

TOWN OF EDENTON
ELECTRIC AND WATER UTILITIES
CUSTOMER SERVICE POLICY



ADOPTED SEPTEMBER 13, 2016
BY THE EDENTON TOWN COUNCIL

Town of Edenton Customer Service Policy

Adopted by Edenton Town Council

September 13, 2016

SECTION 1. Purpose

The Town of Edenton (the "Town") wants to treat its citizens in a fair and nondiscriminatory manner, while recognizing the distinct needs and requirements of each customer. To provide some uniformity of service, the Town has adopted a customer service policy. This most recently adopted version of the Customer Service Policy will serve as a reasonable response to customer needs while meeting the requirements of good business practices for the Town.

The intent of this policy is to provide uniform procedures and policies for utility service provided to utility customers of the Town.

Policy will refer to the most recently adopted version of the Customer Service Policy as being the guiding principle of customer contact. These policies apply to every customer or applicant for utility service. Copies of these policies are available at Town Hall and on the Town's website at www.townofedenton.com

This policy may be revised, amended, supplemented, or otherwise changed from time to time by action of the Town Council. Customers are encouraged to seek answers to any questions by calling Town Hall or by visiting the Customer Service website at www.townofedenton.com

SECTION 2.
Definitions

For the purpose of this section, the following definitions shall apply:

- a. Applicant is any person, group of persons, association, partnership, firm or corporation, requesting from the Town electricity, water, or sewerage.
- b. Town means the Town of Edenton, North Carolina.
- c. Utility is one or more of the following services: electricity, water or sewerage.
- d. Customer is any person, group of persons, association, partnership, firm or corporation, purchasing utilities from the Town.
- e. Delivery Point is the point where the Town's lines for supplying utilities are connected to the customer's lines for receiving utilities, unless otherwise specified in the agreement with the customer for the purchase of utilities.
- f. Lines mean the Town's conductors (i.e. wire, pipe, etc.) for supplying and/or the customer's conductors for receiving (i.e. wire, pipe, etc.) utilities.

SECTION 3. Applications for Utility
Services

The Town's Customer Service Office is located at Town Hall, 400 South Broad Street. Town Hall is open from 8:00 a.m. to 5:00 p.m. Monday through Friday. Routine and regular service work will be performed from 8:00 a.m. to 5:00 p.m. Monday through Friday, except for municipal holidays. Service work for unusual conditions may be arranged at other times upon request.

Emergency restoration work is performed 24 hours a day, seven days a week.

3.1 Each applicant for utility services shall execute an application or agreement for the purchase of utilities and provide the documentation or

information required by this Section. The information required will be authentic and complete documentation and/or verification that the applicant is the owner of the property or authorized by the owner of the property to obtain utility service. A licensed realtor or property manager who is acting on behalf of an owner of property may execute a Town of Edenton Utilities Master Property Management Agreement which will allow them to make application for utility services for any and all properties for which they have been retained to manage without requiring the owner of the property to make application. An applicant must be legally competent in order to establish an account with the Town. Whether or not a written application or agreement is executed, any person, by accepting the utilities, agrees to be bound by the applicable schedule of rates and the terms and conditions of this Policy in effect at the time service is received.

- a. Residential Accounts - The Town recognizes a joint application for utility service which allows credit to be established for all parties determined to be financially responsible. Each applicant shall be jointly and severally liable for all utilities supplied to the premises listed on the application. A separate application will be required if more than one connection is requested.

The Federal Privacy Act of 1974 prohibits municipalities from denying "to any individual any right, benefit or privilege provided by law because of such individual's refusal to disclose his or her social security account number." The Town requests a social security card to verify an applicant's identity, to perform a credit check, and to participate in the North Carolina debt setoff program. An applicant is not required to provide the Town with a social security card in order to receive utilities. If an applicant does not provide a social security card he or she will be required to provide an alternative method of identification. If the Town cannot perform an adequate credit check by using the information furnished and the applicant does not furnish an acceptable letter of credit from a public utility company or other documentation that will enable the Town to perform an adequate credit check, then the applicant will be required to post a maximum deposit.

- b. Non-Residential Accounts - Accounts established for non-residential service will require a Federal Tax ID number and a signature by a duly authorized representative of a business entity. For a business not operated by a recognized legal entity, the account will be listed in the name of a responsible person (owner, manager, etc.). The person in whose name the account is listed shall be personally liable for payment of the account. The requirements for residential accounts shall apply for a non-residential account listed in the name of an individual.

