

**CHAPTER VII. CUSTOMER SERVICE**

**SECTION I. DEFINITIONS**

**7-1-1 CUSTOMER**

A customer of SUB is an individual, partnership, corporation, LLC, firm, governmental agency or other legal entity, or someone determined to be a responsible party as set forth herein below that is supplied with utility services by SUB and that contracts with SUB by applying for service(s).

Multiple customers at one location are jointly and severally responsible for services rendered. The person who initiates the application for service will be the primary customer on the account unless a legal representative initiates service on behalf of a person.

All adult tenants listed on rental/lease agreements and all adult owners of owner-occupied locations are considered customers and shall be entered onto the billing record of an account.

If a person is not listed on the rental/lease agreement and wants to obtain services in their name, the person(s) is still allowed to take responsibility for the billing with the tenant(s) who are listed on the rental/lease agreement, after completing the application process.

If a person fails to notify SUB that they should be listed as a responsible party at a location and their responsibility is determined at a later date, the person will be added to the account as of the earlier date of responsibility.

**7-1-2 CUSTOMER CLASSIFICATIONS FOR BILLING PURPOSES**

**1. Electric and Water**

Electric and water utility services are provided to serve structures, places or things without regard to individual occupants; however, the billing rate schedules are applied according to use and occupancy classifications, i.e., residential, general service (GS-1, GS-2 and GS-3), street lighting, fire protection service, etc., with exceptions noted below.

Boarding, lodging, rooming houses or group care facilities shall be considered residential services if not more than five (5) private sleeping rooms exist for use by other than members of the customer’s family. A boarding, lodging, or rooming house means a residential building that advertises as a boarding, lodging, or rooming house, or is a licensed place of business with rooms available for rent or lease – all for periods of a minimum of 30 days or more.

Living units used jointly for both domestic and business purposes shall be considered residential services if more than 50 percent of the square footage of all enclosed structures served are devoted to domestic use.

2. Telecommunications *(placeholder)*

7-1-3 METERING

If several buildings are occupied and used by a customer in the operation of a single business, the customer may obtain utility service for the entire group of buildings through one service connection at one point of delivery. However, the management of more than one building by a property management agency shall not be considered as the operation of a single business.

If such a group of buildings is separated by a public street, highway or alley, the customer may be served through one service connection by securing the necessary permits from the governmental agency having jurisdiction thereof and by paying the costs of installing and maintaining such utility materials and equipment necessary to accept delivery of electric and water services at one point of delivery. SUB shall not be responsible and the customer shall assume all liability for loss or damage to life or property resulting from customer-owned, installed and maintained facilities on, adjacent to or connected to SUB's facilities.

The customer shall furnish, own and maintain all materials and facilities required to distribute electricity and water beyond the point of delivery to points of use on the customer's property. SUB-owned facilities, such as metering located beyond the point of delivery, shall be maintained by SUB.

7-1-4 SHARED METERS

SUB shall not serve two or more customers through one meter except as noted below.

Two or more households shall not be considered as single family residential use, unless individually metered.

Mobile home parks, planned unit developments, and apartment complexes may be served by master water meters (see Chapter V – Water). SUB will bill master water meters to the property owner.

Duplex, triplex, and fourplex development units will be metered individually for both electric and water services.

If SUB determines that an existing electric or water meter serves two or more residences, two or more businesses or two or more locations, all charges shall be billed to the property owner. The owner assumes full responsibility for payment of such charges. At SUB's discretion, SUB may honor special agreements between the owner and tenant(s) and bill services to the tenant.

## SECTION II. APPLICATION FOR SERVICE

### 7-2-1 GENERAL TERMS

All people requesting to use SUB services are required to make proper application for service(s). Service is any service offered by SUB to any of its customers. This may include, but is not limited to, electricity consumption, water consumption, hydrant permits, construction work/ maintenance work, telecommunications or private facility repair.

An application may be taken by telephone, although, SUB may require the customer to appear personally at SUB's main office to produce identification, documentation sufficient to prove legal entitlement to possession or occupancy, such as real estate closing papers, lease or rental agreement, or provide a signature on the service application.

SUB reserves the right to discontinue services without notification at any location where SUB has not received an application for service in the form required by SUB.

Applications shall contain enough information to identify the applicant and determine the deposit requirement.

Applicants shall be required to comply with SUB policies regarding deposits.

The application shall not be regarded as a contract for SUB to provide services until requirements contained in Section 7-2-1 of this policy have been satisfied.

Application for service may be denied for the following reasons until resolved:

1. A person had or has an outstanding balance owed to SUB for service rendered in the past.
2. A deposit is required.
3. SUB is not able to verify the applicants' identity.
4. Unsafe condition(s) exist at the service location.
5. An applicant or property owner does not provide proof of residency, such as a rental agreement or homeowner papers, if required.
6. A governmental agency with jurisdiction requires an inspection prior to SUB providing services.
7. SUB has required services to be billed to the property owner because unusual circumstances exist such as;
  - A. Meter provides service to more than one unit such as a single apartment as well as outdoor lighting or irrigation, which serves a common area.
  - B. SUB can't verify the responsible tenants.
  - C. Water leak at a property has not been repaired in a timely manner.

**7-2-2 ADDITIONAL CONSIDERATION FOR RENTAL PROPERTIES**

A property owner may be required to provide written or verbal verification of all legal tenants at the service location. If SUB is unable to substantiate the legal tenant(s) because rental agreements appear to be falsified or the property owner appears to be providing false information, services may be disconnected or left in the owner's name, at SUB's discretion.

