

Tahoe City Public Utility District Policy Procedure

Customer Water Leak Adjustment Policy

I. DEFINITIONS

As used in this policy, the following terms shall have the meanings specified below:

- a. Customer - means the legal owner of a property or premises receiving water service from the District. (TCPUD Ordinance 263, Section 1.18)
- b. Customer-side leak - means any loss of water due to deterioration of pipes, fittings, or equipment, the existence of which is known or unknown to the Customer, and said loss emanates downstream from the point of delivery all the way to inside of a building and that causes an excessive use of water by the Customer. Point of delivery shall be as defined in TCPUD Ordinance 263.
- c. Committee – means a committee consisting of at least two of the three following positions: the General Manager, Director of Utilities and/or the Utilities Superintendent.
- d. Excess Usage – means the amount of water (gallons) used in excess of the water used in the previous year’s equivalent monthly billing cycle. If previous year’s data is not available, other relevant data or reasonable estimates may be used at the discretion of the TCPUD.
- e. TCPUD Ordinance 263 - The ordinance establishing rules, regulations, rates and charges for TCPUD water service as may be amended or replaced from time-to-time.
- f. TCPUD Ordinance 284 - The ordinance establishing water conservation and drought response standards as may be amended or replaced from time-to-time.

II. PURPOSE

This policy is intended to address water pipe breaks or leaks that develop at or beyond the point of delivery all the way to inside of a building (Customer-side leak) and that cause an excessive use of water by the Customer. Any metered water sales to other public or private water purveyors and/or their customers are not eligible for credit through this policy. Condominiums on master meter programs have their own policy as described in TCPUD Ordinance 263 and are therefore not eligible for credit through this policy.

III. POLICY

A. Customer- Side Leaks

Customers are responsible for the service line and fittings attached to the TCPUD water system beginning at the point of delivery and extending all the way to the building or intended point of use. Any leaks in the line which are the responsibility of the customer must be maintained and repaired by the customer solely at his/her expense per TCPUD Ordinance 263.

No adjustment or credit will be applied to the utility bill for the customer-side leaks, damage, deterioration or other factors beyond the control of TCPUD, except as defined under Section A.1 – Customer-side Leaks – Billing Adjustments.

The Customer, at Customer's sole expense, shall furnish, install, and maintain in good repair all Customer Service Lines from the end of District's Point of Ownership to the premises served.

The customer is responsible for monitoring higher than expected usage as reflected on the customer's bill. Customers must investigate higher than expected usage to determine if the usage was caused by a customer-side leak. A customer who has observed or has actual knowledge of a customer-side leak shall promptly repair said leak or correct excessive usage per TCPUD Ordinance 284.

1. Customer-Side Leaks – Billing Adjustment Criteria

The Committee, or a designee of the Committee delegated the responsibility for adjusting utility billings, may adjust the consumption portion (excluding fixed or service charges) on a customer's bill when all of the following requirements are met:

- a. To be eligible for a credit, the following information must be provided within 90 days of the billing date when the Excess Usage was posted:
 1. Name of customer
 2. Phone number of customer
 3. Address of property where leak occurred
 4. Owner occupied or rental?
 5. Was property occupied at the time the leak occurred?
 6. Date customer became aware of leak
 7. Date leak was repaired
 8. Copies of repair invoices or receipts
 9. Letter of explanation if repairs made by customer
 10. Written description of how the leak occurred
 11. Sketch of the exact location of the leak
 12. Photographs of the leaking pipe (if available)
 13. Authorization for a District representative to inspect the property where the leak occurred

