AFFORDABLE ENERGY POLICY SUMMIT

Tuesday, July 11, 2017

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
Andrea Rose - Assistant City Attorney
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 two situations:
  • Has made 12 consecutive, on-time payments to the utility OR
  • Can provide a letter of reference from another metered utility showing 12 consecutive, on-time payments.
• 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 – 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 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?