

**CITY OF NEWTON
NORTH CAROLINA**

**DEPARTMENT OF FINANCE
CUSTOMER SERVICE POLICY MANUAL**

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PART ONE - INTRODUCTION

I. AUTHORITY

The enactment and revision of these policies requires the approval of the Newton Board of Aldermen. As fee schedules, rates and other specific policies are updated, it will be the responsibility of the City Manager to make sure the policy manual is revised.

The Finance Director or designee shall serve as the hearing or grievance officer for customers. The Finance Director is authorized to hear concerns and complaints, settle disagreements and reconnect any customer disconnected for non-payment while the concern is investigated, if he/she deems necessary.

The City Manager shall review any unfavorable decision of the Finance Director if the customer so indicates. If the City Manager deems it appropriate, he may set aside the decision of the Finance Director and issue a new decision.

Should a customer not be satisfied with both decisions, he/she or they may exercise their rights as citizens of the City of Newton and request to address the City of Newton Board of Aldermen. In order to insure adequate time during a Board meeting, customers must request, in writing, through the City Clerk to be placed on the agenda.

All grievances must be heard and addressed by the hearing officer prior to appeal to the City Manager and City of Newton Board of Aldermen.

II. SCOPE

1. This policy is not meant to be all-inclusive but offers direction and guidance for the City Manager and employees of the City.
2. This policy has been adopted by the City of Newton Board of Aldermen for all customers of the City.
3. The intent of this policy is to provide the customer, and the employees of the City a helpful guide with uniform procedures for providing utility service. The City desires to treat its citizens in a fair and indiscriminate manner while recognizing that each customer has distinct needs and requirements.

4. Employees of the City have been empowered and well-trained to use this policy to deliver high quality service to customers. Employees are expected to deal with each decision with empathy and understanding, listening carefully to the needs and requirements of individual customers. Ultimately, the City Manager accepts the responsibility as the final authority on this policy. However, every customer has the right to appeal that decision before the City of Newton Board of Aldermen.
5. This policy is not meant as a substitute for personal initiative on the part of employees. It will serve as a guide for reasonable response to customer needs while meeting the requirements of good business practices on the part of the City.

III. DEFINITIONS FOR TERMS USED IN THIS POLICY

1. **APPLICANT:** Any person(s) or entity requesting electricity, water, sewer, and refuse service or any combination thereof.
2. **BOARD OF ALDERMEN:** Those officials elected to represent the citizens of the City of Newton.
3. **CUSTOMER:** Any person(s) or entity purchasing electricity, water, sewer, and refuse service or any combination thereof from the City.
4. **EMPLOYEES:** The employees of the City of Newton, charged with the responsibility of delivering services to the citizens and customers while ensuring good business practices and considering the needs and wants of the customers.
5. **FAMILY:** As defined in Section 26.2.2 of the City of Newton Code of Ordinances.
6. **GOOD CREDIT:** Good credit is defined as not more than two (2) delinquencies, no bad checks and no disconnections in the most recent 12 month period for residential customers and a 24 month period for commercial customers.
7. **TAMPERING:** Unauthorized altering of the status of an electric, water, or sewer meter by non-city personnel for the purpose of receiving electricity and or water and sewer service or any combination thereof without paying for them.
8. **UTILITY:** The City of Newton Utility Department.
9. **UTILITY SERVICE:** Includes Electric, Water , Sewer, and Refuse or any combination thereof.

IV. APPLICATION OF THIS POLICY:

1. This policy applies to every customer and/or applicant for utility service. Copies of this policy are available at the City's offices.
2. This policy may be revised, amended, supplemented or otherwise changed from time to time by action of the Board of Aldermen. Customers are encouraged to seek answers to any questions by calling the City offices.
3. The City is not responsible for any damage caused by turning on or off City utility services.

V. CONFLICT:

Provisions of a special contract or tariff between the City and a customer will take precedence over these policies.

VI. PART OF ALL CONTRACTS

Except as otherwise provided, these policies are part of all oral and written contracts for providing and receiving utility service from the City.

VII. NO PREJUDICE OF RIGHTS

Although the City and its customers may not always exercise the rights specified in these policies or available to them by law, that does not prevent the municipality or the customer from exercising those rights at another time.

PART TWO - RIGHTS AND RESPONSIBILITIES

I. GENERAL

The customer and the City have unique rights and responsibilities toward utility service. These responsibilities, detailed fully throughout this policy, are summarized here.

