

Late Backup

ORDINANCE NO. _____

AN ORDINANCE AMENDING CITY CODE CHAPTER 15-9 REGARDING UTILITY DEFERRED PAYMENT AGREEMENTS AND THE PROVISION AND RESTORATION OF UTILITY SERVICE, AND PROVIDING FOR EMERGENCY PASSAGE.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:

PART 1. Subsection (C) of City Code Section 15-9-31 (*Utility Service Provided*) is amended to read:

- (C) The City may refuse to provide utility service to a service address if the applicant owes money to the City for utility service previously provided to the applicant. The City ~~[may agree to]~~ shall provide utility service under this section if the applicant has entered into a deferred payment agreement.

PART 2. City Code Section 15-9-112 (*Restoration of Service*) is amended to add a new Subsection (D) to read:

- (D) If a residential customer participates in or meets the qualifications for the utility's customer assistance program, the City shall restore disconnected utility service if the customer enters into a deferred payment agreement, which shall not require a reconnection fee or pre-payment of a deposit as a condition for the agreement.

PART 3. City Code Section 15-9-144 (*Deferred Payment Agreement*) is amended to add new Subsections (D), (E), and (F) to read:

§ 15-9-144 DEFERRED PAYMENT AGREEMENT.

- (D) A deferred payment agreement shall allow a residential customer to make reasonable and equal monthly payments toward past due balances.
- (1) Except as provided by subsection (E), equal payment installments over a repayment period of 24 months shall be presumed to be reasonable if a residential customer is unable to meet the payment arrangements as proposed under existing guidelines.

(2) The first equal installment under a deferred payment agreement shall be due as a down payment.

(E) A deferred payment agreement with a residential customer who participates in or qualifies for the City's customer assistance program shall not require a monthly payment that exceeds 5% of the U.S. Department of Health and Human Services poverty guideline for a single person household.

(F) The utility shall renegotiate a deferred payment agreement if the customer can demonstrate a bona fide need for payment relief arising during the term of the agreement, such as:

(1) a serious illness or injury suffered by the customer or a member of the customer's household;

(2) loss of employment;

(3) economic loss due to natural disaster;

(4) domestic violence against the customer;

(5) a commitment by an independent program to assist the customer with payment that requires terms other than those in the deferred payment agreement;

(6) qualification for the utility's customer assistance program, even if the customer is denied access because of lack of program funds.

(G) The deferred payment terms and conditions set forth in this section are minimum standards to protect residential customers. This section does not prohibit the utility from providing different repayment terms if the customer consents to those terms.

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PART 4. Council finds that the need to implement immediate relief regarding deferred payment agreements constitutes an emergency. Because of this emergency, this ordinance takes effect immediately on its passage for the immediate preservation of the public peace, health, and safety.

1 **PASSED AND APPROVED**

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6 _____, 2013
7 Lee Leffingwell
8 Mayor

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10 **APPROVED:** _____ **ATTEST:** _____
11 Karen M. Kennard Jannette S. Goodall
12 City Attorney City Clerk