

POLICY NO. 428

BILLING REQUIREMENTS, PENALTY CHARGES AND MISCELLANEOUS FEES.

I. OBJECTIVE

In order to promote the timely payment of accounts, this policy sets forth guiding principles pertaining to the billing and payment of accounts and establishes penalties and charges levied against delinquent, insufficient, or fraudulent payments. Pre-Pay accounts will follow this policy to the extent not superseded by Policy #416.

II. PROVISIONS

A. Bill Payments

1. Every account shall be billed according to the specific rate and frequency set forth in each rate class and determined by contract with the individual responsible for the payment of the account.
2. Excepting Pre-Pay accounts, each bill will clearly state the name, address, and account number that the bill applies to, the rate schedule the bill is calculated by, the time period that the bill pertains to, the amount due for that period, the date the bill will be delinquent upon, the amount that will be owed if delinquent, and the address where payments can be submitted to.
3. Bills for all services shall be due upon receipt and delinquent upon the date noted on the bill. Delinquent accounts, including delinquent final billed Pre-Pay accounts, will be charged a penalty of 1.5% per month or 18% per annum on the unpaid amount until the bill is paid in full.
4. Delinquent accounts are subject to disconnection and will be notified per state statute. Once processed for disconnection the District may disconnect the service by any means District personnel determines to be the most practicable and cost-effective. District personnel are not required to make contact with the customer before disconnecting the service.
5. Once a service has been disconnected for nonpayment and the customer has made payment in full or otherwise made arrangements and requests the service to be reconnected a \$60.00 reconnection fee will be added to the account along with any required deposit amount, and payable before the service is reconnected. If after 24 hours the service remains disconnected and the customer requests that the service be reconnected outside of normal business hours, the reconnection fee will be \$100. Pre-Pay accounts will be connected, with no additional fees, once the account credit balance is greater than the minimum requirement.

6. For all accounts, if District personnel have been dispatched to collect a delinquent account or have processed the account for outside collection or have made any other extraordinary effort to collect the past due amount, a collection fee of \$40.00 will be added to the account over and above any other penalties or fees and must be paid prior to reconnection.
7. In the event a nonsufficient fund payment is received on any account, a fee of \$35.00 per item will be added to the account.
8. Customers may waive/avoid some provisions contained herein by voluntary participation in Pre-Pay Payment Plan. For Pre-Pay accounts, Policy #416 supersedes any discrepancies with this policy.

B. Billing Adjustments

Billing adjustments will be made when it is discovered that the customer was billed inaccurately. Such inaccuracies may occur as a result of but are not limited to meter inaccuracy, meter connection errors, equipment failure, incorrect bill calculation, meter reading errors, incorrect coding errors, or tampering, diversion, or subterfuge. The District desires to give refunds when appropriate and make full collections in the event money is owed by customers as follows:

1. Billing adjustments due to reasons other than tampering, diversion or subterfuge
 - i. Overcharge or undercharge adjustments shall be calculated without interest for the most recent 36-month period or the period of billing inaccuracy, whichever is less.
 - ii. In the event the customer owes the District, the customer will be offered a reasonable payment plan with the option to repay the amount owed in monthly payments not to exceed 18 months.
 - iii. Customers who are owed money for overbilling will be reimbursed by the District as soon as practical or may elect to have any amounts owed to them applied as a credit to their account. In the event, adjustments exceed \$10,000 a separate repayment agreement will be negotiated and approved by the board of directors.
2. Billing adjustments due to tampering, diversion or subterfuge
 - i. When a customer has been undercharged as a result of tampering, diversion, or subterfuge, the undercharge shall be billed with interest to the customer for the entire period of the inaccuracy or for the time period permitted under State law, whichever is less. The total amount of the undercharge will be due upon receipt and delinquent if not paid within 30 days.

ii. The District reserves the right to press charges for the offense per Policy #446.

This policy supersedes and cancels all "Minimum Bills, Penalty Charges and Collection policies prior to this date.

III. RESPONSIBILITY

The General Manager and Department heads shall be responsible for the administration of this policy.

APPROVED BY THE BOARD OF DIRECTORS

EFFECTIVE DATE: 6/9/1986.

DATE APPROVED: 6/9/1986.

REVIEWED: 10/9/2000.

REVIEWED: 11/8/2002.

REVISED: 9/7/2012.

REVISED: 2/08/2019.

REVISED: 5/08/2020.

REVISED: 12/8/2021.

ATTEST: *James Poyil*