II. CUSTOMER RESPONSIBILITY

1. To establish credit in one of these ways:
 - (A) Proof of land ownership of the premises to be served.
 - (B) Acceptable credit references.
 - (C) Proof of 12 months of good payment history with another utility that provided similar services being requested.
 - (D) Name a qualified person currently using City of Newton utility services of the type being requested to guarantee payment of bills up to a certain amount.
 - (E) Pay a cash deposit as prescribed in the most current Schedule of Fees and Charges.
2. Allow City of Newton personnel unobstructed and unrestricted access to property to set up (install) and maintain City owned property and for obtaining meter readings.
3. Pay bills by the due date shown on each monthly bill.
4. Notify the City Customer Service Representative of another person a customer would like to receive any notice of service interruption for non-payment of bills.
5. Notify the City Customer Service Representative if there is someone in the household who is on a life support system.
6. Notify the City Customer Service Representative of questions or complaints about service.
7. Be aware of city-owned property at the customer's home/business and safeguard it.
8. Install, maintain and repair utility systems in the home/business.

9. The City provides utility service for the sole use and convenience of the premises under contract. The customer will ensure that utility service is not given or resold to a neighbor or tenant. All utility services must be in the name of the legal occupant of the property. Legal occupant is defined as the individual(s) to whom the property is rented, leased or sold as evidenced by a deposit receipt, rental agreement or lease, contract for sale or deed. Exception to this policy shall be where the property is rented or leased to a tenant as "fully furnished" to include utilities. Fully furnished is defined as one daily, weekly, or monthly charge that is not dependent upon fluctuations in bills for utilities. Violation of this policy is a violation of federal and state laws that prohibits the "resale" of utilities without being properly licensed by the appropriate agency and will be cause for immediate disconnection of service.

III. CUSTOMER'S RIGHTS

1. A customer has a right to request a deposit to be refunded if he/she or they establishes "good credit" as defined elsewhere in this policy, or discontinues service from the City.
2. If the customer is notified of an impending disconnection for non-payment, he/she or they have a right to request installment payments designed to pay the account in full (discussed in detail in Part Six - Section Five of this policy) according to an agreement made with the City's customer service representative.
3. The customer has a right to request reasonable historic billing and usage information. A fee shall be charged if the request for such information is unrelated to a disputed utility account. Further, the customer may request a meter test. A fee as prescribed in the most current Schedule of Fees and Charges shall be charged if the meter is within accepted tolerances (plus or minus 2 percent). The customer has a right to results of this test.
4. The customer has a right to request a review of any complaint according to the hearing procedure.

IV. CITY RESPONSIBILITY

1. To refund the customer's deposit if required conditions for establishing "good credit" are met.
2. To give written notice before service is interrupted for failure to pay. The notice will explain the reason for disconnection, the date when service will be disconnected and explain how the customer can avoid service interruption. Notices will respect a customer's right to privacy, regarding publication of debt.

This notice of service interruption is included on the back of each utility bill rendered. For further information see Section VII, paragraph 3.

3. To avoid disconnection for non-payment during extreme weather conditions as defined elsewhere in this policy.
4. To avoid disconnection for non-payment after 4 p.m., the day prior to a holiday or a weekend.
5. To provide and explain rate schedules, how meters are read, and other additional, reasonable information.
6. To respond to questions or complaints from customers. The City may not agree with the complaint but pledges prompt, courteous and honest answers.
7. To provide reasonable historic billing and usage information when requested by the customer.
8. To provide energy usage and conservation information.

V. CITY'S RIGHTS

1. To access the City's utility facilities.
2. To receive timely notice of changes in address, status of utility service, or problems with utility service.
3. To receive timely payment for services delivered to a home/business.
4. The appropriate department of the City is allowed to take action in court regarding equipment tampering or financial delinquencies.

PART THREE - ESTABLISHING SERVICE

I. OFFICE AND SERVICE HOURS:

1. The City's Customer Service Office is located in the Newton City Hall. This office is open from 8:00 a.m. to 4:45 p.m., Monday through Friday. Routine and regular service work will be performed during these hours, except for holidays.
2. Emergency restoration work is performed 24 hours a day, seven days a week. Involuntary terminations due to non-payment is not considered "emergency restoration".

II. REQUEST FOR SERVICE:

1. Original application for service: Any customer requesting utility services will complete an application and agreement for services. The customer will:
 - a. provide a photo identification card or drivers license either of which is issued by the State of North Carolina, provide a photo copy of a social security card issued to applicant(s) or a certification issued from the social security administration certifying social security number or Federal Tax ID number in the case of a business account, and
 - b. provide deed, deposit receipt, lease agreement or contract for sale; and
 - c. sign the application, (if joint application, all applicants must sign).

NOTE: Applicants not having all of the above criteria shall not have services delayed, however, he/she or they shall be given five (5) days to provide information or services will be terminated.

- d. A separate application will be required if services to more than one service address is requested.
 - e. In the case of property owners, a copy of the deed or a tax receipt from the Catawba County Tax Collector's Office to the property must be provided and all owners listed must sign the application.
2. Accounting Information Changes: Any changes of account information, mailing address, account name, etc., shall be made in writing and in person by the account-holder(s) to prevent mistakes.

