



AFFORDABLE ENERGY SUMMIT

Wednesday, July 25, 2018



AT&T Executive Education & Conference Center
1900 University Avenue
9:00am - 4:30pm



Utility Service Regulations Protecting the Customers' Rights and the Community's Interest



Utility Service Regulations

- Outlined in Chapter 15-9 of the Austin City Code.
- Purpose: assure utility services are provided by the City to customers in a fair, equitable, and consistent manner through the creation of rules, standards, and processes.
- At their core, regulations establish the rights and responsibilities of the customers and of the City.



Key Definitions

- Sec. 15-9-1
 - Customer:
 - Legal entity (individual, partnership, association, firm, public or private corporation, governmental authority) that receives City utility service OR
 - An owner of property that is connected to City's utility service at service address OR
 - A person who receives the **benefit** of the City's utility service.



Key Definitions Continued

- Account: the record of consumption, charges, and payments for services provided to a customer.
- Billing cycle: the interval of approximately 30 days between meter readings.
- Point of delivery (for electric service): where the City wires join to customer equipment.
- Utility Service Diversion: unauthorized action to divert utility service.
- Utility Diversion Charge: charges assessed due to tampering.



Starting Service

- Section 15-9-35
 - City can accept written, electronic, or verbal application for utility service.
 - Customer has duty to pay for utility services on or before the due date and
 - City has a duty to provide utility service to a customer who is up to date on bills.



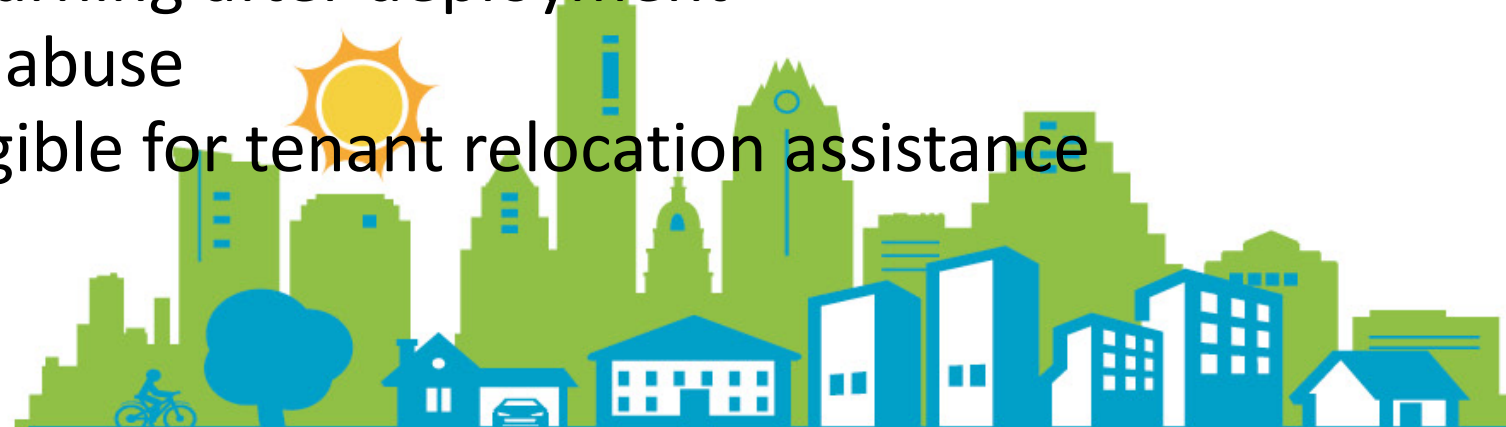
Starting Service

- Section 15-9-35
 - A service contract created when:
 - Written service agreement,
 - City accepts written, electronic, or verbal agreement for utility service,
 - City provides utility services to a person, or
 - Other circumstances that obligate a person to pay the City for utility service.



Deposits

- Section 15-9-72
 - Generally, customers are required to pay \$200 refundable deposit when starting a new account.
 - Can be waived in the following situations:
 - Compliance with customer payment standards
 - Letter of Reference from another utility
 - Landlord letter of reference
 - Enrollment in Auto Pay & E-Bill programs
 - Customer 65 years of age and older
 - Service member returning after deployment
 - Victims of domestic abuse
 - Displace tenants eligible for tenant relocation assistance
 - Medically indigent



Deposits

- Moving and deposits:
 - Section 15-9-74: If a customer moves, utility may continue existing deposit if customer has no record of late payment, unlawful use of service, or tampering chargers.
- Return of deposit:
 - Section 15-9-75: Credited back to customer's account if utility bill timely paid for 12 months in a row, no payment submitted has been returned for insufficient funds, and there has been no tampering on the account.