If a property owner has an outstanding debt with SUB, SUB may refuse service to the owner or any tenant at any of the owner's properties until the outstanding debt(s) is paid in full.

If a water leak at a property is not repaired in a timely manner, SUB may require that the water service at that location be billed to the property owner until proof is presented to SUB that the leak has been repaired.

**7-2-3 COURTESY CONNECT AGREEMENTS**

Property owners may sign a Courtesy Connect Agreement with SUB indicating they request service to continue automatically between tenants with continued service billed to the property owner.

SUB reserves the right to suspend the Courtesy Connect Agreement. SUB may disconnect a tenant's service without notification to the owner and service will remain off until the tenant has resolved the circumstances causing the disconnection, or SUB has been notified by the owner that the tenant has vacated the property.

**SECTION III. TERMS of SERVICE**

**7-3-1 GENERAL TERMS**

Utility service(s) shall be provided only on the terms, rates and conditions established by SUB under this policy as well as the termination of service policy, credit and deposit policy and all other policies adopted by SUB. The customer acknowledges and accepts these terms and conditions in the utilization of SUB electric, water or telecommunication services and in so doing, is totally responsible for payment of such service(s).

Customer's acceptance of service, with or without a written application shall be subject to compliance with SUB's policies and procedures.

Any customer accepting delivery of electric, water or telecommunication services and any owner of record shall be responsible for all SUB property. Specifically:

1. SUB's electric and water meters shall be installed as outlined in Chapter IV Electric, for electric meters; Chapter V Water, for water meters and the

customer shall provide continuous and safe access to the meter(s) for reading and other meter maintenance as needed; per Chapter III Administration.

2. No party including the property owner shall permit any person to connect or disconnect service without SUB's approval.
3. No party shall receive any water, telecommunication or electricity from SUB facilities without proper authorization.

Failure of a customer to comply with terms of this policy shall be cause for immediate discontinuance of any service on the account.

The discontinuance of service(s) by SUB for any cause as stated in this policy does not release the customer from any obligations to SUB for accrued services, charges, or bills.

### 7-3-2 DATES OF SERVICE

SUB will need one business day's notice to start or stop service(s).

SUB does not guarantee initiation of service(s) the same day the request for service(s) is received. Service(s) will normally be connected by 5 p.m. the first working day following the request if the customer so desires.

Billings shall be effective from the business date SUB is requested to start service(s). If that date is in the past, SUB may start service(s) on the date of the closest known meter reading.

If SUB has read a meter within three (3) calendar days of the requested start or stop date, SUB may use the existing reading rather than obtain another reading.

Customers as defined herein and who have made proper application shall continue to be considered as customers by SUB until it has been substantiated to SUB's satisfaction that the customer is no longer using SUB service(s) at that location. Customers shall be responsible for all billings for service(s) rendered until such time as the customer or property owner notifies SUB to terminate service(s), or SUB has become aware and substantiated that the customer is no longer using service(s) at that location.

At the request of an existing customer, SUB will turn off and then turn back on the electric or water service, or both, at the same location once per calendar year at no charge. Additional requests to start service for the same account during the same calendar year will be billed an Account Processing Charge. Further, if a customer reschedules a stop service(s) date more than once, and contacts SUB on the rescheduled stop date to reschedule again, SUB may bill an Account Processing Charge.

7-3-3 SECURING COMMERCIAL AND INDUSTRIAL ACCOUNTS

All applicants for commercial or industrial utility service(s) are required to secure their accounts as set forth below:

SUB may require a Security Option (as defined below) before connecting services. If security of the account(s) is not required before connection to services, new accounts shall have up to twenty (20) business days from the date of SUB's letter of notification in which to select an appropriate security option. In the event the applicant fails to select a Security Option within twenty (20) days, the applicant will be deemed to have selected the deposit option set forth herein.

In addition to requiring security for new accounts, SUB may require a deposit, an additional deposit, or a surety bond at any time a commercial or industrial account exhibits a delinquency or a pattern of delinquency that appears to demonstrate a credit risk for SUB.

All security options shall be held for a minimum of five years or until the account closes (whichever occurs first). Security may be held more than five years if there is an unsatisfactory payment history or there appears to be a demonstrated credit risk during the most recent 12 months.

SUB may waive the security requirement on a new account if SUB has determined the customer has already established good payment history with SUB.

In the event the applicant refuses to fully complete the application for service, SUB, in its sole discretion, may refuse to provide service, require the payment of a deposit or require that the applicant provide a surety bond.

The following Security Options are available and are subject to the following compliance criteria:

1. Deposit

- A. Deposit options are available for all accounts.
- B. Deposits shall be equal to a two-month average bill or the commercial minimum deposit, whichever is greater, unless extenuating circumstances indicate a larger deposit is necessary to protect SUB. SUB will estimate the deposit amount at the time of application. SUB will review the deposit amount after at least six months to ensure that it adequately covers the current two-month average. At that time, SUB may require the deposit to be increased or authorize a decrease.
- C. SUB shall pay simple interest on all commercial or industrial account deposits. The rate of interest will be set each January and shall be equal to the rate that SUB's current financial institution pays on idle checking account funds as of December 15 of the prior year.