3. Non-residential Accounts: Accounts established for non-residential service will require a Federal Tax ID number, and a letter of authorization on the corporations letter head and signed by an officer of the corporation who is authorized to commit the corporation to financial obligations. For a non-incorporated business, the account will be listed in the name of the business with a responsible person (owner, partner, manager, etc.) signing the application. That person accepts the personal responsibility for payment of the account.
 4. Service Requests for Utilities Service: Any request for utility service at a service location must include all services applicable to the location. Partial services will not be established. Example - A service location that has electric, water, and sewer will not have electric only established. Application fees shall be those identified in the most current Schedule of Fees and Charges for the City.
 5. Connection Fee: A applicant for utility service shall pay an initial connection fee for each service located at the service address. Fees shall be those identified in the most current Schedule of Fees and Charges.
 6. Place of application: Customers shall request utility service at Newton City Hall Customer Service Office. Application for utility service must be made in person by the individual owner(s) and/or occupant(s) of the property. Occupant(s) will be determined to be the person(s) named in the lease agreement.
 7. Service connections: The City will strive to meet customers' needs for connection of service. Normal connection will be made as follows:
 - For service applications received prior to 12:00 (noon), connections will be made prior to 5:00 p.m. on the day of application.
 - For service applications received after 12:00 (noon), connection will be made prior to 12:00 (noon) the next business day.
- However, certain circumstances or conditions may require up to 24 business hours to connect.
8. Out-of-county connection requests: If a customer wants to obtain service prior to arrival in Newton, the City may provide service. The customer may contact the Customer Service Office by telephone to request the service connection, make arrangement for deposit required, and provide the scheduled date of their arrival. The customer will be required to personally come into the Customer Service Office to complete an application and agreement for services, and establish credit with the City within five (5) days following the scheduled date of arrival or the service will be discontinued and the account closed.
 9. Temporary cut-ons at permanent dwellings: The City shall request a connection fee (see Schedule of Fees and Charges) to be paid for the expense of cutting on

and off utilities regardless of the actual time service is needed at a permanent premise. The purpose of this fee is to recover costs for cut-on and cut-offs of difficult services (such as primary metered, bucket truck type facilities or man-hole type facilities).

10. Explanation of Policies: Customers can request a verbal explanation of the City's policies and may obtain a written copy of the guidelines as well.
11. Welcome packet: The City may give each new customer a welcome packet which includes information about the utility, conservation tips and load management information.

III. CONNECTION SCHEDULING:

Connection to the City's utility system is available during normal business hours. See Part three, Section II, Subsection-7 of this policy for details.

IV. PRIOR DEBTS:

The City shall not furnish service to an applicant when the applicant or any member of the applicant's household (does not necessarily have to be a family member), who is indebted to the City for service previously furnished, until all indebtedness has been satisfied or satisfactory repayment arrangements have been made.

PART FOUR - CUSTOMER DEPOSITS

I. GENERAL

City employees are charged with the responsibility of prudent management of the City's finances. A deposit for utility services is collected as security that all bills will be paid in full by their due date. Employees realize that most customers pay their bills in full and on time, however, the City seeks to protect the good-paying customers from the detriment of uncollectible accounts by other customers. Ideally, only those customers who "earn" the right to pay a deposit would be required to secure their accounts. Since the City's employees cannot know in advance which customers will pay promptly and which ones will not, reasonable and uniformly applied deposits may be necessary. A service security deposit will be collected before any service is connected when it is determined that a deposit may be needed to assure payment of the customer bill. Options to the customer deposit also have been created.

II. DETERMINING THE DEPOSIT

In determining the need for a security deposit, and in fixing the amount of the deposit, City employees will give careful consideration to these factors:

- Customer's ownership of the premises to be served.
- Type of service requested.
- Risk involved in a new business enterprise.
- Reputation of the involved premises.
- Overall credit rating of the customer.
- Utility credit rating of the customer with the municipality or another utility providing similar types of service being requested.
- History of connects, disconnects and reconnects at the involved premises or for the involved customer (For residential customers, a 12 month history of service with the municipal utility. For commercial customers, a 24 month history.)
- Any other factor which bears on the customer's financial responsibility
- Guarantor agreement.

III. CUSTOMER DEPOSIT ALTERNATIVES

Any applicant who must pay a deposit for utility service may:

- a. Pay an initial cash deposit. (see Schedule of Fees and Charges).

- b. Supply a letter of credit demonstrating good credit with another electric, water and/or sewer utility providing the same type of services being requested. Example: Customer requesting Electric, Water, and Sewer services can not use a letter of credit from a water utility only to satisfy deposit requirements.
- c. Have a guarantee agreement signed by a current City utility customer who has good credit with the City. The guarantor will be responsible for an amount up to the amount of the deposit, if the customer does not pay its bill. The guarantor will be notified by the City of an impending disconnection. Additionally, Guarantor must have same type of services with the City that he/she is guaranteeing. If Guarantor does not have electric service, he/she can not guarantee such services. Further, Guarantor will be limited to two (2) active guarantees at any one time.