3.2 The following procedures apply to residential and non-residential accounts:

- a. The billing department will search the files to determine if there is an existing account for a new applicant. If there is an existing account it must be settled prior to starting a new service.
- b. A customer may move from one address to another and still remain on Town utilities. If the customer's account is current, the balance will be transferred to his or her new account. If the account is delinquent, it must be brought current before the new service is turned on.
- c. In accordance with House Bill 1330 (SL 2009-302), the Town may not suspend or disconnect service to a customer due to an unpaid balance for service incurred by another person who resides with the customer after service has been provided to the customer's household, unless one or more of the following apply:
 - a) The customer and the person were members of the same household at a different location when the unpaid balance for the service was incurred; or
 - b) The person was a member of the customer's current household when the service was established, and the person had an unpaid balance for service at that time; or
 - c) The person is or becomes responsible for the bill for the service to the customer

Also in accordance with House Bill 1330, the Town may not require that in order to continue service, a customer must agree to be liable for the delinquent account of any other person who will reside in the customer's household after the customer receives the service unless one or more of the following apply:

- a) The customer and the person were members of the same household at a different location when the unpaid balance for the service was incurred; or
- b) The person was a member of the customer's current household when the service was established, and the person had an unpaid balance for service at that time.

Lastly, House Bill 1330 enables the Town to use existing remedies and powers to collect debts, irrespective of whether the new provisions described above apply, if a person misrepresents his or her identity in a written or verbal agreement for service or receives service using another person's identity.

- d. At time of connection of service, the customer shall be charged a connection fee as set forth in the Fees and Charges Schedule. This charge will be billed for each service address regardless of the number of services being connected at such address.
- e. The Town is not responsible for any damage caused by connecting or disconnecting utility services unless caused by the sole negligence of the Town.
- f. In order for the Town to protect the identity of its utility customers, the Town will not discuss or disclose any account information to anyone other than the account holder or his/her designee. In order for the Town to disclose any account information, the Town will require verification of identity. Any disclosure of account information to outside agencies will require those agencies to provide a release signed by the customer or his/her designee authorizing release of their utility account information. The exception to this policy will be for authorized agencies providing financial assistance or in response to assisting law enforcement, public safety, fire protection, rescue, emergency management, or judicial officers in the performance of their duties as required by law.

SECTION 4. Selection of Rates

- 4.1 The Town's rates are set by the Town Council and are designed to be fair, reasonable, just, uniform and non-discriminatory. Setting rates locally offers rate regulation responsive to the customers of the system. The Town's goal is to provide the best possible utility service to all customers at a rate which is competitive with other utility providers.
- 4.2 The Town has the responsibility of helping the customer understand its rate schedules, the terms and conditions under which each utility service is supplied, the meter reading process and other reasonable information regarding the utility billing and servicing process.

The Town, upon request, will provide any applicant or customer with a copy of the rate schedule, the Customer Service Policy, or the billing and usage history from their account. All current residential rates are available on the Town's website.
- 4.3 The Town will select the appropriate rate schedule of those available, under which the customer will be billed for each service. Any customer who feels he/she is being billed under an inappropriate rate schedule may appeal to the Town Manager for reconsideration.
- 4.4 When the customer notifies the Town in writing of changes in the customer's operating conditions or other factors which may affect the

- selection of the rate schedule, an investigation will be made by the Town and the customer will be advised if a change in the rate schedule is appropriate.
- 4.5 The Town cannot guarantee that the customer will be served under the most favorable applicable schedule, and no refund will be made by the Town to the customer of the difference in the charge made under the schedule assigned and another more favorable schedule.
- 4.6 New and potential business customers are encouraged to provide the Town Electric Department with the load characteristics of their facility. The Town may require special conditions and contracts for utility services.

SECTION 5. Metering

- 5.1 When meters are installed by the Town to measure utility services used by its customers, all charges for units consumed, except certain base charges, shall be calculated from the readings of such meters.
- 5.2 All metering devices installed for the purpose of metering utility service shall be located on the exterior of structures so that they will be accessible for reading. The type of meter installed at the location shall be determined by the Town based on applicable industry standards.
- 5.3 The customer shall provide suitable space for the installation of the necessary metering apparatus which space shall be:
- a. Substantially free from vibration or obstruction.
 - b. Readily accessible and convenient for testing, servicing, and viewing.
 - c. Such that apparatus will be protected from injury by the elements or the negligent or deliberate acts of persons.
 - d. Located by the Town prior to wiring installation. Meter location will be normal point of delivery, which is the side of the structure on which the transformer or pedestal is located that is designated to serve that structure. It may also be located on the back of the structure within eight feet on the corner on the side of the point of normal delivery. The Electric Director or his designee shall be authorized to make reasonable exceptions to this rule if he finds that compliance will create a substantial hardship or is otherwise impractical.

