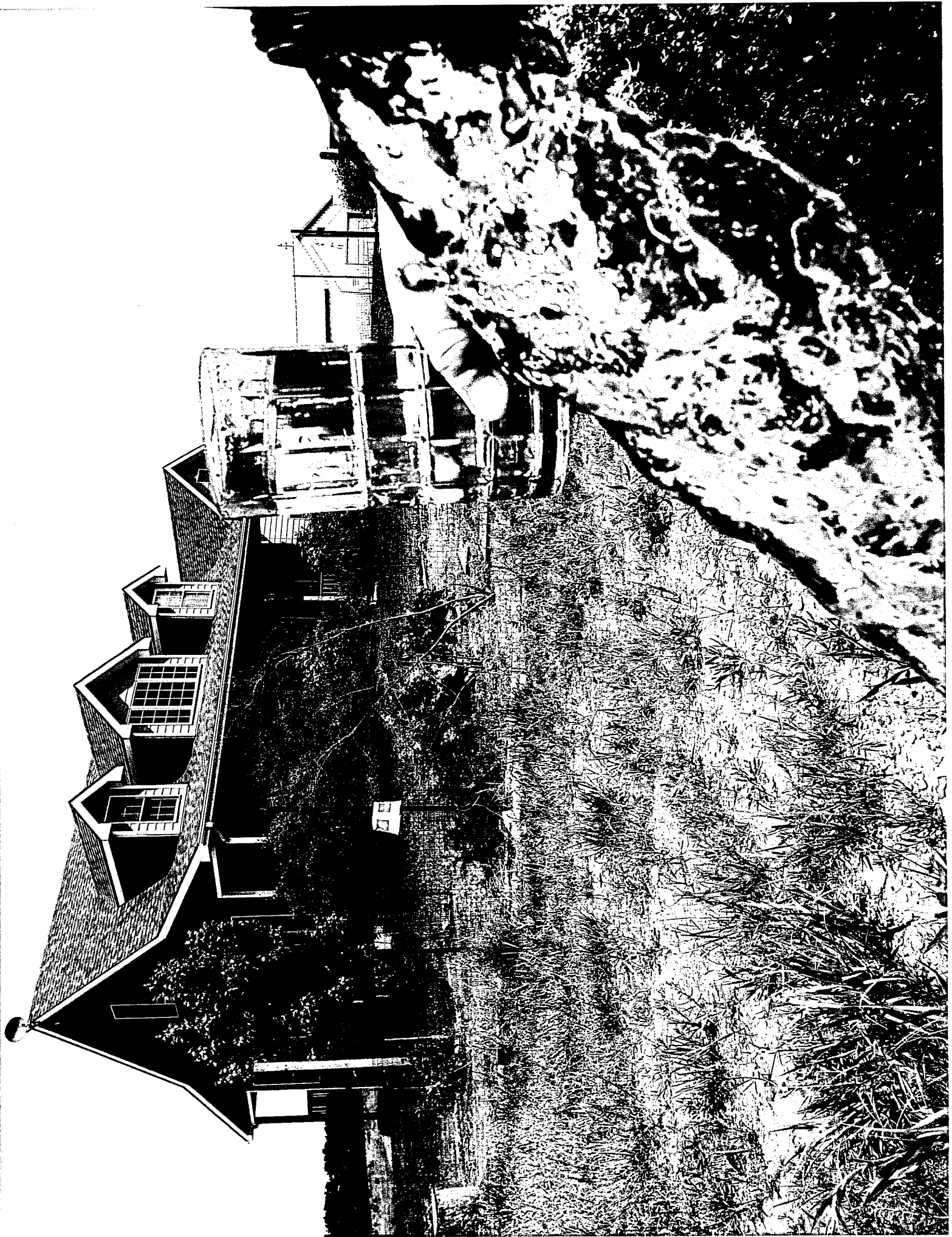
Radiological Contaminants	Collection Date	Your Highest Value	Range (low/high)	Unit	MCL	MCLG	Typical Source
COMBINED RADIUM (-226 & -228)	10/19/2010	2.6	2.6	pCi/l	5	0	Erosion of natural deposits
GROSS ALPHA, EXCL. RADON & U	10/19/2010	11	11	pCi/l	15	0	Erosion of natural deposits.