The agreement will remain in effect for three (3) years from the date of agreement unless the applicant establishes "good credit" (as defined elsewhere in this policy) with the City of Newton. Should the applicant fail to establish "good credit" at the end of the three (3) years, he/she or they must place an appropriate cash deposit. Further, a minimum of twelve (12) billing months is required for the applicant to establish "good credit" with the City of Newton.

- d. Any applicant who must pay a deposit may show that he/she is a utility customer with good credit.

IV. DEPOSITS FOR SHORT TERM SERVICE

Any person requesting services to either clean or show a residence for rent or sale may be required to satisfy a deposit as stated in the above paragraph.

V. FUTURE/ADDITIONAL DEPOSITS

Any customer whose service is involuntarily terminated for either non-payment, meter tampering, or other reasons will be required to pay a deposit, or add an additional deposit, as specified in the above paragraphs, prior to reconnection of service. This includes all customer accounts. The future deposit may be at a higher level based upon experience with the account, but it may not exceed two-twelfths of the actual yearly charge for that account. When service has not been connected long enough to determine yearly charges, two (2) times the cash deposit requirements as specified in the most current Schedule of Fees and Charges shall be charged.

VI. FLOATING DEPOSITS

A builder who is constructing concurrent establishments may be allowed to pay only one deposit for several service locations. **(Note: This provision no longer applies after July 1, 1996. Further, any builder currently under this arrangement who declines to make payment for any service provided under this provision shall immediately lose his/her or their privilege to use this arrangement.)**

VII. NOTE TO ALL CUSTOMERS

Contact with a Customer Service Representative of the City prior to disconnection is always more favorable than making arrangements after service is involuntarily interrupted. Payment options may be available prior to disconnection which will save the customer from additional higher deposit amounts and additional fees.

VIII. REFUNDING OF DEPOSITS:

1. Prompt refund: A deposit will be refunded promptly and automatically when service is voluntarily discontinued. All outstanding amounts on the final bill will be deducted from the deposit amount.
2. Residential and business accounts: The City will promptly return the customer's deposit when that customer exhibits good credit. The customer must request, in writing, this refund when good credit has been established.
3. Account in arrears: The deposit will not be refunded if the customer has another account with a past due balance. The remaining credit on the account will be transferred to another account with a balance.

PART FIVE - BILLING ADJUSTMENTS

I. GENERAL

If the City has inadvertently overcharged or undercharged a customer for utility service, the City will promptly notify the customer and set up a payment process.

II. ADJUSTMENT PERIOD

1. Should the mistake be in the customer's favor, the City will credit the customer's account with that amount. If the time frame of the mistake can be determined, the City should credit the account for that entire interval, as long as it is not more than two years. If the time frame of the problem cannot be determined, the City should credit the excess amount charged during the previous 12 months. If the exact amount of excess charge cannot be determined, the City should estimate the amount due. If an overcharged customer owes a past due balance to the City, the City may deduct that past due amount from any credit due.
2. If the City has inadvertently undercharged a customer for utility service, the City should collect the amount due in installments over the same amount of time as the mistake upon customer request. If the time frame of the mistake can be determined, the City should collect the amount due for that entire interval, as long as it is not more than two years. If the time frame of the problem cannot be determined, the City will limit its collection period to the 12 months before the mistake was discovered. If the amount of usage cannot be determined, the City will estimate the amount due.
3. If an undercharge has occurred because of meter tampering, the overdue amount shall be immediately due in a lump sum.
4. If an overcharged customer owes the City on another account, the City will apply the credit to that past due account.

III. SEWER ADJUSTMENT

1. LEAKS AND WATER LINE BREAKS: Part Two, section II, subsection 8 of this policy indicates the customers responsibility to keep "utility systems" within the home/business in good working order. Therefore the customer must use due diligence in effecting repairs as necessary. Upon discovery or notification of possible leaks, the customer must effect or cause repairs to be made within 7 days. When the City finds the cause of an excessive water/sewer bill is the result of a leak in the customer's plumbing system that (1) was of such a nature and at such a location to not have been detected with the customer's reasonable

diligence, (2) did not discharge into the City's sanitary sewer system, (3) and certification is furnished by a person licensed by the State of North Carolina to perform such work or the homeowner, that such leaks were repaired, and the customer request in writing an adjustment, in such case the City shall reduce the billed sewer service by the amount which it exceeds the average bill for sewer service during the preceding twelve month period, provided that complaints must be made prior to the date specified as the cutoff date for nonpayment of water/sewer bills. No excessive sewer bill shall be adjusted for more than three months.