- 5.4 When a residence is being built on zero lot lines, and the meter is located on the side of the structure that abuts the property line, the Town shall provide conduit from the meter base to Town's transformer or secondary pedestal that is designated to serve it and the customer will pay for cost of conduit.
- 5.5 All electrical metering devices currently installed inside structures for the purpose of metering utility service shall be relocated to the exterior of the structure upon the happening of any of the following events:
- a. When a building, regardless of use, becomes vacant, the owner of such building shall cause the electric meter to be relocated to the exterior prior to electric service being provided to the new occupant.
 - b. When an owner proposes alterations, repairs, or improvements to a structure in the amount of one thousand (\$1,000) dollars or more, the owner shall cause any interior electric meter to be relocated to the exterior in order to continue to receive electric service.
 - c. The Town Manager, or his/her designee, shall be authorized to make reasonable exceptions to this policy where:
 1. Because of the location of the structure on the lot, there is not a location on the exterior where the meter could be located without encroaching on another owner's property, or
 2. When a single owner has multiple structures on the same premises, such as a planned building group, the Town Manager, or his/her designee, shall develop an agreement with the owner providing for the planned relocation of the electric meters in lieu of using the change of occupancy criteria as stated in Section 5.3 of the Customer Service Policy.
- 5.6 The customer shall be responsible at all times for the safekeeping of all Town property installed on the customer's premises, and to that end, shall give no one except authorized Town employees access to such property.
- 5.7 The customer shall be liable for the cost of repairs or damage to the Town property on the customer's property resulting from the negligence or misuse by other than Town employees.
- 5.8 Utilities are supplied by the Town and purchased by the customer upon the express condition that after it passes the delivery point it becomes the property of the customer to be used only as herein provided; and the Town shall not be liable for loss or damage to any person or property whatsoever, resulting directly or indirectly from the use, misuse, or presence of said utility after it passes the delivery point; or for any loss or damage resulting from the presence, character or condition of the lines, equipment of the customer, or for the inspection or repair thereof.

- 5.9 The customer shall be responsible for the maintenance and repair of the customer's lines and equipment.
- a. Water meters larger than 1 inch in diameter will be installed in a standard vault approved by the Town of Edenton. The customer is responsible for constructing and maintaining the vault so that meter readers and maintenance personnel will have safe and easy access to the meter and valves housed inside the vault. The customer will reimburse the Town for the meter and the Town will install and maintain the meter.
 - b. Should the customer fail to maintain the vault as specified above, the Town will notify the customer in writing that repairs are needed. This notice shall include an estimate of the cost of the repairs. If the customer does not repair the vault within thirty (30) days after receipt of the written notification, the Town reserves the right to make the necessary repairs and bill the customer for the cost.
 - c. Should the customer report trouble with the supply of utilities, the Town will endeavor to respond with reasonable dispatch to such call with the purpose only of correcting such trouble as may be in the Town's equipment supplying the customer. If the trouble appears to be in the customer's lines or appliances, the Town's employees may, if requested by the customer, make such inspection of the customer's lines or equipment as the Town's employees are prepared to make, but any inspection of the customer's lines or equipment by the Town's employees is made upon the express condition that the customer assumes the entire and sole risk, liability and responsibility for all acts, omissions and negligence of the Town's employees. The Town retains all responsibility only with respect to the action of its employees in connection with property owned by the Town.

SECTION 6. Meter Reading

- 6.1 It is the Town's policy to read every utility meter each month. The reading dates are scheduled to fall approximately within the same weekly period each month.
- 6.2 If the reading schedule is interrupted (by inclement weather, unusual illness, etc.) to the extent that the reading cycle is as much as three or four days behind, consumption may be estimated. If the cycle has been interrupted the previous month, the policy is not to estimate the same meters two consecutive months.
- 6.3 There are a number of meters inside dwellings and businesses. If the meter reader cannot gain entry, a returnable card is left on the premises requesting that the customer contact the Town to establish a time to allow meter reading personnel access to the meter. If the customer does not

contact the Town, the meter is automatically estimated.

