

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.



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 – 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?