2. SWIMMING POOLS: Customers who contact the Customer Service Office prior to filling swimming pools with a capacity of 12,000 gallons or greater, may request a once per year sewer adjustment. City personnel shall obtain a water meter reading prior to commencement of filling the pool and again upon completion. The reason for filling of the pool will determine if a sewer adjustment is warranted. If a pool is drained to prevent cracking or to effect repairs, no adjustment will be granted. If the pool is being "topped off" due to dissipation or splashing an adjustment will be considered. These two (2) examples are provided for illustration purposes only and are not to be considered all inclusive. If an adjustment is warranted, the readings obtained for the filling of the pool will be the basis for the adjustment.

PART SIX - SERVICE OPTIONS

I. OPTIONS IN BILLING PAYMENTS

To better serve the needs of customers, the City offers several options to bill payments. They are described below. To begin any of these options, please call a Customer Service representative.

- ~ Equal Payment Plan
- ~ Bank Draft

A. Equal Payment Plan

1. The purpose of this plan is to spread the cost of utility service as evenly as possible on a monthly basis over an annual period and to assist customers with home budgeting. Billing under this plan will not result in any greater or lesser payments to the City than would be the case with customary monthly billings.
2. To qualify for the Equal Payment Plan: A customer who is a good credit customer may elect to use the equal payment plan. Accounts should be paid in full prior to beginning the Equal Payment Plan.
3. Enrollment Period: A customer meeting the criteria for Equal Payment Plan must personally request in person, to be placed on the plan prior to the July billing of each calendar year. At this time, customers will be notified of their monthly payment under the plan.
4. Late Payments: If a customer is late in paying his/her or their monthly bill, he/she or they shall be removed from the Equal Payment Plan and any balances owed the City shall immediately become due and payable. If the City owes the customer, their utility account shall be credited with the excess amount..
5. Rate Increases: When a rate increase is approved, the equal payment amount will increase by the same percentage.
6. Termination of Equal Payment Plan: The agreement terminates with the customers June billing of each calendar year. At this time, all accounts must be settled with the City crediting the account of the customer or the customer paying the balance, which ever is applicable.

7. The City reserves the right to request a payment adjustment conference with the customer at any time during the plan year if it appears that the amount billed and the amount paid will vary by a substantial amount. The customer reserves the right to also request a payment adjustment if a substantial difference is likely and/or to pay additional amounts above the established payment amount.

B. BANK DRAFT PLAN

1. Bank drafts offer customers the option of having their bank accounts drafted on a set date of the month. This relieves the customer from having the possibility of lost or late payments and saves a trip to City Hall or the cost of an envelope and stamp.
2. Customers account will be drafted on the due date (20th day from the billing date). If the due date falls on a weekend or holiday, the draft will occur on the next business day. This will allow the customer time to verify or question his/her or their bill and to maximize interest on their money.
3. The customer must apply with the City to establish a bank draft plan. Voided checks or deposit tickets or copies thereof may be required.
4. Only good credit customers will be eligible for this program.
5. Any draft returned by the bank because of insufficient funds or a closed account will be treated as a returned check, and the customer will be released from the bank draft program.

C. DROP BOX FOR PAYING AFTER HOURS

For customer convenience, a drop box is located outside at the main entrance to City Hall. Payments put in the box after 5:00 p.m. will be considered next-day payments.

II. MEDICAL ALERT PROGRAM

1. The customer has the responsibility of notifying the City if there is someone in their household who is on a life support system that will not operate without electricity and death would be imminent without electricity. Oxygen, dialysis, and other similar types of illness are not considered "life threatening" and therefore, would not qualify under this program.

2. The customer must provide a letter or certification from a doctor advising of the above condition. These letters will be renewed each year in order to remain in the program. A customer who complies with these notification procedures will have a white seal placed on its meter to designate its residence as containing a life support customer.
3. The customer has the responsibility to carefully handle his/her or their account so that service will not be interrupted for failure to pay. With the medical alert designation, the City will make every effort to make personal contact with the customer before service is terminated.
4. The City will exercise all diligence in keeping the utilities provided to a life support patient. However, due to conditions beyond the control of the City and its employees (storm damage, loss of generation, etc.), utility services cannot be guaranteed 100 percent of the time. Each customer listed with the Medical Alert program should have a back-up plan for movement of the life support patient if the City is unable to restore utility services in a length of time which is acceptable.

III. GATEKEEPER PROGRAM

1. The Gatekeeper Program was created to assist elderly citizens who need help but who are sometimes unable to help themselves. There are many who are healthy, active people involved in the community, but there are others who are not as fortunate. They live alone and may have little communication with others. If they become sick or unable to care for themselves, they can easily go unnoticed and unattended.
2. This program raises awareness among employees, who in the normal process of doing their jobs, come in contact with the elderly. The meter readers have been trained to watch for danger signs in the homes of elderly customers, and they know what local agency to contact should the need arise. If the customer knows of someone who might benefit from this program, please contact the City.