- 6.4 Because the metering system is based on "continuous read" meters, estimating consumption for a one-month period will not affect total consumption over a two-month period.
- 6.5 If a customer requests a rereading of the meter, one free reread will be granted during a 12-month period. If a customer requests additional rereads, a charge will be levied in accordance with Fees and Charges Schedule. If in the opinion of the Billing Manager the rereading confirms the accuracy of the prior reading, the fee shall be charged. If the Billing Manager determines the prior reading was in error, the fee will be waived for the customer. In lieu of requesting a reread, a customer may furnish a current reading in a format acceptable to the Town. If the customer supplied reading, in the opinion of the Billing Manager, indicates an error in the prior reading, an appropriate adjustment will be made. There shall be no charge for correcting bills as a result of customer supplied readings.

SECTION 7. Customer Deposits

- 7.1 The Town requires applicants or customers to make an initial deposit based on the current Utility Deposit Charges Schedule as a guarantee of the payment for utilities used. Deposit requirements are as follows:

	Minimum	Maximum
Water and/or Sewer	\$25.00	\$50.00
Electric (basic)	\$75.00	\$175.00
Electric (total home)	\$150.00	\$350.00

7.2 Residential Customer Deposits

- a. Residential customers will have their credit rating determined by a credit risk assessment made at the time of application for their utilities.

--Acceptable credit shall be defined as established, reported credit history with acceptable pay history for the past twelve months and shall require no deposit.

--Minimal credit shall be defined as no reported credit history or minimal history with questionable payment records and requires the minimum set deposits as specified in Fees and Charges Schedule (minimum deposit shall not exceed \$175.00 for basic residential unit and \$350.00 for all electric residential dwelling unit).

--Unacceptable credit shall be defined as established, reported credit history with an associated history of delinquent collections or unpaid balances. Customers who are determined to have

unacceptable credit will be required to pay a deposit equal to 2 times the minimum deposit as specified in the Fees and Charges Schedule (maximum deposit shall not exceed \$350.00).

- b. Residential customers applying for utility service who make a cash deposit may request to have their deposit credited to their utility account after establishing twelve consecutive months of acceptable credit on the Town's system.
- c. Residential customers with acceptable credit on the Town's system for the past twelve months will not be required to provide an initial deposit at the time of application.
- d. In lieu of a cash deposit, new residential customers subject to the minimum customer deposit will be allowed to furnish an acceptable letter of credit from a public utility providing electric, water and/or gas service stating that the customer's pay history during a recent twelve month period was acceptable. If the letter is not available at the time application for service is requested, the customer may make a temporary deposit, as required in above sections. This deposit will be refunded following the receipt of the letter of acceptable credit by the Town.

7.3 Commercial Customer Deposits

- a. Commercial customers shall, at the time of application for service, pay a deposit equal to two months average bill as estimated by the Town. Six billing periods after initial deposit, the customer's usage and billing may be reviewed and either an additional deposit may be required or a partial refund may be made to reduce the deposit to an average of two months billing. A commercial customer that qualifies as a small business may pay a deposit equal to two months average bill or \$400, whichever is less. After two and one half (2 ½) years of good pay history, a commercial customer and small business customer is allowed and may request a reduction in the amount of the deposit required that will be equal to one month's average bill.
- b. In lieu of a cash deposit, commercial customers may provide the Town with a surety bond or irrevocable letter of credit in the amount

of the specified deposit, written by an insurance company or bank authorized to do business in North Carolina.

- c. If an existing commercial customer does not have a deposit on hand equal to two (2) months average bill and has five (5) years of good pay history relocates to a new premise, then no additional deposit is required provided the new premise is generally equivalent to and used for the same purpose as the previous premise. This exception will not apply to existing customers who wish to add an additional premise. In the case of an additional premise, the full deposit is required. However, if the existing customer has a deposit on hand and has two and one half (2 ½) years of good pay history, the deposit may be reduced to (1) one month average bill for the additional location.
- d. Section 7.3 (a) and (c) is not applicable to commercial customers on a large general service (LGS) rate or Coincident Peak Rates.

7.4 Industrial Customer Deposits

- a. Industrial customers, manufacturers, or processors shall pay a deposit at the time of application for service as specified for commercial customers. Section 7.3(a) and (c) is not applicable to industrial customers.

7.5 Deposits and Service Disconnects

- a. Any customer whose service has been disconnected because the meter, wires, or other apparatus have been tampered with in any manner shall pay such deposit as required to protect the Town from loss of revenue, in addition to penalties and reconnection fees.