- D. Accumulated interest shall be credited to the account annually unless the account closes, at which time interest will be credited on the final bill.
- E. After all deposit requirements are met as outlined in this policy, SUB shall credit the deposit (plus interest, if applicable) to the account.
- F. All Deposits are subject to the requirements of the fourth paragraph of Section 7-3-3 hereinabove.

2. Surety Bonds

- A. Surety bond options are available for all accounts
- B. Surety bonds in a form approved by SUB's Legal Counsel may be provided in the amount as set forth under the deposit security option. SUB will estimate the surety bond amount at the time of application. SUB will review the surety amount after at least six months to ensure that it adequately covers the current two-month average. At that time, SUB may require the surety amount be increased or authorize a decrease. If a surety bond expires or is cancelled before the required consecutive five-years of good payment history is established, a new surety bond may be required or a deposit will be required and charged to the account.

3. Personal Guarantee

- A. A personal guarantee option is available to accounts if a qualified responsible party signs a letter of personal guarantee.
- B. New accounts may be secured by a personal letter of guarantee signed by qualified, responsible party/parties when the following conditions are met:
  - 1) If the personal guarantor has any history with SUB, they must have a good payment history.
  - 2) Responsible parties are individual business owners, corporate presidents or partners of the same legal entity with satisfactory personal credit history. Satisfactory personal credit history shall be defined as a Credit Bureau report with no adverse information including, but not limited to, slow payments, repossessions, collections, judgments or liens.
  - 3) The account shall maintain continuous good payment history or the personal guarantee may be terminated by SUB and a deposit or surety bond may be required by SUB.
  - 4) If the personal guarantor is no longer a responsible party on the account(s), SUB will require that the customer choose a new security option.

7-3-4 SECURING RESIDENTIAL ACCOUNTS

Deposits will be charged to residential accounts if one of the following conditions exists:

1. SUB's credit reporting agency evaluates the primary customer's credit history and SUB determines a deposit is required.
2. SUB's credit reporting agency was unable to assess the primary customer's credit history or the primary customer declined to have their credit risk determined by SUB's credit reporting agency.
3. The customer(s) has demonstrated unsatisfactory payment history with SUB.
4. The customer(s) has a history of tampering.

Normally, a deposit will be collected before service is provided. Deposits shall range from the residential minimum deposit amount (*see Section X. Customer Service Fees and Charges*) to the amount equal to a three-month average bill at the service location.

At any time, a deposit may be charged or increased if there is a delinquency or a pattern of delinquency or a demonstrated credit risk. A deposit may be increased or decreased if a customer transfers to a new location and the required deposit differs.

Holding the Residential Deposits

1. For customers with no prior utility-related bad debt or history of tampering, SUB holds the deposit:
  - A. For a minimum of 12 months after the deposit has billed in full; and
  - B. Until the account demonstrates good payment history for 12 consecutive months
2. For customers with a prior utility-related bad debt or history of tampering, SUB holds the deposit:
  - A. For a minimum of 24 months after the deposit has billed in full; and
  - B. Until the account demonstrates good payment history for the most recent 12 consecutive months

Once an account meets the above criteria, the deposit will be applied to the account the next time the account bills.

If the primary customer moves from SUB lines, the deposit will be applied to the closing bill balance and any remaining credit will be refunded to the primary customer.

When a primary customer moves, but remains on SUB lines, the deposit will be transferred to the account at the new location if they remain the primary customer.

Waiving Residential Deposits

Residential deposit requirements may be waived if one of the following conditions is met:

1. The primary customer receives an eligible credit rating from SUB's credit reporting agency and none of the other customers on the new account have a history of bad debt or tampering with SUB.
2. Another residential, SUB customer(s) co-signs for the customer's account. The co-signing customer(s) must be a current SUB customer(s) for the past two years with no adverse credit experience during the most recent twelve (12) months with SUB. The co-signing SUB customer(s), must agree to be a responsible guarantor(s) on the account until the customer has established good payment history required on the account.

All responsible parties on the co-signer's account must sign the agreement.

3. The primary customer was a responsible applicant on a SUB account within the past year and has demonstrated a good payment history during the most recent twelve (12) months and none of the other customers on the new account have a history of bad debt or tampering with SUB.

**SECTION IV. BILLING**

7-4-1 GENERAL TERMS

Customer statements are based on individualized billing periods that contain approximately 27 to 33 consecutive days. Reference to one month's service in the rate schedules relates to the billing period that, in all probability, is not a calendar month. SUB reserves the right to read meters and present bills for longer or shorter periods.

In the case of opening bills, the electricity and water consumption shall be billed in the regular billing period sequence, except that any opening bill may be billed immediately at the discretion of SUB.

SUB prorates the basic monthly charge on opening and closing bills if the customer used the service for less than 25 days or more than 35.

SUB reserves the right to estimate usage for a particular month if for any reason the meter reader is unable to gain access to the meter, or is unable to read the meter.

Rate schedules are assigned to locations according to use and occupancy at the time of application. Rate schedule assignments cannot be changed unless there is

a lasting change in use or occupancy. Should the use or occupancy of a location undergo a change that involves reassignment to another rate schedule, the customer shall notify SUB and SUB will determine the applicable rate schedule.

Two or more locations served through one electric meter shall be billed at the general services (GS-1) rate.

#### 7-4-2 AVERAGE PAYMENT PLAN

The Average Payment Plan (APP) is designed to help customers cope with fluctuations in their monthly utility bills.

The APP recalculates the billing each month based on a rolling average of usage in the previous 12 months.

