

Division of Accounting -Policies and Procedures Manual
Standard Policies and Procedures

1.0 Purpose

In order to protect the rate payers of Englewood Water and Gas (EW&G), standard collection policies must be followed consistently. While EW&G is a non-profit entity, it must protect its financial integrity in order to maintain rates as low as possible. Because of the nature of the utility industry, all customers in our service area must be serviced. This fact requires that collection efforts be diligently administered on a daily basis.

2.0 Daily Collections

Listings of delinquent accounts will be generated by collecting support personnel daily. This list will not be generated until all night depository and mail receipts have been processed.

3.0 Pay Agreements

From time to time customers may experience financial difficulties rendering them unable to pay the entire amount due for their utility service. This situation may be especially aggravated during the winter months. EW&G provides pay agreements as a mechanism to assist these customers in satisfying their obligation. Request for pay agreements will be taken by the City Hall personnel. Upon payment of a certain percentage that will be based on the amount of the past due bill, the customer may be granted an amount of time that the Town Manager deems to be fair to pay the remaining balance. City Hall personnel will complete a pay agreement form for all extensions granted, and customers will be required to initial each of the provisions on the form. They will be required to provide picture identification and sign the pay agreement document acknowledging their agreement with its provisions. Failure to honor terms of a pay agreement precludes the availability of future pay agreements. Pay agreement forms will be forwarded to collection personnel where they will be maintained. Customers whose accounts have been disconnected for nonpayment will be allowed to execute a pay agreement only upon approval of the City Hall personnel. Collections personnel will maintain all records pertaining to pay agreements... These will be organized by due date as identified on the pay agreement form. Maintenance personnel will disconnect service for customers' failure to honor the covenant of the pay agreements. City Hall personnel will maintain records identifying customers that have failed to honor pay agreements. From this and information a listing of customers ineligible for future pay agreements will be prepared and forwarded to all City Hall personnel. City Hall personnel will add notes to customers' accounts identifying them as ineligible for future pay agreements.

4.0 Collections

Collections personnel will generate a listing of all past due accounts each day. From this information a list of all accounts in disconnect status will be prepared. Accounts appearing on the cut-off list for the first time will be turned off if they can not be contacted, but will not have to pay the re-connect fee. The maintenance personnel will communicate decisions to City Hall personnel so the decision can be properly documented. Pay agreements are not available to customers once service has been disconnected for nonpayment unless approved by the Town Manger. Maintenance personnel will report each day's activities to City Hall. City Hall personnel will prepare a listing of all accounts that have been disconnected for nonpayment prior to the close of each business day.

5.0 Reconnections

Once a service has been disconnected for nonpayment, the entire amount due plus a reconnect fee must be satisfied before the service may be reconnected. Customers paying a utility bill for disconnect accounts may have service reconnected in the current business day... the fee to have service reconnected in the current business day is \$35.00. The fee for customers agreeing to wait until the following business day to have the service reconnected remains at \$35.00. Every effort will be made to have the service reconnected as early as possible.

6.0 Unauthorized Service Restoration and Meter Tampering.

EW&G will consider the unauthorized restoration of service by any person to be a serious offense. Unauthorized persons will not tamper with, remove, reconnect or disconnect any meter service connection, or any device attached to any meter or service connection. Tampering with any of these items will result in a fee per occurrence **TCA 65-35-102 (3)**. Any person violating the provisions of TCA 65-35-102 is liable civilly for damages resulting from such violation, including actual compensatory, incidental and punitive damages. The damage shall be three (3) times the utilities estimated loss of revenue, plus reasonable attorney's fees and cost associated with such loss. TCA 65-35-104 (a) (b). Any EW&G personnel observing evidence of meter tampering will report the tampering to City Hall personnel. Once the tampering verified, the service will be disconnected by removing the meter from the meter or locking the meter, whether the account is current or past due. The meter tampering fee, any past due balance and the appropriate reconnect fee must be paid before the service may be reconnected.

7.0 Discontinuance of Service

EW&G reserves the right to discontinue service to any residence or business within its service for any of the following reasons:

1. Nonpayment of bill or any charges.

2. Partial payment of bill or other charges not specifically identified by payment agreement;
3. Failure to comply with the utility rules, regulations or policies;
4. Any threat to public health on the customer's premises which may endanger other persons;
5. Tampering with utility equipment or unauthorized use of service;
6. In the event that a customer has allowed more than one service per meter.