Denial of Service

- Sections 15-9-91 & 15-9-92
 - City may deny service if:
 - Applicant has outstanding balance OR
 - City believes that applicant is applying for service at an address with an outstanding balance in order for the current customer to avoid payment.
- Section 15-9-56
 - City may require customer to provide proof of occupancy before City establishes or reconnects service.
 - Lease etc.



Paying Your Bill

- Section 15-9-137
 - Customer must pay bills on or before the payment due date.
 - Even if a customer does not get a bill, the customer must still pay the bill.
 - If bill is not paid by due date, five percent late payment fee is assessed and included on next bill.
 - For current charges only, not on the previous past due balance.



Bill Adjustments

- Section 15-9-140
 - Bills can be adjusted by the City if it determines that there has been an overbill or an under bill due to:
 - Meter failure to meet accuracy standards,
 - Application of incorrect rate to account,
 - Incorrect meter reading or reading the wrong meter, or
 - Failure of City to include utility service on customer's account.



Billing Adjustment – Incorrect Rate

- In the case of application of an incorrect rate, the City will base adjustment on correct rate.
- If the water utility bill is adjusted, the wastewater charges will be adjusted as well.



Billing Adjustment – Metering Issues

If an adjustment is necessary due to an inaccurate meter, City may estimate customer's utility consumption using:

- Prior consumption history,
- Comparisons to similarly situated customers under similar weather conditions,
- Reading from a replacement meter, or
- Other methods and information that utility reasonably deems appropriate.



Billing Adjustments – Timing

- Overbilling: Refund provided for up to four years before the date the error was discovered.
- Under billing: Debit will be charged for up to six months from the date the error was discovered.
- Inactive Account: Final bill issued more than 90 days prior to the date the error was discovered, no billing adjustment will be made.



Billing Adjustments – Inactive Account

If a customer is liable for a balance on an inactive account, the City may transfer the balance to any of the customer's active accounts.

- Time limitations do not apply to these transfers.



Tampering

- Section 15-9-104
 - If a customer tampers, City may:
 - Disconnect the customer's service,
 - Prosecute the customer,
 - Assess tampering charges,
 - Backbill for the estimated cost of services not recorded by the meter, and
 - Impound any equipment used by the customer for the purpose of tampering, without compensating owner.



Tampering - Fees

- Electric Tampering Fees:
 - \$850 – Residential Flat Fee
 - \$3,700 – Commercial Flat Fee
- Electric Tampering Fee went from an adjustable fee to a flat fee this year.
- Water Tampering Fees:
 - \$250 – Residential Flat Fee
 - \$500 – Commercial Flat Fee



Tampering – Security Deposit

Section 15-9-76

Residential & Commercial - In an effort to deter tampering and mitigate financial risk to the City, after the second meter tampering event and for any subsequent tampering events throughout the life of the account, the Utility may assess a Tampering Security Deposit in addition to the Meter Tampering Fee for any Residential or Commercial customer.

The Tampering Security Deposit amount will be determined by the following formula: three times the average usage over the 12 preceding months. If the customer has not had a full 12 months of billing, the minimum deposit amount will be set at \$400 for Residential customers and \$1000 for Commercial customers.



Tampering – Backbilling

- Section 15-9-140
 - Time limitations for backbilling do not apply if the services were not accurately metered, or properly billed, as a result of meter tampering.
 - Customer liable for all tampering charges, regardless of when tampering occurred, or if the customer committed, aided or was aware of the tampering.
 - If tampering occurred, City not required to extend any deferred payment arrangements.



Payment Arrangements

- Section 15-9-144 (amended in 2015 by Ord. 20150623-001)
 - Payment arrangements allow customers with past-due balances on an active account to apply for a payment arrangement
 - Payment arrangement will enable customer to make reasonable payments towards that balance.



Administrative Hearings

- Section 15-9-191: Administrative Review
 - Customer must contact the utility no later than the 90th day that the customer knew or should have known about the subject of the dispute and request administrative review.
 - If administrative review does not resolve the issue, customer may request an administrative hearing.
 - Request must be made no more than 30 days after the customer learns of the results of the administrative review.
 - Administrative hearings can be requested for all utilities including water.



Administrative Hearing – Limitations

- Section 15-9-192: Restrictions on Administrative Hearing
 - Cannot request a hearing if:
 - Utility did not conduct an administrative review
 - Hearing is not timely requested
 - Criminal charges are being pursued
 - Disputes over the terms or denial of a deferred payment arrangement
 - Customer's financial inability to pay
 - The rate schedule
 - Unexplained high utility consumption if meter has been tested and is determined to be accurate
 - Denial or discontinuance of utility service based on a danger to public health or safety
 - A matter subject to a court decision
 - The application or amount of a credit security deposit
 - A decision by the City regarding a claim for property damage or personal injury



Questions?