The average may change from month to month based on actual consumption of electric, water and wastewater services or any rate changes that may occur on any services billed to the account.

Eligibility. Any customer who meets the following criteria is eligible to apply for the APP during the annual enrollment period.

1. Account has at least 12 months of billing history at the current address. This is the minimum amount of consumption history needed to calculate billings on the APP.
2. No balance owing on the account, at the time account is placed on APP.

Removal: A customer may be removed from the APP for the following:

1. The account becomes past due.
2. The account closes.
3. The customer moves to a new address but remains on SUB lines.
4. The customer requests to be removed.

#### 7-4-3 CUSTOMER BILL ADJUSTMENTS

##### 1. Electric and Water

Customer bills for electricity and water may be adjusted for prior over-billings or under-billings for up to two (2) years from the date of bill if the need for the adjustment can be documented. The adjustment will be based on actual charges, as supported by the policies, rate schedules, etc., in effect at the time the charges were collected or should have been collected. Bills subject to adjustments could be generated from monthly user fees, from periodic work, or from sale of products or materials.

Personnel in the Water or Electric Operations Divisions and the Billing Department shall jointly decide the amount of the billing adjustment. There will be no interest paid or collected on these adjustments. The adjustment shall appear on the customer's regular bill. If the adjustment results in charges, a mutually satisfactory repayment schedule may be arranged with the Customer Service Department.

If the adjustment involves consumption of electricity or water the bill may be estimated, based on historical usage.

2. Telecommunications (*placeholder*)

This policy specifically excludes sewer and storm drain billing adjustments because such adjustments shall be determined by and within the jurisdiction of the City of Springfield.

Appeals to the billing adjustment shall follow the hearing procedures identified in the Appeals Section IX 7-9-1.

## **SECTION V. IDENTITY THEFT PREVENTION**

### 7-5-1 SUMMARY

In order to be in compliance with the Fair and Accurate Credit Transactions Act of 2003 (FACT Act, aka FACTA), SUB has created an Identity Theft Prevention (ITP) Committee. The ITP Committee is responsible for the creation and implementation of an Identity Theft Prevention policy at SUB that will identify, detect, mitigate, and update red flags that signal the possibility of identity theft in connection with the opening of a covered account or any existing covered account. The ITP Committee shall include the Director of Management Information Systems and at least two of the three following positions:

- Customer Service Manager
- Customer Service Supervisor
- Billing and Meter Reading Manager

### 7-5-2 DEFINITIONS

#### 1. COVERED ACCOUNT

A Covered Account is an account that SUB offers or maintains, primarily for personal, family or household purposes, that involves or is designed to permit multiple payments or transactions and any other account that SUB offers or maintains for which there is a reasonably foreseeable risk to customers or the safety and soundness of SUB from identify theft, including financial, operational, compliance, reputation, or litigation risks.

2. IDENTITY THEFT

Identity Theft is a fraud committed or attempted using the identifying information of another person without authority.

3. RED FLAG

A Red Flag is a pattern, practice, or specific activity that indicates the possible existence of identity theft.

7-5-3 IDENTITY THEFT PREVENTION POLICY

The ITP Officer, with assistance from the ITP Committee, is responsible for developing appropriate written procedures and internal controls to assure compliance with the FACTA.

Under this Policy, SUB will:

- Respond to fraud and active duty alerts
- Properly store and dispose of customer report information
- Provide information to victims of identity theft
- Properly handle notice of identity theft
- Respond to any notification received from identity theft, to prevent refurnishing blocked information
- Redact all but the last 4 digits of a debit or credit card
- Provide an oral, written, or electronic notice to those who receive less favorable terms
- Comply with guidelines adopted by the FTC for use when furnishing information to a Credit Reporting Agency (CRA) regarding the accuracy and integrity of the information relating to customers that such entities furnish to CRAs
- Provide the required notice and credit scores
- Provide the notice regarding negative information
- Take appropriate action when SUB receives a notice of discrepancy in the customer's address
- Comply with the Red Flag guidelines
- Protect medical information

7-5-4 IDENTITY THEFT

Financial identity theft occurs when someone uses another consumer's personal information (name, social security number, etc.) with the intent of conducting transactions to commit fraud that results in substantial harm or inconvenience to the victim. This fraudulent activity may include opening or maintaining accounts with counterfeit checks, establishing credit card accounts, establishing a line of credit, or gaining access to the victim's accounts with the intent of depleting the balances.

**7-5-5 COMPLIANCE WITH THE FACTA**

SUB complies with the FACTA by:

**1. Defining actions to be taken for each of the Red Flags which relate to the opening of new accounts and the monitoring to existing accounts.**

A. The ITP Committee will develop procedures designed to detect, prevent and mitigate identity theft in connection with the opening of a covered account or any existing covered account.

B. In an effort to ensure proper detection of any Red Flags, all customers must provide at least the following information/documentation before any new covered account will be opened:

1) Full Name

2) Date of birth (individual account)

3) Previous and current address

4) Identification:

a. Taxpayer Identification number (Social Security Number for an individual or Employer Identification Number for a business) OR

b. Government-issued unexpired photo identification presented in office such as:

(i) A state-issued driver's license or ID-Card

(ii) A government-issued passport

(iii) An alien ID card

(iv) Another form of government-issued ID evidencing nationality or residence

**2. Preventing, Detecting and Mitigating Breaches in Security.**

The ITP Committee will develop procedures designed to detect, prevent and mitigate breaches of security.