IV. DIFFICULTY IN PAYING UTILITY BILLS

1. There are a number of organizations within Catawba County which assist persons who are having difficulty in paying their bills: Such as:

<u>Agency</u>	<u>Phone Number</u>
Catawba County Dept of Social Services	704-326-5600
Salvation Army	704-322-8061
Eastern Catawba Co Christian Ministries	704-465-1702
Christian Ministries - Hickory area	704-327-0979

2. We encourage each customer to seek assistance with paying their utility bills prior to the due date and resulting disconnection.

V. EXTENSIONS OF TIME FOR PAYMENT OF BILLS

1. Customer Request: All requests must be made by the person(s) (or their authorized, legal representative (must be designated in writing)) in whose name the account is opened.
2. The customer requesting the extension must come into the Customer Service Office and request the extension prior to the scheduled cutoff date.
3. Maximum: Maximum extension will be not more than two (2) calendar weeks from the cut-off date.
4. Valid Reason: The customer will be required to give a valid reason as to why the extension is needed.
5. Agreement: If payment is not made by the specified time, service will be disconnected without further notice.
6. Approval of Extension: An extension is a privilege and may be granted based on customer need and circumstances. An extension will not be guaranteed and may be denied for excessive abuse. Excessive abuse is defined as more than 2 extensions within a running twelve month period. Further, these two (2) extensions shall have a minimum of three (3) full months between each.
7. No customer shall be granted an extension until he/she or they have established six (6) consecutive months of billing history and none of these are in arrears.

PART SEVEN - RETURNED CHECKS

1. The City will accept only cash, certified check or money order from any customer having two returned checks within any twelve consecutive months from date of receipt.
 - a. Upon receipt of the first returned check, the customer will be informed of and given a copy of the written policy.
 - b. Upon receipt of the second returned check, the customer will be advised that all bills must be paid in cash and will be given another copy of the written policy.
 - c. Cash payments, certified checks or money orders only will be accepted for the twelve consecutive months from date of redemption of second returned check.
 - d. After the twelve consecutive month period ends, if another returned check is received, all future bills must be paid in cash.
2. No returned check will be held and is not subject to extension.
3. Notice to the customer of a returned check will be made by letter sent by certified mail.
4. As allowed by the State of North Carolina, a charge is added to the customer's bill because of each returned check as set forth in the Schedule of Fees and Charges.
5. The customer's account will be charged for returned checks and will be subject to regular collection policies for delinquent accounts.

PART EIGHT - DISCONTINUING SERVICE

I. TRANSFER OF SERVICE

1. Residential customers may transfer service from one location to another as long as any current bills are not past due. The remaining amount owed and any fees will be transferred to the new account.
2. If the customer has an account that is past due, he/she or they shall be required to pay that amount before the account can be transferred. Previous deposits will be applied to any amount past due, and a new deposit shall be required to set up the new account.

II. CLOSING A UTILITY ACCOUNT

After an account has been closed by either customer request or the City, all funds (including deposits, refunds, load management, and overcharge credits) will be used against amounts owed the City on the closed account. Remaining funds will then be used against any amounts owed on any other accounts the customer may have with the City. When those accounts have been cleared, a check for the remaining money will be issued to the customer for any net credit.

III. FORCED CLOSING OF A UTILITY ACCOUNT

1. One month after termination of utility service, the account will be closed. All fees and credits are then added to the balance and a "final" bill will be issued to the customer. Any balance owed to the City will remain in active suspense until the balance is paid.
2. All legal means of collection for an account in arrears will be taken whether the account is in "closed" status or not.

IV. TERMINATION OF SERVICE

1. Requesting Discontinuance of Service: Any customer requesting discontinuance of service will inform the City's employee of the location, date service is to be disconnected and the forwarding mailing address for the final bill. Such request shall be made in writing, in person, to the City by the customer.
2. Disconnection Scheduling: Disconnection from the City's utility system will be performed upon 24 business hours notice.

3. Final Bill: A customer's final bill will be mailed in a timely manner to encourage collection and customer understanding.