Secondary Contaminants	Collection Date	Your Highest Value	Range (low/high)	Unit	SMCL
ALKALINITY, TOTAL	4/4/2011	91.7	91.7	MG/L	300
ALUMINUM	4/4/2011	0.014	0.014	MG/L	0.05
CALCIUM	4/4/2011	47	47	MG/L	200
CHLORIDE	4/4/2011	27	27	MG/L	250
CONDUCTIVITY @ 25 C UMHO/CM	4/4/2011	480	480	UMHO/CM	1500
HARDNESS, TOTAL (AS CaCO3)	4/4/2011	160	160	MG/L	400
IRON	4/4/2011	8.2	8.2	MG/L	0.3
MAGNESIUM	4/4/2011	9.3	9.3	MG/L	150
MANGANESE	4/4/2011	0.075	0.075	MG/L	0.05
NICKEL	4/4/2011	0.0078	0.0078	MG/L	0.1
PH	4/4/2011	6.5	6.5	PH	8.5
PHOSPHORUS, TOTAL	4/4/2011	0.57	0.57	MG/L	5
POTASSIUM	4/4/2011	2.2	2.2	MG/L	100
SILICA	4/4/2011	28	28	MG/L	50
SODIUM	4/4/2011	34	34	MG/L	100
SULFATE	4/4/2011	93	93	MG/L	250
TDS	4/4/2011	300	300	MG/L	500
ZINC	4/4/2011	0.013	0.013	MG/L	5

During the 2012 calendar year, we had no violation(s) of drinking water regulations.

Please Note: Because of sampling schedules, results may be older than 1 year.