**3. Responding to Notices of Address Discrepancies.**

A. SUB will furnish a confirmed address to the credit reporting agency (CRA) under the following conditions:

1) SUB can form a reasonable belief that the customer report relates to the customer in SUB's records.

2) The customer under review is a current customer with an active account.

3) The request involves a customer opening a new account.

- 4) CRA provides the request in writing.
- 5) SUB has established a business relationship with the CRA.
- B. Confirmation of address will be provided by SUB to CRA in writing within 14 days of request.

4. Providing Designated Employees with Identity Theft Prevention Training.

The ITP Committee will develop a training plan to train designated employees on a need-to-know basis according to job responsibilities. The Committee will also develop an ongoing training schedule to ensure employees are kept up-to-date on new issues and develop a system to document training.

5. Proper Handling of Reports of Suspected Identity Theft.

- A. When a customer suspects identity theft, they must notify SUB in writing, completing the Federal Trade Commission (FTC) Affidavit. Instructions for completion are a part of the form.
- B. Customer must submit a copy of the FTC Affidavit with a police report.
- C. Customer Service staff will make a copy of the customer's photo ID and record the receipt of the documents.
- D. Copies of the FTC Affidavit, police report and photo ID will be submitted to the Customer Service Manager to ensure reporting to proper organizations.

6. Ensuring the Confidentiality of Medical Records.

- A. SUB will treat all medical information pertaining to the customer as confidential.
- B. Medical information is information or data, whether oral or recorded, in any form of medium, created by or derived from a healthcare provider or the customer that relates to:
  - 1) The past, present, or future physical, mental, or behavioral healthcare of an individual;
  - 2) The provision of healthcare for an individual; or
  - 3) The payment for the provision of healthcare for an individual.
- C. Medical information will not be used to determine a customer's eligibility for starting services.
- D. SUB will not release medical information to third parties.

7. Disposal of records under protective procedures.

A. SUB will collect and protect documents and data until the time of destruction.

1) Paper including faxes: The exposure of customers' secured information in the office will be monitored by the ITP Committee. Examples are shredding any documents containing secured information before disposal and locking documents in secure storage until disposal time.

2) Electronic records will be erased.

3) CDs will be broken.

B. SUB will maintain records of data destruction to include content, date and method of destruction.

C. Records will be destroyed on a regular schedule in order to minimize possible exposure of information as well as excess storage of records.

8. The ITP Committee shall meet annually.

Review any new regulations or criteria in the FACTA and make any necessary changes to the rules and procedures created to detect, prevent, and mitigate identity theft.

## **SECTION VI. TERMINATION**

### 7-6-1 TERMINATION OF SERVICE

SUB's customers are responsible for paying for service(s) received and for contacting SUB's Customer Service Department as soon as they become aware of a payment problem. SUB's customers are also responsible for compliance with SUB's policies regarding tampering and theft of service.

#### Cause for Termination of Services

Services shall be subject to termination provided one of the following applies:

1. The customer fails to pay charges as they become due.
2. The customer fails to contact the Customer Service Department to make satisfactory payment extensions/arrangements prior to the due date indicated on the customer's past due notice.
3. The customer issues a payment for a delinquent charge and their financial institution does not honor the payment.
4. The customer has a prior debt owing to SUB.
5. The customer is on the health jeopardy program and fails to comply with the required payment arrangement.

6. The customer's health jeopardy application has expired and the account is past due.
7. The customer provides false identification or information.
8. Dangerous or emergency conditions exist at the customer's premises.
9. The customer does not provide reasonable access to the meter or other service equipment.
10. Tampering has occurred, as set forth in Section VII, 7-7-1, of this policy.
11. Cross Connection Violation exists (per SUB Policy Chapter 5).
12. Code Violation has occurred—Upon SUB's receipt of notice from the governmental agency having jurisdiction thereof to disconnect service because a code violation exists, service will be discontinued without written notice, but with reasonable effort to make personal contact with the customer before service is disconnected. This policy relates to, but is not limited to, federal, state and municipal codes affecting utility service.

#### **7-6-2 NOTIFICATION TO CUSTOMER**

Prior to the termination of services for non-payment, SUB shall take the following actions:

##### **1. Past Due Notice**

Prior to the termination date, as determined by SUB, a past due notice shall be mailed to the customer. The notice shall be written in clear, understandable language and shall include the following information:

- A. Amount due.
- B. Date which amount must be paid or satisfactory extensions/arrangements be made.
- C. Additional charges which the customer will be required to pay if payment is not received on or prior to the due date on the past due notice.
- D. A summary of the customer's rights and remedies as set forth in this policy.

##### **2. Attempted Personal Contact**

If customer has not made satisfactory payment or payment extensions/arrangements with the Customer Service Department by the due date on the past due notice, SUB will attempt personal contact either by phone or a notice delivered to a conspicuous place at the service address, or both. This personal contact will take place at least 24 hours prior to disconnection of service(s).