V. CUSTOMER'S RIGHTS PRIOR TO DISCONTINUANCE OF SERVICE

1. Reasonable opportunity: The City will discontinue utility service to customers for non-payment only after giving the customer a reasonable opportunity to question the accuracy of the bill. Reasonable opportunity is defined as the period of time from the issuance of the bill until the date of potential disconnection.
2. Disputed bill: If a customer disputes the accuracy of his/her bill, he/she has the right to a hearing at which he/she may be represented in person or by another person of his/her choosing who may present, orally or in writing, his/her complaint and contentions.
3. Exceptions: Under special circumstances, the municipality may choose not to interrupt service during extreme weather or when the meter serves an elderly or disabled person about whom the City has prior written knowledge.
4. No disconnection: Disconnection for non-payment will not be made after 4:00 p.m., the day prior to a holiday or a weekend.
5. Hearing: The City will discontinue utility service for non-payment of bill only after notice has been given and the customer has had the opportunity to be heard on disputed bills. Any customer desiring a hearing may contact the Customer Service Representative at the Municipal Building to arrange for a hearing with the Finance Director. Hearings may be scheduled between 9:00 a.m. and 4:00 p.m., Monday through Friday. This person has the authority to settle the issue and reconnect any disconnected account while the matter is investigated.

The customer may be represented in person and/or by counsel or other person of his/her choosing at this hearing. The complaint may be presented orally or in writing.

The customer will be notified in a timely manner of the results of any investigation regarding a hearing and of any resulting determination regarding adjustment or cut-off. If the customer is not satisfied with the determination made by the hearing officer, he/she shall have five (5) days from receipt of a copy of the determination within which to appeal to the City Manager for a review of the findings and determination made by the hearing officer.

The City Manager shall review any unfavorable decision of the Finance Director if the customer so indicates. If the City Manager deems it appropriate, he may set aside the decision of the Finance Director and issue a new decision.

Should a customer not be satisfied with both decisions, he/she or they may exercise their rights as citizens of the City of Newton and request to address the City of Newton Board of Aldermen. In order to insure adequate time during a Board meeting, customers must request, in writing, through the City Clerk to be placed on the agenda.

All grievances must be heard and addressed by the hearing officer prior to appeal to the City Manager and City of Newton Board of Aldermen.

VI. CUSTOMER'S RIGHTS REGARDING DISCONNECTION

1. If a customer disputes the accuracy of a bill, that customer has a right to a hearing as detailed above.
2. Customers are entitled to a second notice on an overdue utility bill. This notice may come in the form of a phone call, a written notice or personal contact and will be given 10 calendar days prior to cut off. Unless extremely unusual circumstances exist, the notice will be included on the back of all utility bills mailed and no further notice will be provided.

VII. INVOLUNTARY DISCONTINUANCE OF SERVICE

1. All bills are due and payable when rendered. However, each customer has twenty days from the billing date to remit payment in full without penalty. If any balance is remaining after the twenty days from the billing date, he/she or they shall incur a late penalty of 1½% of the unpaid balance or \$5.00 which ever is greater. The minimum late penalty to be assessed shall be \$5.00. The customers shall have ten additional days to remit payment or have services involuntarily terminated for non-payment.

In the event that services are terminated for non-payment, services will not be reinstated until all of the following has been accomplished.

- (1) Reconnection fee as set forth in the Schedule of Fees and Charges is paid.
- (2) All outstanding bills owed to the City (both current and arrears) are paid in full.
- (3) All money paid to the City shall be in the form of cash, money order, or certified check. **Personal checks will not be accepted as payment for involuntary terminations!**
- (4) Customer has placed any additional deposits as required by this policy.

2. The City reserves the right to discontinue utility service to a customer at any time without notice, upon the occurrence of any one or more of the following events:
 - (1) Whenever reasonable grounds exist to believe that the customer is receiving electricity or water or sewer treatment service without paying therefor or that the city's meter, wires, pipes, valves or other apparatus have in any manner been tampered with including bypassing the meter or altering its function.
 - (2) Whenever the condition of the customer's premises does not meet the minimum housing standards of the city.
 - (3) Whenever the customer has denied an authorized city representative access to the city's meter, wiring or other apparatus installed on the customer's premises at all reasonable hours. Locked gates, parking cars over meters, etc., are violations of this policy.
 - (4) Whenever it is necessary to prevent fraud upon the city.
 - (5) Whenever, after reasonable notification and warnings by the city of an inability to read its meter(s) because of vicious dogs, shrubs or other obstacles, the customer fails to correct the situation.
 - (6) Whenever one of the customer's checks given in payment of a bill is dishonored.
 - (7) Whenever a customer fails to pay a bill for utility service within the time required by this policy.
 - (8) Whenever a customer fails to make a required deposit guaranteeing payment of charges for electric, water and sewer service or to increase his deposit as required by this policy.
 - (9) Whenever a customer refuses legitimate access to his premises, or damage to or loss of property of the city on a customer's premises is suffered by the city as a result of the customer's actions.
 - (10) Use of utilities for unlawful reasons.
 - (11) Discovery of a condition which is determined to be hazardous or unsafe.
3. The notice for termination, included on the back of each utility bill, provides a clear explanation of the reasons for the termination, a statement that cutoff is imminent and the date it will occur, a statement advising the customer of the availability of an administrative hearing and a right to contest the bill and the

termination, and the address, phone number, and office hours of the person or persons to contact regarding the payment, the hearing and the dispute.

