

AGENDA



Thursday, March 5, 2009

**Austin Energy
RECOMMENDATION FOR COUNCIL ACTION****Item No. 3**

Subject: Approve an ordinance amending City Code Chapter 15-9 as it relates to utility service contracts and the adjustment of utility bills.

Fiscal Note: There is no unanticipated financial impact. A fiscal note is not required.

For More Information: Kerry Overton, Deputy General Manager, 322-6113; Andy Perny, Assistant City Attorney, 322-6277.

Boards and Commission Action: Recommended by the Electric Utility Commission.

The proposed amendments to the utility service regulations set forth in City Code Chapter 15-9 will (1) clarify that the service regulations are part of the customer's service contract with the City and (2) revise the City's practices regarding billing adjustments necessitated by the discovery of meter inaccuracies or billing errors. Currently, there is no specified limit for how far back in time the City can adjust a customer's utility bill when it discovers it has undercharged a customer because of a meter inaccuracy or billing error. This can result in large, unexpected back-bills covering extended time periods, leading to decreased customer satisfaction and in some cases causing financial hardship.

The proposed amendment will place a six-month restriction on the City's ability to backbill customers for amounts that were not previously billed, with the exception of cases where theft of service has occurred. With respect to electric service, this limit is consistent with the rules of the Public Utility Commission of Texas as they apply to investor-owned utilities and with the practice of other municipal utilities. Staff believes that imposing a limited and uniform backbilling limit will promote billing consistency and fairness, avoid disputes regarding estimated bills, and improve customer service and satisfaction.