**7-6-3 CAUSES FOR TERMINATION OF SERVICES WITHOUT NOTICES:**

Service may be terminated without a 24-hour courtesy call or written notice if any of the following conditions exist:

1. A customer made payment extensions/arrangements with the Customer Service Department and the extensions/arrangements were not kept.
2. The customer issued a payment to avoid disconnection of service(s) or to reconnect service(s) and it was not honored by the financial institution.
3. Proper termination notification has been given to customers prior to moving to a new location and a past due bill is outstanding.
4. Service(s) has been disconnected at a prior location for non-payment and the customer has moved to a new location where utility services are active.
5. The customer has not complied with deposit requirements.
6. Tampering has occurred, as set forth in Section VII 7-7-1, of this policy.
7. Dangerous or emergency conditions exist at the customer's premises.
8. The customer does not provide reasonable access to the meter or other SUB property/equipment.
9. Code Violation has occurred—Upon SUB's receipt of notice from the governmental agency having jurisdiction thereof to disconnect service because a code violation exists, service will be discontinued without written notice, but with reasonable effort to make personal contact with the customer before service is disconnected. This policy relates to, but is not limited to, federal, state and local codes affecting utility service.

**7-6-4 GENERAL PROVISIONS**

1. A customer's service shall not be terminated on a SUB non-work day or the day preceding a SUB non-work day, except in exigent circumstances.
2. SUB may not terminate service for non-payment when it determines that extremely hot or cold temperatures exist.
3. When it becomes necessary to terminate service, SUB may disconnect the electric and water service(s) at the meter, the pole, transformer or valve. SUB may disconnect the electric service and defer the disconnection of the water service for another billing cycle.
4. Accounts with a past due balance on one service and a current balance or credit balance on another service, of the same account, may be subject to disconnection of the past due service after proper notification.
5. Upon appropriate notice to SUB, the customer has the option of paying either the electricity portion of the account's balance and related disconnection/

reconnection charges or the water portion of the account's balance and related disconnection/ reconnection charges, thereby maintaining that particular utility service.

6. If the customer elects to maintain one portion of the utility service, s/he will be advised that the outstanding City of Springfield and Metropolitan Waste Water Commission (MWWC) fees for sewer and storm drain services if applicable, are due and payable along with the water or electricity portions of the outstanding bill. SUB is responsible for billing and collecting the fees that the City of Springfield and the MWWC are required to charge as result of their funding agreements.

Nonpayment of the outstanding City of Springfield and MWWC sewer and storm drain fees, if applicable, may result in the City having the option, through existing authority, to put a lien against the property as allowed under Chapter 3, Article 3 of the Springfield City Charter and Oregon Revised Statutes 454.225.

#### 7-6-5 REMEDIES

1. Payment Extensions

The Customer Service Department may grant limited extensions to all customers. The terms of a limited extension shall normally require that all past due balances be paid by the agreed upon date.

Terms of the extension shall be at the discretion of the Customer Service Department.

Failure of the customer to pay as agreed shall be cause for immediate termination of service(s) without further contact.

2. Referrals

SUB may refer customers to one or more social service agencies for assistance. The postponement of termination may be extended upon request from a social service agency if the date requested is within a reasonable period of time, as approved by SUB. If no acceptable solution is reached, termination will proceed in accordance with policy.

3. Special Consideration/Health Jeopardy

Purpose:

This policy allows a residential customer, or member of the household, to avoid termination of utility service(s) if the customer or household member has an eligible medical condition that would be jeopardized by termination of service(s).

Under this policy, “special consideration” means that for a period of up to six months SUB will not terminate service for non-payment to a residential customer who qualifies for health jeopardy consideration as long as they comply with the requirements of this policy.

Requirements:

- A. Customers must notify and register with the Customer Service Department for special consideration of termination proceedings because of an eligible medical condition. SUB’s Past Due notice shall include written information informing customers of this requirement.
- B. Customers with medical conditions that could be jeopardized by a lack of utility service are not excused from paying for utility services. Prior to receiving this special consideration, customers are required to enter into a time-payment agreement with SUB in writing or by recorded call, and abide by its terms.
- C. The Customer Service Department will require a customer to submit a Health Jeopardy Application certified by a Qualified Medical Professional stating how the health of an occupant at the service address will be affected by service disconnection. “Qualified Medical Professional” means a licensed physician, nurse practitioner or physician’s assistant authorized to diagnose and treat the medical condition described.
- D. SUB will not terminate service for at least three (3) SUB work days to allow time for a Qualified Medical Professional to document the condition of the customer or member of the household. SUB may allow additional time if deemed necessary.
- E. SUB may require the customer to renew the documentation periodically and provide proof of occupancy or information about other occupants in the household, which may affect payment arrangements or service limitations.

Consequences:

- A. SUB may verify the accuracy of a health jeopardy form with the applicant’s health provider. If SUB determines a customer does not qualify, or no longer qualifies for health jeopardy, SUB will terminate the service of the customer in accordance with SUB’s disconnection policies and procedures.
- B. If a customer fails to comply with the time-payment agreement or fails to submit a health jeopardy form in compliance with this policy, SUB will disconnect service for non-payment in accordance with SUB’s Termination policies and procedures.
- C. SUB reserves the right to limit the amount of power provided to a health jeopardy residence on an ongoing basis, as long as the restriction meets the utility requirements prescribed by the Qualified Medical Professional.

## SECTION VII. TAMPERING OR THEFT OF SERVICE

### 7-7-1 TAMPERING OR THEFT OF SERVICE

#### Property

For the purpose of this policy, property is defined as, but not limited to, all meters, instrument transformers, service connections, fire hydrants, valves and other equipment furnished to the customer by SUB.

#### Tampering

For the purpose of this policy, tampering is defined as, but not limited to: any unauthorized breaking of a meter seal; placing of a foreign object in a meter; breaking of a meter glass; painting over of a meter; reconnecting discontinued service; taking of water from a fire hydrant or water system; or any other act which alters the primary function of SUB.

