

**CITY OF WASECA
UTILITY BILLING POLICY &
PROCEDURES**

Adopted by Council on September 6, 2011. Resolution No. 11-42.

Contents

Section 1. Utility Billing Policy	3
Section 2. Utility Billing Information	3
Section 3. Utility Billing	3
Section 4. Rate Ordinances	3
Section 5. Monthly Utility Bill.....	4
Section 6. Extra Service Bills	4
Section 7. Billing Cycle	4
Section 8. Delinquent Accounts and Disconnection of Service	5
Section 9. Municipal Utility Service Application.....	6
Section 10. Utility Deposit.....	6
Section 11. Utility Deposit Refund	8
Section 12. Credit Refunds and Balance Write-offs	9
Section 13. Disputed Utility Bills	9
Section 14. Payment Plans.....	10
Section 15. Payments.....	10
Section 16. Service Charges.....	11
Section 17. Landlord/Tenant Policy.....	11
Section 18. Requests for Information.....	12
Section 19. Definitions	12
Section. 20. Effective Date.....	13

Section 5. Monthly Utility Bill

The Utility Billing office shall provide each municipal utility customer a combined monthly municipal utility bill which shall include the fixed monthly customer charges as well as charges incurred by the customer for regular monthly water, sewer, and electric services or any combination thereof, plus any fees, taxes, penalties or previous balances. Each municipal utility shall be designated as a separate entry on the billing statement. Bills for municipal utility services provided shall be issued monthly by Waseca Utilities, and are required to be paid monthly in full by the customer.

Section 6. Extra Service Bills

Billings for any extra services, installation charges or other special charges shall be billed in accordance with the applicable utility or service rate resolution and shall be included on the appropriate monthly billing statement or as a separate bill.

Section 7. Billing Cycle

a) Meter Reading Date

- 1) Typically, meters shall be read between the 12th and 17th day of the month.
- 2) Most utility meter readings are obtained once a month through radio read frequency.
- 3) In the event that we are unable to obtain a meter reading, the consumption will be estimated by Utility Billing staff.

b) Billing Period

- 1) Monthly billings shall be mailed within thirty (30) calendar days following the dates of service in which municipal utility service is provided.
- 2) Utility bills are mailed at the end of each month.
- 3) The date the bill is created shall be known as the billing date.
- 4) The bill shall be due and payable in full by the fifteenth (15th) day of the next month after the billing date.
- 5) The fifteenth day (15th) of the next month following the billing date shall be known as the due date.
- 6) If the due date falls on a holiday, Saturday or Sunday the due date shall be on the first business day following the holiday or weekend.

c) Delinquent Date

- 1) If a bill is not paid in full on or before the due date, a late fee equal to ten percent (10%) of the current billed amount less sales tax shall be added to the charges.

- 2) The first business day following the due date shall be known as the delinquent date.
- 3) Late fees shall not be refunded unless a customer agrees to sign up for the automatic bank payment program. This sign up must occur prior to the due date of the next monthly utility bill following the month in which the late fees were incurred.

Section 8. Delinquent Accounts and Disconnection of Service

- a) Any customer whose utility bill remains unpaid in full by the fifth (5th) day of the month after the due date shall receive a Notice of Past Due Balance and Disconnection of Service by first class US mail, requiring full payment of the past due balance within twenty (20) calendar days of the date of the notice.
- b) Failure to make full payment, or arrange and sign a mutually agreed upon payment plan as outlined in the notice, will result in disconnection of the customer's electric service on the disconnect date listed in the notice. Utilities will be shut off or discontinued as provided in City Code 50.04.
- c) Disconnection will not occur on Fridays, Saturdays, and Sundays or on the day before a City observed holiday.
- d) The City of Waseca complies with all requirements and guidelines as provided in Minnesota Statute 216B.097, Cold Weather Rule for Municipal Utilities. The most current version of the Cold Weather Rule shall prevail.
- e) Any customer who is disconnected for non-payment shall not be reconnected or reinstated until payment of all charges, fees, and deposit as outlined in the Notice of Past Due Balance and Disconnection of Service.
- f) Reconnection will only occur between the hours of 9:00 a.m. and 3:00 p.m., Monday through Friday, excluding City observed holidays.
- g) Payment must be received in the Utility Billing office before 3:00 p.m. for a same-day reconnection. If payment for reconnection is made after 3:00 p.m., reconnection will occur on the next business day.
- h) The City of Waseca does not accept personal or business checks for reconnection payment.
- i) If payment for reconnection does not occur within fourteen (14) calendar days of the date of disconnection, the account will be closed and a final bill issued. Any currently held deposit will then be applied to the outstanding balance on the final bill.
- j) Failure to pay the final bill by the due date will result in referral of the account to a collection agency or attorney for collection on a case-by-case basis.
- k) Reestablishment of service by the disconnected customer at the same or another service address shall be treated as a new account and will be subject to the deposit requirements as outlined in Section Ten (10) of this policy.