4. Federal laws regarding bankruptcy require that the City not alter, refuse or disconnect service based solely on the basis of the beginning of bankruptcy proceedings or on the customer's failure to pay for pre-bankruptcy service, when a petition for bankruptcy has been filed. However, the City may terminate a bankrupt debtor's service if it is not provided "adequate assurance" of payment for future services within 20 days after the date of filing for bankruptcy. "Adequate assurance" is defined as two (2) times the average monthly billing for the past twelve consecutive months. It must be paid in cash and is non-refundable for 36 consecutive months regardless of credit standing. If the debtor gives adequate assurance of future payment for services, the City may not terminate the debtor's utility service for pre-petition debts.
5. The City will take extra measures to insure that disabled, elderly or seriously ill customers receive their bills, have them explained to them, and are notified of any problems with payment.
6. Partial Payments: Partial payments are accepted on an account. A partial payment does not waive an involuntary discontinuance of service. A partial payment is first applied to electrical service, then to water and then to sewer.

VIII. DISCONNECTION DURING EXTREME WEATHER

The City may limit its right to disconnect service for non-payment of any bill when the safety and well-being of a customer may be at stake. For that reason, disconnection for non-payment may not be conducted on any extremely cold winter day or extremely hot summer day.

The definition of an extremely cold day would be a day in which the temperature is expected to remain below 32 degrees fahrenheit all day long. The definition of an extremely hot day would be a day in which the temperature is expected to remain above 100 degrees fahrenheit all day long.

If a customer's bill remains unpaid on the next business day, the disconnection for non-payment will not preclude the City from disconnection at a future date and does not change the customer's liability for payment of all bills, fees, and penalties.

The customer is encouraged to contact the City in advance of disconnection to make payment arrangements.

IX. RECONNECTION

When it becomes necessary for the City to discontinue services, service will be restored after payment of (1) all bills due (current as well as past due)the City including additional fees and charges required by this policy (2) any deposit as required and (3) any material and labor cost incurred by the City, according to the current Schedule of Fees and Charges (4) disconnection/reconnection fees as set forth in Schedule of Fees and Charges. Payment must be made in cash, certified check or money order.

Personal checks are not acceptable!

No reconnections for involuntary service interruption due to non-payment shall be made after normal operating hours.

PART NINE - METERING GUIDELINES

1. The City's meters will be read by City employees, according to the City's schedule. Reading dates will vary slightly from month to month due to weekends, holidays, weather conditions, and other factors. Monthly billing periods will be assumed to be 30 days, but may range from 25 to 36 days.
2. The City's meter readers use modern meter reading equipment and techniques. If meter reading corrections are necessary, the City will promptly make them, and a new bill will be rendered. A credit due to a customer from a meter reading error will be posted to the customer's account.

PART TEN - METER AND LOAD MANAGEMENT SWITCH TAMPERING

1. Tampering with a meter or bypassing a meter is the same as stealing. The aggressive enforcement of this policy is required by the large majority of good paying customers who would be financially burdened with paying for the stolen services. The City will call for the prosecution of cases of meter tampering, electric or water theft and fraud to the fullest extent of the law.
2. Load management devices are considered by this policy to be the same as meters. Any damage to these devices will be paid for by the customer.
3. A service charge representing the City's cost for the investigation and processing of a meter tampering case will be billed to the customer who benefited from the tampering.
4. Any customer may contest these additional service charges by requesting a hearing. A hearing will be scheduled at any time between the hours of 9:00 a.m. and 4:00 p.m. on Monday through Friday except on holidays.

Tampering with meters is prohibited by North Carolina General Statutes 14-159-1 and North Carolina General Statutes 14-151-1: "It shall be unlawful for any unauthorized person to alter, tamper with or bypass a meter which has been installed for the purpose of measuring the use of electricity, gas or water or knowingly to use electricity, gas or water passing through any such tampering meter or use electricity, gas or water bypassing a meter provided by an electric, gas or water supplier for the purpose of measuring and registering the quantity of electricity, gas or water consumed.

Any meter or service entrance facility found to have been altered, tampered with, or bypassed in a manner that would cause such meter to inaccurately measure and register the electricity, gas or water consumed or which would cause the electricity, gas or water to be diverted from the recording apparatus of the meter shall be the prima facie evidence of intent to violate and of the violation of this section by the person in whose name such meter is installed, or the person or persons so using or receiving the benefits of such unmetered, unregistered or diverted electricity, gas or water. It is unlawful for any unauthorized person to alter, bypass, interfere with, or cut off any load management device, equipment or system which has been installed by the electricity supplier for the purpose of limiting the use of electricity at peak-load periods, provided, however if there has been a written request to remove the load management device, equipment or system to the electric supplier and the electric supplier has not removed the device within two working days, there shall be no violation of this section."