#### Theft of Service

Theft of service is the unauthorized use of water, electricity, telecommunication, or other SUB property. Theft of service includes: using any unmetered water or electricity, using water from fire hydrants without a permit, using water from a fire protection system for non-firefighting purposes including intentional excess use without paying development connection charges or standard customer charges.

#### Remedies

In the event that any SUB property or services are taken through theft of services or is tampered with as defined in this policy herein, SUB shall:

1. Disconnect services without notice to the customer.
2. SUB shall have the option to impose the following charges against the customer's account:
  - A. Tampering and Theft of Service Minimum Charge established by current rate schedules;
  - B. A deposit or additional deposit;
  - C. Any extenuating costs incurred by SUB.
3. Require full payment of tampering-related costs and a security deposit before restoring service(s).
4. SUB may contact the City of Springfield to inspect the service's meter base for compliance with electrical codes and safety. If an inspection is needed, SUB will not reconnect the service until approved by the City inspector. The customer shall be responsible for all costs related to inspections such as

inspection fees, repairs, materials, supplies and service as needed to satisfy the inspection requirements.

Effect of Discontinuance of Service

1. The discontinuance of service by SUB for any cause as stated in Section VII does not release the customer from obligation to SUB for accrued services, charges, or bills.
2. The policies and procedures herein stated do not affect or limit rights of SUB under the State of Oregon Theft-of-Services Statutes, ORS 164.125.
3. The policies and procedures herein stated do not affect or limit rights of SUB under the uniform fire code, local city ordinances, or small claims court.

Liability

SUB shall not be responsible for injury, death, or damage to any property, person or persons who tamper with SUB metering equipment or service lines.

**SECTION VIII. METER TESTING**

7-8-1 METER TESTING.

SUB will perform comprehensive in-shop accuracy tests on water and electric revenue billing meters:

1. On the initiative of or at the discretion of the respective departments; OR
2. When the Meter Reading and Billing Department receives a "Technical Services Request" signed by the SUB customer financially responsible for the account to which the meter is billed. SUB will not accept these requests more than once per meter in a two-year period.

Costs: Real time (service call and shop), materials cost of the removal, testing, recalibration if appropriate, and reinstallation of the meter will be borne by SUB. However, should the tested meter prove to be within legally acceptable limits of accuracy, the aforementioned costs will be itemized and allocated to the customer's account. In either case, should SUB's decision on the validity of its test be challenged, any additional costs incurred for additional independent certification or duplication of testing, or both, will be levied to the customer's account.

**SECTION IX. APPEALS**

7-9-1 RIGHT TO APPEAL

Customers have the right to question or dispute the actions of the Customer Service or Billing Departments.

Customers must first contact the Customer Service or Billing Department to review the details of the dispute and attempt to handle the dispute informally.

If the customer does not agree with the response from the department/division representative's informal review, the customer may apply for a formal appeal to review the decision with SUB's General Manager or his or her designee.

Request for a formal appeal

The request for a formal appeal must be made in writing and addressed to the General Manager. If appealing SUB's decision to terminate service, the request must be received no later than two (2) SUB working days after the due date on the past due notice.

The General Manager or his or her designee will serve as the Hearings Officer. The Hearings Officer will notify the customer of the hearing date. The hearing will be scheduled within five (5) SUB working days following the request for a hearing.

Upon receipt of an appeal in conformance with the requirements of this Section IX, the General Manager or his or her designee may attempt to reach out to the customer to resolve the dispute prior to setting a hearing date. If that does not resolve the dispute, an appeal hearing will be scheduled and the appeal process will continue.

Under extraordinary circumstances, the General Manager has the authority to waive policies or fees as she/he sees fit.

The customer will be given the first opportunity to present information, witnesses, and relevant documentation regarding the dispute. The customer may be represented by a third party. The representative of the Department will then present information, witnesses, and relevant documentation to support the Department's position.

The Hearings Officer will allow the customer and the Customer Service/Billing Department representative to respond to information, witnesses, and documentation presented. The Hearings Officer may also request additional information from either or both parties.

The Hearings Officer shall provide the decision to both parties in writing within two (2) SUB working days. The Hearings Officer's decision is a final decision.

If the decision requires payment or payment arrangements and the customer fails to comply within the time specified therein, SUB may immediately terminate the service(s) without further contact with the customer.

**SECTION X. CUSTOMER SERVICE FEES AND CHARGES**

**7-10-1 CUSTOMER SERVICE FEES AND CHARGES**

Following is a list of fees and charges, effective August 14, 2019, imposed by SUB in addition to rates for utility services. Some fees may be increased if there are additional meters on the account. See Definitions of Customer Service Fees and Charges at the end of SECTION X.

Residential Minimum Deposit—Electric <u>and</u> Water Services	\$225.00
Residential Minimum Deposit—Electric Service Only <u>or</u> Water Service Only	\$125.00
Commercial Minimum Deposit—Electric <u>and</u> Water Services	\$250.00
Commercial Minimum Deposit—Electric Service Only <u>or</u> Water Service Only	\$150.00
Account Processing Charge	\$15.00
Late Fee	\$10.00
Collect at the Door Fee	\$15.00
24-Hour/Important Notice Fee	\$15.00
Limited Meter Device Installation Fee	\$25.00
Disconnect Service Charge per meter	\$25.00
Reconnect Service Charge (during business hours) per meter	\$25.00
Disconnect Obstruction Fee	\$100.00
After-hours Charge (non-working hours)	\$175.00
Tampering and Theft of Service Minimum Charge	\$350.00
Repeated Tampering and Theft of Service Charges	\$100-\$500/day
Access Charge—fourth warning	\$15.00
Access Charge—fifth warning	\$20.00
Returned Item Charge	up to \$25.00
 Backflow Test Billing Service	 \$4.50

(This fee is only applicable to SUB ratepayers who choose to participate in the Backflow Prevention Program, and is added to the cost of a backflow test, which is performed by an independent contractor). No additional service fee is charged, if backflow retest needed.