- l) The City of Waseca reserves the right to assess delinquent water, sewer, and electric charges incurred by the property owner against the property with the county through the approved legal process for assessment, according to all state and local laws.

Section 9. Municipal Utility Service Application

- a) Any person, firm or corporation desiring to establish any municipal utility service or combination thereof shall make application for said service(s).
- b) Applicants must be at least eighteen (18) years of age.
- c) The application shall be on such form(s) as may now or hereinafter be prescribed by the appropriate utility.
- d) The application shall include the applicant's name, spouse name or names of other adults living in the residence, service address, mailing address, landlord's name, telephone number and personal identification number (e.g., social security number, driver's license number and date of birth) or federal identification number (businesses), employment information and signature of the party responsible for payment.
- e) Persons applying on behalf of others or acting as an agent for others may provide the required information provided such agent agrees to assume responsibility as provided on the application for utility service.
- f) Two (2) forms of identification are required at the time of application for utility service. At least one form of identification must include a photo. Acceptable forms of identification include, but are not limited to: driver's license, state issued identification card, social security card, work badge or other photo identification card, insurance card, and bank credit/debit card.
- g) Each service location shall be considered a separate account.
- h) In the event of death or divorce requiring a name change on the account, a new application is required.

Section 10. Utility Deposit

a) Account Deposit

- 1) Any customer who establishes water, sewer and/or electric service shall be required to pay an initial utility deposit at the time of the application.
- 2) In the event of spouse death or divorce, a requested change of name will be allowed with no additional deposit required.
- 3) Residential deposits shall be collected in accordance with the deposit amount established by the specific rate ordinance, policy or resolution adopted by the City.

- 4) Commercial deposits shall be based on an average of twelve (12) month's prior monthly utility bills.
- 5) Utility deposits shall be maintained in a separate City account and held as security for the payment of municipal utility bills.
- 6) The utility deposit once so established shall be considered a combined utility deposit for the benefits of any and all municipal utilities received by the customer.
- 7) Utility deposits shall not be required for federal, state or local government agencies.
- 8) Credit references or a letter of credit will not be accepted in lieu of deposits.
- 9) The City of Waseca reserves the right to require a deposit for existing customers without an existing deposit when moving to a new service address if the customer has not established a payment history of twelve (12) consecutive on time payments.
- 10) The City of Waseca reserves the right to require larger deposits at our discretion when a customer has been identified as a credit risk for failing to pay off a previous utility account with the City of Waseca or failing to make twelve (12) consecutive on time payments on a utility account with the City of Waseca.
- 11) The customer must pay all delinquent accounts in full for service to be provided or continued at another location.
- 12) The City of Waseca reserves the right to require a deposit when a customer returns to our Utility Billing system if the time elapsed between services dates for that customer exceeds six (6) months.

b) Deposit Interest

1) All deposits will earn interest at the rate established by the State of Minnesota, Statute 325E.02 (b), published annually on the Minnesota Department of Commerce website. This rate will be adjusted annually on the first day of each year. Accrued deposit interest shall be paid to the customer annually, on the last day of each year, as a credit to their utility account.

c) Deposit Application: Service Termination

1) In the case of default on the utility bill resulting from the termination of services, the utility deposit shall be credited to any unpaid balance relative to the total bill.

d) Reconnect Deposit

1) Prior to restoration of municipal utility service, any residential customer whose service has been disconnected or discontinued due to non-payment shall be subject to an increased service deposit equal to one half of the current deposit amount, until the deposit held on the account reaches the maximum of \$500.00.

2) In the event an account has no deposit on record, the residential customer is required to pay an initial deposit, as established by the specific rate ordinance, policy or resolution adopted by the City, before utility service will be restored.

3) Prior to the restoration of municipal utility service, any commercial customer whose service has been disconnected or discontinued due to non-payment shall be subject to an increased service deposit equal to one half of the current deposit amount until the deposit held on the account reaches the maximum of three (3) times the initial commercial account deposit for that customer.

4) In the event a commercial account has no deposit on record, the commercial customer is required to pay an initial deposit equal to an average of twelve (12) month's prior monthly utility bills before utility service will be restored.

e) Deposit Transfers: Customer to Customer

1) Utility deposits may be transferred from one customer to another upon both the transferor and transferee signing the Waseca Utilities Deposit Waiver.