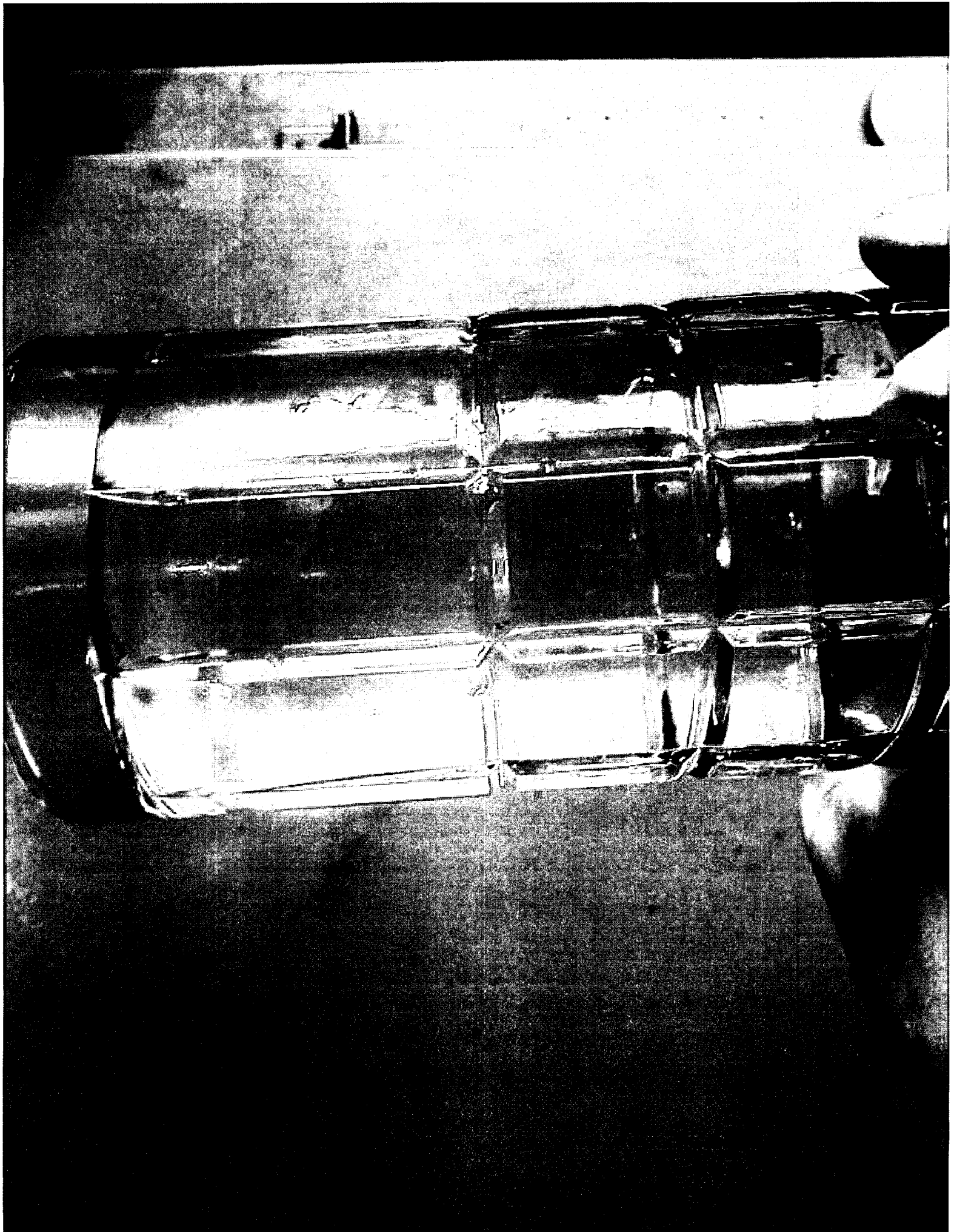
EXHIBIT B











LAW OFFICES OF
ANDERSON & BYRD
A Limited Liability Partnership

JOHN L. RICHESON
JAMES G. FLAHERTY
R. SCOTT RYBURN
KEITH A. BROCK

216 S. HICKORY, P. O. BOX 17
OTTAWA, KANSAS 66067
(785) 242-1234, *Telephone*
(785) 242-1279, *Facsimile*
www.andersonbyrd.com

ROBERT A. ANDERSON
(1920-1994)
RICHARD C. BYRD
(1920-2008)

June 14, 2013

Sent by Facsimile
Original Mailed 6/14/13

Received
on

JUN 14 2013

Ms. Patrice Petersen-Klein
Executive Director
Kansas Corporation Commission
1500 S. W. Arrowhead Road
Topeka, Kansas 66604-4027

by
State Corporation Commission
of Kansas

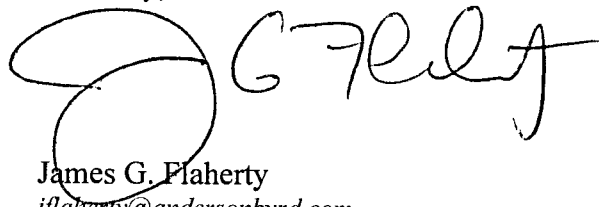
Re: Howison Heights, Inc.
Docket Nos. 13-HHIW460-GIV / 13-HHIW-570-RTS

Dear Ms. Petersen-Klein:

Please file the enclosed Response of Howison Heights, Inc. to Quality of Service and Indebtedness Issues Identified by the Commission Staff on behalf of Howison Heights, Inc. in the above captioned matter. I would appreciate receiving a file stamped copy of this cover letter as well as a file stamped copy of the Response for my files. A return envelope is included.

Thank you for your assistance. If you have any questions, please call.

Sincerely,



James G. Flaherty
jflaherty@andersonbyrd.com

JGF:rr
Enclosure