7.6 Final Disposition of Deposit

- a. When a customer who furnished a deposit to guarantee payment discontinues service, the deposit will be applied to any unpaid charges due the Town and the balance will be refunded.
- b. 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 the account(s) with a balance.

SECTION 8. Payment Requirements for Utility Services

- 8.1 All bills are due and payable upon receipt. (See Section 13 of the Customer Service Policy for exceptions to these requirements.)
- 8.2 On the date a bill becomes delinquent, the account is charged a 5% late fee on the unpaid balance.
- 8.3 Any bill not paid within twenty days of the billing date is considered delinquent. The delinquent amount will appear on the current month's bill as a previous balance with a notice that the previous balance must be paid within ten days of the billing date or service will be discontinued.
- 8.4 Bills are payable at Town Hall, online at the Town's website, or by telephone or to any collector or collection agency duly authorized by the Town; except that, when service has been discontinued due to nonpayment, payment must be made at Town Hall or online at the Town website or by the Town's 3rd party telephone payment provider. Payments shall be made without regard to any set off or counterclaim whatever.
- 8.5 The Town reserves the right to apply any payment or payments made by the customer in whole or in part to any account due the Town by the customer in connection with the furnishing of utility services.
- 8.6 Any customer disputing the correctness of the bill shall have the right to a hearing as stated in Section 13 of the Customer Service Policy.
- 8.7 Only questions of proper billing will be considered. Requests for delay or waiver of payment will not be considered except under the requirements specified in Section 13 of the Customer Service Policy.

SECTION 9. Credit History

- 9.1 The Town will maintain a confidential credit history on all customers based on payment of utility bills.
- 9.2 The cut-off list will be prepared by the Town each month from customers who fail to pay utility accounts within ten days after billing due date.
- 9.3 Contact with a Customer Service Representative prior to disconnection is always preferable to making arrangements after service is involuntarily interrupted.

SECTION 10. Returned Checks

- 10.1 When a customer's check is returned by the bank on which it is drawn because the bank will not pay or honor the check, for any reason, the customer will be notified that the check was not honored and that a fee will be charged and service will be terminated, on a specified date, unless the check is made good. The full amount of the check plus fees must be remitted in cash, money order or certified check to make the check good.
- 10.2 On the first occasion that a check is returned, the customer will be given five days in which to make the check good. After receipt of two or more returned checks within the previous twelve month period, notification will be given that service will be terminated in five days and the check will be turned over to the proper authorities. If a customer's utility service has been terminated for nonpayment and payment for restoration is made with a check which is subsequently returned, service will be terminated without notification.
- 10.3 When a customer has a check returned, a service charge will apply in addition to any other charges and fees.
- 10.4 The Town reserves the right to require a customer to pay utility bills in cash when three or more returned checks are received during the previous twelve month period.
- 10.5 The Town reserves the right to require a deposit equal to two months of a customer's estimated highest utility bills, when two or more returned checks are received in the previous twelve month period.

SECTION 11. Draft Accounts

- 11.1 The Town makes available a plan that will insure that a bill is never delinquent and that a customer will never have to pay a delinquent charge. At the customer's option, the Town will draft his/her bank account each month for the amount of his bill. The draft will occur within 5 days of the due date on the bill. By allowing the draft, a customer does not forego his right to contest a bill or to have a correction for a billing error. The correction would be made in the form of a refund, a credit, or a charge to the account.

SECTION 12. Voluntary Discontinuance of Service

- 12.1 In order to insure discontinuation of service at a time requested by the customer, notice to the Town in advance is required. When a customer desires to discontinue service, notice must be given to the

Town at least twenty four hours in advance on a work day and the customer will be responsible for all service consumed within the twenty four hours following the time of his/her notice to the Town.

- a. Any customer requesting discontinuance of service will inform the Town's employee of the location, date service is to be disconnected and the forwarding mailing address for the final bill.
- b. Within 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 Town will remain open until the balance is paid.
- c. All legal means of collection for an account in arrears will be taken regardless, even if the account is not in "closed" status.

SECTION 13. Involuntary Discontinuance of Service.

13.1 It is the policy of the Town to discontinue utility service to customers by reason of nonpayment of bill only after proper notice and a meaningful opportunity to be heard on disputed bills.