2) The City must receive full payment of any amounts due as of the due date of the final bill before a deposit will be transferred.

3) If the original final bill is not satisfied by the transferor, the transferee will be responsible for payment of the deposit as outlined in Section Ten (10) of this policy.

f) Deposit Transfers: Service Address to Service Address

1) In the event that a customer moves to a new service address, the deposit will be transferred to the new service address.

2) The City must receive full payment of any amounts due as of the due date of the final bill for the previous address before a deposit will be transferred.

3) If the final bill for the previous address is not satisfied, the customer will be subject to disconnection of their utilities at their new address until the final bill for their previous address is paid in full, and the City of Waseca reserves the right to charge a higher deposit for that customer. The customer is responsible for payment of the difference needed to bring the deposit to the required amount. Any unpaid balance for the previous address must be satisfied and the new deposit amount paid for continued utility service at the new address.

Section 11. Utility Deposit Refund

The municipal utility deposit will be refunded to the customer in accordance with the following provisions:

- a) Upon completion of twelve (12) consecutive months of payment history with no penalties or late charges. Said deposit refund, plus accrued interest, shall be credited to the customer's utility account.
- b) Upon termination of municipal utility service and payment of all amounts owed. The amount shall be applied in the same manner as the deposit application for service termination as outlined in Section Ten (10) of this policy.

Section 12. Credit Refunds and Balance Write-offs

- a) Any credit amount in excess of \$5.00 remaining on a customer's utility account after the final bill has been created shall be refunded to the customer in the form of a check issued by the City of Waseca.
- b) Any credit amount of \$5.00 or less remaining on a customer's utility account after the final bill has been created shall be retained by the City to cover administrative expenses.
- c) Account balances in excess of \$25.00 that remain on a customer's utility account for more than thirty (30) days after the final bill has been created shall be referred to a collection agency for collection.
- d) Account balances of \$25.00 or less that remain unpaid for more than thirty (30) days after the final bill has been created shall be written off as uncollectible.
- e) Previously written off account balances must be paid in full if said customer should apply to obtain utility service from the City of Waseca in the future.

Section 13. Disputed Utility Bills

Any dispute regarding a customer's utility bill shall be directed to the Utility Billing office staff for resolution, as outlined below, within thirty (30) calendar days of the mailing date of the bill or notice in question.

- a) Customers may obtain a Utility Bill Appeal Form at the Utility Billing office. The customer's written request for appeal, along with any supporting documentation, will be submitted to the Utility Billing Supervisor for review and investigation.
- b) The Utility Billing supervisor's written decision will be mailed by USPS first class mail to the customer at the mailing address supplied by the customer on the Utility Bill Appeal Form.
- c) If the customer still believes the bill is incorrect, the customer must submit his or her request for further review in writing to the Utility Billing office no later than fifteen (15) calendar days after the postmark of the Utility Billing Supervisor's written decision.
- d) The Utilities Director will review the initial appeal, any supporting documentation, and the Utility Billing Supervisor's written decision. Upon completion of this review, a written decision from the Utilities Director will be mailed by USPS first class mail to the customer at the mailing address supplied by the customer on the Utility Bill Appeal Form.
- e) All decisions of the Utilities Director will be final.

Section 14. Payment Plans

- a) Customers that are unable to pay their utility bill by the due date are encouraged to contact the Utility Billing office to arrange a mutually agreed-upon payment plan, with the goal of the payment plan being to bring a customer's account current. Utility Billing staff has the right to reject a proposed payment plan if it is determined not to achieve the goal of bringing a customer's account current.
- b) If a customer fails to comply with any term and/or condition contained within the signed payment plan, the customer shall be subject to disconnection of their electric service.
- c) From October 15th through April 15th, the City of Waseca acknowledges and complies with payment plan guidelines as outlined in Minnesota Statute 216B.097, Cold Weather Rule for Municipal Utilities. The most current version of the Cold Weather Rule shall prevail.

