

<b>Title</b> Leak Adjustments		<b>Number</b> CS-310.6	<b>Rev. no.</b> 1
<b>Responsibility</b> Customer Service Branch		<b>Supersedes</b> N/A	<b>Pages</b> 4
<b>General Manager/CEO Approval</b>  Mami Hara		<b>Approved</b> February 26, 2018	<b>Effective</b> March 1, 2018

## 1. PURPOSE

This Director's Rule establishes the qualification criteria and administrative process for issuing billing adjustments to a retail customer's water or sewer utilities service bill due to certain water leaks.

## 2. DEFINITIONS

*aboveground leak.* A leak on any outdoor water pipe or appurtenance including irrigation system accessories, and outdoor faucet leaks.

*crawl space leak.* A leak on a water pipe or appurtenance underneath the bottom floor or foundation of any structure on the retail customer's property.

*high consumption.* A property's higher-than-average metered water consumption as evidenced by a customer's utility service bill. For the purposes of this rule, higher than average water consumption is considered approximately 50 percent or more than the previous year's usage for the same periods of time.

*normal consumption.* For purposes of this rule, normal consumption is defined as the retail customer's consumption levels for the same billing period from the prior year. If prior water consumption data is not available, SPU may consider post-repair consumption or best available data.

*retail customer.* Owner of residential or commercial property within the Seattle Public Utilities retail water distribution service area or the sewer service area. It does not include wholesale water customers.

*underground leak.* A leak on any buried or submerged water pipe or appurtenance outside the foundation of any structure on the retail customer's property.

## 3. RULE

### A. Eligibility for billing adjustments to water service bills

1. A retail customer is eligible for a billing adjustment to a water service bill due to an underground leak only and after the requirements in section 3.C have been met.

2. A retail customer is not eligible for a billing adjustment to a water service bill due to circumstances caused by, but not limited to, the following:
  - Faulty toilets; other plumbing, fixtures or appliances; and crawl-space or basement leaks
  - Discolored water
  - Theft, negligence, or vandalism
  - Unexplained high consumption
  - Any aboveground leaks including irrigation system valves, timers, sprinkler heads, backflow devices, hoses, outdoor faucets or any other accessories

## **B. Eligibility for billing adjustments to sewer service bills**

### **1. Underground and Crawl Space Leaks**

A retail customer is eligible for a billing adjustment to a sewer service bill due to an underground or crawl space leak after the requirements in section 3.C have been met.

A retail customer is not eligible for a billing adjustment to a sewer service bill for an underground leak due to the circumstances listed in section 3.A.2 or for a broken side sewer.

### **2. Aboveground Leaks**

A residential retail customer is eligible for a billing adjustment to a sewer service bill due to an aboveground leak that does not enter the wastewater system and after the requirements of section 3.C have been met.

A residential retail customer is not eligible for a billing adjustment to a sewer service bill for an aboveground leak due to circumstances caused by, but not limited to, the following:

- Faulty toilets; indoor fixtures, faucets and appliances
- Discolored water
- Theft, negligence, or vandalism
- Unexplained high consumption

A commercial retail customer is not eligible for billing adjustments to aboveground sewer leaks.

## **C. Requirements for billing adjustments**

1. The retail customer has provided notice to SPU of the underground, aboveground, or crawl space leak, and any other information reasonably requested by SPU, in a form acceptable to SPU to determine eligibility for a bill adjustment within six months of receipt of the initial high consumption bill. For aboveground leaks this will include documentation that the water from the aboveground leak did not enter into and was not treated by the wastewater system.

2. The retail customer has completed the repair, replacement, or cut-and-cap of the buried or submerged water pipe or appurtenance for underground leaks, or outdoor water pipes or appurtenances for aboveground leaks within six months of receipt of the initial high consumption utility bill. A delay of repairs beyond the time periods under this section may be considered a violation under SMC 21.04.310 and SMC 21.04.320.
3. SPU has inspected and approved the repair, replacement, or cut-and-cap of the buried or submerged water pipe or appurtenance on the retail customer's property prior to backfilling for an underground leak, or of the outdoor water pipe or appurtenance upon request by SPU for aboveground leaks.

#### **D. Administering the billing adjustment**

Upon confirmation that a retail customer is eligible for a billing adjustment under section 3.A or 3.B and has met the requirements in section 3.C, SPU will adjust the relevant utility service bills as follows:

1. Water service bills: A 50 percent adjustment of the excess water usage above the normal consumption level for up to a maximum of two utility service bill periods.
2. Sewer service bills: A 100 percent adjustment of the excess wastewater volume usage above the normal consumption level for up to a maximum of two utility service bill periods.
3. Billing adjustments will be calculated and posted to the retail customer's account in a prompt manner. If a retail customer is outside of the SPU sewer service area, only a water service bill adjustment may be made.
4. The final billing adjustment amount will be conveyed to the customer by letter.

#### **E. Waiver**

In limited or exceptional circumstances, and when it is in the best interests of the utility, the General Manager/CEO or authorized designee, may modify the requirements of this rule to allow for a billing adjustment due to improper notification of an on-property water leak, or to prevent unreasonable and unintended penalties on the customer. In such instances, the GM/CEO or authorized designee will document in writing the circumstances and reasoning for the modification.

### **4. ROLES AND RESPONSIBILITIES**

#### **A. SPU is responsible for:**

- Professional and courteous response to a retail customer's request for an adjustment.
- Timely response for inspection, approval, and denial of repairs.
- Uniform, consistent, and equitable application of this rule.
- Educational outreach to the public on how to check for a leak.
- Review, calculation, and posting of an approved leak adjustment to the customer's account.

- Providing customers the ability to seek redress of final decisions through SPU policy CS-104, Customer Billing and Service Disputes within the Customer Service Retail Branch.
- Recusal by a SPU employee from approving, calculating, or posting any leak adjustment where the employee is related to the retail customer or may have a financial interest in the property, or under any other conflict of interest policy that may be in effect for SPU employees from time to time

**B. Customer is responsible for:**

- Repairing the leak within six months of receipt of the initial high-consumption utility service bill.
- Requesting a SPU inspection of the repair, replacement, and/or cut-and-cap of the water line or other related underground pipe prior to backfilling.
- Requesting an adjustment due to high consumption on the water and sewer utility service bill after SPU's approval of the repair.
- Paying all undisputed utility service bill charges or the property may be subject to credit and collection activity that could include termination of the water service.

**5. AUTHORITY/REFERENCES**

- SMC 3.32.020, Adoption of rules
- SMC 21.04.310, Owner's responsibility for maintenance
- SMC 21.04.320, Wasting water and other unlawful uses
- SMC 21.04.410, Accounts of charges and penalties
- SMC 21.28.100, Adjustments to wastewater volume charge
- SMC 21.28.350, Refunds of wastewater charges
- Policy CS-104, Customer Billing and Service Disputes Within the Customer Service Branch
- Director's Rule FIN-210.1, Standard, Connection and Administrative Charges – Sewer
- Director's Rule FIN-210.2, Standard, Connection and Administrative Charges – Water