- b. The customer has not received a customer-side leak billing adjustment at the same service address in the past 60 months. The 60-month period begins the first month of the billing period following the last billing period for which a customer-side leak billing adjustment was received.
- c. There must be evidence that excessive use of water was not due to the customer, his/her agents, or tenants' willful or neglectful acts.
- d. The TCPUD shall require repair bills or other appropriate documentation substantiating the repair of the customer-side leak prior to approving a claim for adjustment.
- e. If the Excess Usage is due to a customer-side leak, the TCPUD must be satisfied that the problem that resulted in a request for a billing adjustment has been properly repaired or resolved.
- f. The TCPUD may not extend any adjustments for excess usage caused by the failure of a component or due to an action for which a previous leak adjustment has been granted. For example, the repair of a service line due to corrosion or a stop and waste valve left partially open, may be granted a leak adjustment. However, failure of the same service line due to corrosion in another location or another failure to properly shut off a stop and waste valve, may not be eligible.
- g. The TCPUD may NOT extend any adjustments for excess water use due to left-on hoses, excessive irrigation (in time or frequency), or the neglect of wear-and-tear items such as toilet flappers, leaking faucets, water softening systems, and any other related water distributing devices.

2. Customer-Side Leaks – Billing Adjustment

- a. The customer-side leak billing adjustment shall be limited to one adjustment per 60-month period. The 60-month period begins the first month of the billing period following the last billing period for which a customer-side leak billing adjustment was received.
- b. The customer-side leak billing adjustment shall be limited to two consecutive billing periods.
- c. The TCPUD shall not extend the due date of a water or wastewater bill as a result of the customer submitting a request for an adjustment of a bill for a customer-side leak.

d. The customer-side leak billing adjustment will be calculated on the following criteria:

i. Single Family Residential Accounts

Single Family Residential customers' Excess Usage, as a result of a customer-side leak, must exceed Tier 3 consumption (greater than 40,000 gallons) and be at least twice the volume compared to the previous year's equivalent billing cycle to qualify for a customer-side leak billing adjustment. If the Committee or its designee grants a customer-side leak adjustment, the amount of Excess Usage due to the customer-side leak will be reduced by 50%. The remaining 50% of the excess usage shall be billed at the Tier 1 rate in place at the time of the Excess Usage.

ii. Commercial Accounts

Commercial customers' Excess Usage, as a result of a customer-side leak, must be at least twice the volume compared to the previous year's equivalent billing cycle, and exceed 40,000 gallons in a billing period to qualify for a customer-side leak billing adjustment. If the Committee grants a customer-side leak adjustment, the amount of Excess Usage due to the customer-side leak will be reduced by 50%.

iii. All Accounts – Unexplained Usage Billing Adjustment

Customers can apply for one "unexplained" usage billing adjustment per the life of the account under the same owner. For Single-Family Residential customers, "unexplained" usage must exceed Tier 3 (greater than 40,000 gallons) and be at least twice the volume compared to similar billing periods in previous years to qualify for a billing adjustment. For Commercial customers, the "unexplained" usage must be at least twice the volume compared to the similar billing periods and exceed 40,000 gallons to qualify for an adjustment. Only one "unexplained" usage billing adjustment will be processed for the life of the account. The billing adjustment will be calculated per customer class as described under Section A.2.d above. However, unexplained usage billing adjustments will only be applicable to one billing period.

B. Remote Meter Monitor Installation

Customers who qualify and are approved for an adjustment in which the credit is \$200 or more shall be required to install a remote meter monitor system. Customers whose adjustment credit is less than \$200 may request the installation of the remote meter monitor system, though it is not a requirement. Costs for the installation and ongoing fees shall be in accordance with the current District policy related to remote meter monitors. Cost of the installation shall be deducted from the total adjustment. If installation costs exceed the total adjustment, the customer shall be responsible for the remaining balance. The system can be monitored remotely by the customer via the internet or by smartphone and can be set up to notify customers via email or text of potential leaks within 24 hours.

C. Variance Procedures

Variances may be granted, on a case-by-case basis, at the discretion of the Committee. For a variance review, the Committee shall include the General Manager. The following conditions are among those that may be given consideration in the variance process:

1. Granting a leak adjustment more often than once every 60 months;
2. Granting a leak adjustment for circumstances included in, but not limited to those in Section A.1.
3. Granting a credit for more than two billing periods.