Section 15. Payments

- a) **Auto-Pay**
 - 1) Waseca Utilities offers an automatic bank withdrawal payment option. After enrollment in this program, monthly utility payments will be deducted on the 15th of each month from the customer's designated checking or savings account.
 - 2) If the 15th falls on a weekend or a holiday, then the deduction shall be taken on the first business day following the holiday or weekend. After two returned Automated Clearing House payments, the customer shall be removed from the automatic bank payment plan at the City of Waseca's discretion. Reinstatement may be requested after twelve (12) consecutive on time full payments.
- b) **By Mail**

Mail payments to the City of Waseca, 508 S. State Street, Waseca, MN 56093. Payments must be received by the City of Waseca on or before the due date. The City of Waseca does not accept or hold post dated checks.
- c) **In Person**

Make your payment at the Utility Billing office in City Hall.
- d) **By Phone**

Debit or credit card payments (Visa, MasterCard and Discover) are accepted over the phone. The card service fee will be paid by the City of Waseca.
- e) **Drop Boxes**

Drop box locations may be changed by the Utilities Director. Current locations include:

 - 1) Inside front door of City Hall, 508 South State Street
 - 2) Drive through on north side of City Hall, 508 South State Street
 - 3) Hy-Vee grocery store customer service area, 1230 North State Street

Section 16. Service Charges

The following additional fees shall be charged for services provided by the municipal utility:

- a) Utility fee for disconnection/reconnection of service due to nonpayment of bill and/or deposit, as established by the specific rate ordinance, policy or resolution adopted by the City.
- b) Returned item fee for all checks and/or Automated Clearing House payments, as established by the specific rate ordinance, policy or resolution adopted by the City.
 - 1) The customer shall pay by cash, debit/credit card, cashier's check, or money order the amount of the returned item(s) plus the corresponding returned item fee.
 - 2) After two returned checks and/or Automated Clearing House payments, the customer shall pay all current and future payments by cash, debit/credit card, or money order.

Section 17. Landlord/Tenant Policy

- a) The City of Waseca recognizes the rights and duties of landlords and tenants as outlined in federal law, state statutes, local ordinances, safety and housing codes, common law, contract law and a number of court decisions.
- b) Information can be obtained from the Minnesota Attorney General's web site: www.ag.state.mn.us/Consumer/Housing/Default.asp or from the handbook Landlords and Tenants: Rights and Responsibilities, written and published by the Minnesota Attorney General's office.
- c) Notification for the establishment of utility service at a rental service address may be made by either the landlord or tenant to the Utility Billing office.
- d) Scheduling of a meter reading for termination of service can also be made by either landlord or tenant to the Utility Billing office.
- e) If an account holder fails to notify the Utility Billing office of their request to discontinue service, the account holder will continue to be responsible for any and all charges incurred while the account is in their name, even if they are no longer residing at the service address, until such time as they notify the Utility Billing office that they wish to discontinue service.
- f) Billing of the utilities at a rental property shall revert back to the landlord between tenant occupancy based on the notification guidelines outlined above.
- g) Utility charges incurred by the account holder remain the responsibility of the account holder after termination of service, and do not transfer with the property.
- h) The Utility Billing office will not mediate disputes regarding billing issues between a landlord and tenant.
- i) The lease or rental agreement between the landlord and tenant does not represent an agreement for utility service between the City of Waseca and the tenant.

Section 18. Requests for Information

- a) In accordance with Minnesota Statute 13.685, municipal electric customer utility data, and all other utility data associated with an electric account, is considered private and will only be released to the current account holder at a property, unless said account holder has signed a written consent for release authorizing the City of Waseca to share that information.
- b) Consent for release of information forms are available from the Utility Billing office.
- c) The request for information must be made in writing and the customer making the request may be billed, based on the City of Waseca Data Charges policy, if the request is not routine in nature, as determined by the Utility Billing staff.

Section 19. Definitions

For purposes of this policy, the following words and phrases shall have the meaning as defined by this section.

Bill	The statement of account for municipal utility services provided by the city to a customer and due and payable by the due date of the bill to the City by the customer.
City	The municipality known as the City of Waseca, and any designated agent authorized to act on behalf of the City.
Customer	Any person, firm, corporation or entity to which the municipal utility services are provided.
Delinquent Customer	Any person, firm, corporation or entity who fails to pay any current charges or portion thereof for any municipal utility by the due date of the bill.
Municipal Utilities	Water, wastewater, and/or electric services, departments or systems of the City of Waseca or any combination thereof.
Past Due Amount	Any current charges or portion thereof for any municipal utility which remain unpaid past the due date of the bill on which such current charges first appear.
Disconnect	The utility services shall not be made available to any person, firm, corporation or entity due to non-payment.

Payment Plan A signed written agreement between customer and the City allowing the customer to make payments to the City to pay any current or past due charges or portion thereof for any municipal utility by a mutually agreed upon date.

Day Calendar day unless otherwise specified in this policy.

Section. 20. Effective Date

This Utility Billing policy shall be in full force and effect from October 1, 2011.