- a. If the Town plans to interrupt the customer's service due to failure to pay, and if the customer can show that he/she is unable to pay the account in full at once, the customer may make installment payments designed to pay the delinquent account in full within 3 months and to keep all present and future accounts current.
- b. If any customer disputes the accuracy of his/her bill, they have a right to a hearing at which they may be represented in person or by any other person of their choosing and may present, orally or in writing, their complaint and contentions.
- d. Any customer desiring a hearing should contact Town Hall, 400 South Broad Street, Edenton, NC. Hearings are held between 8:00 a.m. and 5:00 p.m., Monday through Friday.
- e. A customer who feels the staff has not followed the Customer Service Policy may appeal to the Town Manager.

13.2 The Town reserves the right to discontinue furnishing utility services to a customer, at any time without notice, upon the occurrence of any one or more of the following events:

- a. Whenever the Town, in its opinion, has reason to cause to believe that the customer is receiving utilities without proper application or that its meter, lines, or other apparatus have in any manner been tampered with.

- b. Whenever, in the Town's opinions, the condition of the customer's lines, equipment and appliances are either unsafe or unsuitable for receiving service, or is a potential safety or health hazard to the Town's property or personnel, or to the public, or when the customer's use of utilities or equipment interferes with or may be detrimental to the Town's electric system or to the supply of electric utilities by the Town to any other customer.
 - c. Whenever, in the Town's opinion, utilities that are being furnished with a line that is not owned or leased by the Town is either not in a safe and suitable condition or is inadequate to receive utilities.
 - d. Whenever the customer has denied an authorized Town representative access to the Town's meter, wires, or other apparatus installed on the customer's premises.
 - e. Whenever, in the Town's opinion, it is necessary to prevent fraud upon the Town.
 - f. For failure of the customer to make a deposit or guarantee payment of charges or to increase a deposit as required.
 - g. For failure to comply with any of the Town's terms and conditions, or with any of the conditions or obligations of any agreement with the Town for the purpose of utilities.
- 13.3 When it becomes necessary for the Town to discontinue utility service for any reason, the Town reserves the right to require payment of all bills for service due, any deposit required by Section 7 of the Customer Service Policy, and the reconnection fee in effect at the time of discontinuance of service.
- 13.4 If a customer is receiving service at more than one location, service at any or all locations may be discontinued if bills for service at any one or more locations are not paid within the time specified by Section 8 of the Customer Service Policy.
- 13.5 The Town will discontinue the supply of utilities to a customer whenever instructed by any public authority having jurisdiction.
- 13.6 The Town reserves the right to discontinue the supply of utilities under any of the above conditions irrespective of any claims of a customer pending against the Town, or any amounts of money on deposit with the City as required in Section 7 of the Customer Service Policy.
- 13.7 Whenever the supply of utilities is discontinued in accordance herewith, the Town shall not be liable for any damages, direct or indirect, that may result from such discontinuance. In all cases where the supply of utilities

is discontinued by reason of violation by the customer of any of the provisions hereof or of any agreement with the Town for the purchase of utilities, there shall then become due and payable, in addition to the bills in default, an amount equal to the monthly minimum charges for the unexpired term of the agreement, not as a penalty, but in lieu of the income reasonably to be expected during the unexpired term of the agreement.

- 13.8 The Town will follow the Federal bankruptcy law when terminating and reestablishing utility service to customers who are in bankruptcy or have filed for bankruptcy with the Bankruptcy court. The Town has the right to demand assurance of payment (a deposit or other security) for future service for any customers in bankruptcy proceedings.

SECTION 14. Notification of chronically or seriously ill, handicapped or on life support system customers

- 14.1 The customer has the responsibility of notifying the Town if there is someone in his/her household who is either chronically or seriously ill, handicapped or on a life support system. The notification must be supplied in writing by the attending medical personnel and must specify the medical need for the utility service. The notification must be renewed annually. The Town will flag the account and tag the meter as medical but this does not prevent the disconnection of service. In that case, the customer has the responsibility of careful handling of his/her account should service become subject to interruption for failure to pay. With the medical alert designation, the Town will make a good faith effort to make personal contact with the customer or member of the customer's household before service is terminated. After the Town has notified a customer with a medical alert designation that service will be interrupted, the customer has 24 hours before the Town will turn off services once notified of the Town intent to interrupt services.