For the benefit of the customer, normal service cut-offs will not be made on Friday or on the day immediately preceding a holiday. In the following situations the utility reserves the right to discontinue service without customer notice:

- (a) When in the opinion of the Town Manager a situation exists that may endanger Public;
- (b) Where there is evidence of tampering with the utility equipment or stealing of service;
- (c) Where it is discovered that a misrepresentation of identity was made in obtaining Service.

Utility bills are recurring charges. Failure by the customer to receive a utility bill will not entitle the customer to be relieved of payment. Discontinuance of service by the utility shall not release the customer from liability for service already received or from liability from payments that thereafter become due under the minimum bill provisions or other provisions of the customer's contract. EW&G shall not be liable for any loss or damage resulting from the discontinuance of service. A landlord shall not use the discontinuance of service to his or her property to force a tenant or occupant to surrender possession of the property.

8.0 Final Notices

A final notice will be mailed to all customers whose payments are not received by the due date. This notice will advise the customer that service may be disconnected if payment in full is not received within ten (10) days of the due date printed on the notice.

9.0 Disputed Bills

When a customer receives a final notice and considers the bill to be incorrect, the customer may request a review of the bill. To request a review, the customer must contact any City Hall personnel in person within five days after the date of the final notice. The customer's service will not be disconnected for failure to pay a disputed bill until the investigation of the customer's complaint has been completed. The city Hall employee taking the dispute request will advise the maintenance personnel of the customer's complaint. The Town Manager will determine whether or not an adjustment is appropriate. All customer bill complaints will be resolved, and the customer advised of the outcome of the investigation, within five business days of receipt of the complaint. If the investigation reveals that the customer's complaint is invalid, the customer will be

allowed five days from the date they are advised of the outcome to pay the total amount due. A first class mailing to the customer's last known address constitutes notification. After that time, service may be interrupted. City Hall personnel will inform customers of the steps that will be taken and when the customer should expect the dispute to be resolved. Customers may take the dispute to the board of commissioners if they feel management has not adequately resolved the dispute. The customer must provide written notice to the Town Manager of his/her intent to have the dispute heard by the Board of Commissioners. Such request will not delay discontinuance of service.

10.0 Customer's Responsibility

The customers whose names appear on the application for service are the customers responsible for payment of all charges. These customers are also responsible for any rules or policy violations that occur regarding the utility service to that property. Personal participation by the customer in any such violation shall not be necessary to impose personal responsibility on the customer. In the event any customer fails to pay any utility fee or charge, the customer shall pay all cost of collection including court costs and reasonable attorney's fees incurred by EW&G in collecting sums.

11.0 Refusal Service

EW&G reserves the right to refuse to render service to an applicant or to any member of an applicant's household who is living at the same address whenever such persons are delinquent on any payment to EW&G or has his or her service discontinued because of a violation of the regulations or policies of EW&G. This service will be refused until all amounts owed to EW&G are paid in full. Upon payments of all amounts owed, service will be rendered.

12.0 Customers not Subject to Discontinuance of Service

EW&G shall not discontinue the service to any customer on a life support system or dialysis machine in accordance with this policy. It is the responsibility of the customer to notify EW&G if service discontinuance would be life threatening. This notification must be accompanied by written acknowledgement of appropriate health care providers that the customer is dependant on life support. After notification, EW&G will flag the customer's account as an "EMERGENCY MEDICAL SERVICE" to ensure that the service is not cut off. If an emergency medical customer cannot pay a bill or other charge, it shall be the customer's responsibility to find a social service agency or charitable group to assist the customer to prevent the eventual discontinuance of service for payment. Service for emergency medical service accounts will be provided a thirty day notice once a utility bill has become delinquent. The service will be disconnected for nonpayment after the thirty days have lapsed. However, personal contact with the customer must be made before the service may be disconnected.

13.0 Service Termination at the Customer's Request

The customer in whose name the service is furnished may request termination of service by mail or in person at the EW&G office. No telephone requests for cut-offs will be honored. Each customer must give a minimum of seven days notice to EW&G of service termination. The customer will be responsible for all charges which accrue to the end of the seven-day period. Mail request must be signed by the customer in whose name the service was provided. Customers requesting disconnection in person must provide identification unless employees accepting the request know the individual making the request. At the time the request for termination of service is made, the customer must provide a forwarding address.

14.0 Record Retention Requirements

All records regarding collections, discontinuance of service and reconnections shall be maintained for a minimum of seven years.