Meter/Assembly Equipment Deposit:                   \$2,000.00 (refundable after deduction of any costs, fees, and charges in addition to the standard fees set forth below)

Hydrant Permit Fee:	\$150.00/hydrant
Equipment Rental Fee:	\$100.00/month
Water Usage Charge: (effective January 1, 2019)	\$6.93/unit

1. SUB Water Division will add additional charges to the above standard fees for extraordinary personnel time, after-hours work, or requirements for extra equipment.
2. If applicant changes the hydrant location, moves any equipment without

SUB's permission or uses water without authorization, tampering charges will be enforced at a minimum of \$350 for the first occurrence, and \$100-\$500/day subsequent charges thereafter.

3. Applicant shall pay 100% of replacement cost for parts and labor for any damage or loss to equipment or facilities.
4. Fees would be applied to each new permit (location), if an existing permit holder wants the meter/backflow assembly moved to another hydrant, then a new permit is issued and all fees would apply.
5. If damage is found upon removal and inspection of the hydrant meter/assembly or water facilities, applicant's meter/assembly equipment deposit will be applied to damage costs and to all outstanding fees and charges. Any meter/assembly equipment deposit left after payment of such costs, fees, and charges will be refunded to the applicant.

#### **7-10-2 DEFINITIONS OF CUSTOMER SERVICE FEES AND CHARGES**

Residential Minimum Deposit – Electric and Water Services: The minimum deposit amount charged to residential accounts with both electric and water services.

Residential Minimum Deposit –Electric Service Only or Water Service Only: The minimum deposit amount charged to residential accounts with only electric service or only water service.

Commercial Minimum Deposit – Electric and Water Services: The minimum deposit charged to commercial accounts with both electric and water services.

Commercial Minimum Deposit – Electric Service Only or Water Service Only: The minimum deposit charged to commercial accounts with only electric service or only water service.

Account Processing Charge: Accounts receive this non-refundable charge to cover SUB's administrative costs for the following services:

1. All new accounts.
2. Existing accounts, adding additional services or transferring services to a new location
3. Customers who request to change their date to stop services more than one time

The following services are not charged this fee:

1. Accounts for owners of rental properties who have an approved Courtesy Connect Property Agreement in place;
2. A service order for a new meter set;

3. A new account is opened to continue service(s) at the same location for a customer liable on the current account, but who was not the primary account holder.

Late Fee: The fee charged when an account reaches the disconnect process.

Collect at the Door Fee: The fee charged when the field representative is at the location to disconnect service(s) and disconnection was avoided.

24-Hour/Important Notice Fee: The fee charged if a 24-Hour/Important notice is delivered by field personnel to the location.

Limited Meter Device Installation Fee: The fee charged to an account when a limited meter device is installed due to non-payment of a required Health Jeopardy Program payment.

Disconnect Service Charge: The charge billed for each meter disconnected for non-payment.

Reconnect Service Charge: The charge billed for each meter reconnected after being disconnected for non-payment.

Disconnect Obstruction Fee: The fee charged to an account when a disconnection, reconnection, or change of service by field personnel is obstructed by someone at or responsible for the address.

After-hours Charge: An after-hours charge will be levied to customers requesting service connections during non-working hours.

Application for services must be completed during SUB's main office hours. SUB needs one business day to establish an account and schedule a connection of services. A new customer who has completed the application during office hours can get services connected after hours on the same day if they pay the after-hours charge. This will need to be scheduled with the Customer Service Department.

Tampering and Theft of Service Minimum Charge: The charge billed to an owner/responsible party for an individual occurrence of tampering or theft of service. Costs from extensive damage, loss, or labor may be billed as an additional amount as determined by SUB.

Repeated Tampering and Theft of Service Charge: If tampering or theft of service continues after SUB has provided notice to the property owner/responsible party, a separate violation is deemed to occur on each calendar day the tampering or theft of service continues, and a separate tampering and theft of service charge may be imposed by SUB on the owner/responsible party. After five (5) separate tampering or theft of services occur at one site in the same calendar year, the tampering or theft of service charge shall increase from \$100 to \$500 per calendar day.

Access Charge –fourth warning: The charge assessed when a meter reader is unable to gain access to read the electric or water meter (e.g., locked gates, pets, obstruction, etc.), on the fourth request to clear access with less than a six-month timeframe between the third and fourth warnings.

Access Charge – fifth warning: The charge assessed when a meter reader is unable to gain access to read the electric or water meter (e.g., locked gates, pets, obstruction etc.), on the fifth request to clear access with less than a six-month timeframe between the fourth and fifth warnings. Further warnings may result in disconnection of services per Section VI, 7-6-1 and 7-6-3.

Returned Item Charge: The fee charged to an account when an item submitted for payment is returned to SUB as unpaid by the financial institution.