SECTION 15. Reconnection of Utility Service

- 15.1 If utility services have been discontinued for any of the reasons covered by Section 12 or 13 of the Customer Service Policy, the Town shall have a reasonable period of time in which to reconnect the customer's service after the conditions causing discontinuance have been corrected.
- 15.2 If utilities have been discontinued because of improper use, or in the Town's opinion, its meters or lines or other apparatus have been tampered with, the Town may refuse to reconnect the customer's service until the customer has done the following:
- a. Paid all delinquent bills.
 - b. Paid to the Town an amount estimated by the Town to be sufficient

to cover the utilities used but not recorded by the meter and not previously paid for, plus a special reconnection charge

- c. Made such changes in lines or equipment as may be, in the opinion of the Town, proper for its protection.
- 15.3 If utility service has been discontinued by the Town, at the request of any public authority having jurisdiction, the customer's service will not be reconnected until authorization to do so has been obtained from said public authority.
- 15.4 If utility service has been disconnected by the Town for nonpayment of past due bills, the customer's service will be re-instated after payment of the applicable reconnection fee.

SECTION 16. Adjustments to Prior Billings

- 16.1 Whenever it is found that, for any reason other than incorrect calibration, the metering apparatus has not registered the true amount of utilities that have been used by the customer or if nonmetered services are incorrectly billed, billing adjustments will be made as follows:
- a. Overcharge - Payment will be made for the entire interval of the overcharge, if it can be determined, up to the available 24 months of history retained by the Town and subject to applicable statutes of limitations. If the interval cannot be determined, payment will be made for the prior 24 months. Usage and demand (when applicable) will be estimated if exact usage cannot be determined.
 - b. Undercharge - If the interval can be determined, the Town can collect the deficient amount for up to a maximum of 24 months. If the interval cannot be determined, the Town can collect the deficient amount for 24 months preceding the billing date that the error was discovered. If exact usage cannot be determined, usage and demand (when applicable) will be estimated.
 - c. The customer shall be allowed to pay the deficient amount, in equal installments added to the regular monthly bills, over the same number of billing periods during which the undercharge occurred.
- 16.2 A customer who feels he/she has been overcharged for utilities consumption may appeal to the Town Manager.

SECTION 17. Requests for Meter Tests

- 17.1 Meter tests requested by customers will be made in accordance with the following:

- a. The Town will test the customer's meter for accuracy upon request. A fee will be charged to the customer's account for more than one test request in a twelve month period.
- b. Meters in service may be tested by the Town, or any other lawfully constituted authority having jurisdiction. When, as the result of such a test, a meter is found to be no more than two percent fast or slow, no adjustment will be made in the customer's bill. If the meter is found to be more than two percent fast or slow because of incorrect calibration, the Town will re-bill the customer for the correct amount as calculated for a period of such inaccuracy but not more than 12 months and no fee is charged.
- c. The customer, or his representative, may be present when his/her meter is tested.
- d. Upon request, a written report of the results of the test will be made to the customer within ten days after the completion of the test.

SECTION 18. Meter Tampering

18.1 Tampering with utility meters is prohibited by N.C. General Statute 14-159.1 as follows:

- a. 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, or water bypassing a meter provided by an electric or water supplier for the purpose of measuring and registering the quantity of electricity or water consumed.
- b. 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, or water to be diverted from the recording apparatus of the meter shall be 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 unmeasured, unregistered, or diverted electricity or water.
- c. Any person violating any of the provisions of this section shall be guilty of a misdemeanor and upon conviction thereof shall be fined not more than five hundred dollars or imprisoned longer than two years, or both fined and imprisoned, at the discretion of the court.
- d. Whoever is found in a civil action to have violated any provision hereof shall be liable to the electric or water supplier in triple the amount of losses and damages sustained or five hundred dollars,

whichever is greater.

- e. Nothing in this policy shall be construed to apply to licensed contractors while performing usual and ordinary services in accordance with recognized customs and standards.

SECTION 19. Budget Billing Program

- 19.1 The purpose of the Budget Billing Program is to spread the cost of utility services as evenly as possible on a monthly basis over an annual period. This program is designed for those customers who wish to ease the impact of fluctuations in seasonal billings and level their monthly payments. The program does not raise or lower your annual utility billings; it does allow you to plan ahead by establishing a fixed monthly payment amount.
- 19.2 Only qualified residential customers may enroll in the program. In order to qualify, the customer must have an acceptable payment history.
- 19.3 The Town will calculate the Budget Billing Program amount by taking the customer's past 12 months' consumption, apply the current rates plus any expected increases, and divide the result by 11 months. The result is the fixed, equal pay amount due for the utility account for 11 months. If 12 months of consumption is not available, the Town may estimate using available historical data.
- 19.4 The 12th month of the program is the settlement month. During the 12th month, the account will be evaluated and any overpayment will be credited to the customer's account or any underpayment must be paid by the customer.
- 19.5 Utility billings will continue to show the actual consumption and dollar amounts, but the amount due shown will be the Budget Billing Program amount. There will be a summary of Budget Billing Program to actual billing that the customer should closely monitor as this is the running settlement amount. If the customer anticipates that the 12th month settlement amount may be large, they may make payments beyond the equal pay amount at any time and/or contact our office for further evaluation and arrangements.
- 19.6 Should a Budget Billing program customer move to another location within the Town's service area, the customer may continue in the program; however, the Budget Billing Program amount may be adjusted to compensate for additional services or expected changes in consumption.
- 19.7 The program is voluntary. To discontinue in the Budget Billing Program, the customer may call Town Hall at 252-482-2155. Once discontinuing in the program, the customer's next utility bill is the settlement month bill.
- 19.8 Budget Billing Program customers will automatically be re-enrolled in the program annually unless the customer gives notice to discontinue.

19.9 Any late penalty will be applicable to Budget Billing Program customers in the same manner that it applies to non-Budget Billing Program customers.

19.10 If the customer becomes eligible for disconnection, they may no longer be eligible to participate in the program and all charges including the settlement balance become due and payable before utility service(s) is(are) restored. If the customer has a payment returned for insufficient funds, they may no longer be eligible to participate in the program.

19.11 The Town will monitor Budget Billing Program accounts and reserves the right to adjust any equal pay amount where circumstances warrant. The customer will be notified of any necessary change.

SECTION 20. Records and Data

20.1 All customer billing and account data is the property of the Town. Information may be shared at the discretion of the Town with another agency that is included under the limitation of the privacy legislation.

- a. Residential customers. Billing and account information will not be provided to the media, businesses, agencies or individuals not included on the account without the permission of the account holder. Current billing information may be released (without any account history) when it is deemed in the best interest of the Town and the individual account holder in order to aid the account holder in paying the current bill. The Town will share information with assistance agencies for the purpose of assisting the customer with payment on a Town of Edenton utility bill.
- b. Commercial customers. Billing and account information will not be disclosed to the media, other businesses, agencies or individuals without the expressed consent of the individual business account holder.

Section 21. North Carolina Setoff Debt Collection Act

21.1 The North Carolina Setoff Debt Collection Act ("Act")⁷ provides an administrative procedure for the Town to collect amounts due for utility service from the state tax refunds of its customers.

21.2 The Act only applies to debts and refunds of at least fifty dollars. The debt to be paid can be one debt owed the Town or the sum of any number of valid debts owed the Town. Before submitting the debt for collection, the Town must first give the customer notice of its intent and the claim for offset must be finally determined as provided in the Act. The notice must explain the basis for the claim and that the Town intends to apply the customer's state tax refund against the amount owed for

- utility service. The Notice must inform the customer of his rights to contest the matter by filing a request for hearing with the Town within thirty (30) days after the date the notice is mailed. The notice must also state that the failure to request a hearing within thirty (30) days will result in setoff of the customer's debt.
- 21.3 If the customer timely files a written request for a hearing the governing body of the Town, or a person designated thereby (Finance Director), must hold a local hearing. If the customer wishes to dispute the decision following a local hearing, the customer must file a petition for a contested hearing under Article 3 of the Administrative Procedures Act, within thirty (30) days of receiving a copy of the local decision. Further appeals shall be in accordance with the Administrative Procedure Act, except that the place of initial judicial review will be the Superior Court for the county in which the customer resides.
- 21.4 If the Town has complied with the notice provisions and the debt has been finally determined to be owed, the Town may submit the debt for collection by setoff. The debt must be submitted through a clearing house established pursuant to an inter-local agreement or through the North Carolina League of Municipalities. A collection assistance fee of no more than fifteen dollars (\$15.00) is imposed on the customer on each debt collected through setoff. The claimant agency must notify the Department of Revenue in writing and supply information necessary to identify the customer. If the Department of Revenue determines that the customer is entitled to a refund of at least fifty dollars, then the Department of Revenue must setoff the debt owed the Town against the refund. The Town must notify the Department of Revenue when a debt has been paid or is no longer owed. The amount to be setoff is subject to the priorities and claims of other agencies, with the Department of Revenue having priority over all other claimants and State Agency having priority over local agencies.
- 21.5 While the Act provides an alternative way to collect past due utility bills, it is suggested that it be a remedy used together with other debt collection methods. The collection proceedings under the Act do not toll the statute of limitations covering the collection of the debt. Therefore, alternative debt collection efforts must still be pursued in a timely fashion.