



**Austin Energy
RECOMMENDATION FOR COUNCIL ACTION**

ITEM No. 6

Subject: Approve an ordinance amending Chapter 15-9 of the City Code, Utility Service Regulations, to reflect proposed process improvements and language changes which clarify the intent of the existing regulations.

**Additional Backup
Material**

(click to open)

 **Ordinance**

For More Information: Kerry Overton, Senior Vice President,
Customer Care / 322-6113

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

Austin Energy is seeking approval of changes to the Utility Service Regulations, reflecting proposed process improvements and adopting language changes, which clarify the intent of existing regulations. The listings below identify the Sections of the Ordinance being amended, along with descriptions of the proposed changes.

Life Support System List: Language is being added that the City must approve life support devices and that the equipment must be certified by a licensed physician as essential to sustain the life of the resident of the service address. Also, feeding pumps are being added to the list of authorized equipment for life support.

Forms and Amount of Credit Security for Residential Service: Our current process requires the collection of the greater of a calculated deposit based on the estimated annual usage of the previous customer at the new service address or a \$200 deposit. We are proposing that all residential deposits only be based on a flat fee of \$200 for consistency and ease of operation.

Meter Totalization: Language is being changed to ensure the proper billing of certain customer configurations involving meter totalization, such as those involving dual feed services.

Billing Adjustments: Language is being changed to ensure that undercharges and overcharges include the application of the incorrect rate and that refunds of excess payments or overcharges made by the customer at the service address will be credited. Currently, it is stated that the customer most recently served by the meter will be credited. Some credits/refunds are not metered, such as wastewater. This correction clarifies the City's intentions of crediting/refunding the customer.

Meter Tests: Language is being changed to make the accuracy meter test charge, premises based and applicable if requested within three years of the meter being tested.

Restriction on Administrative Hearings: Language is being added to eliminate hearings regarding utility deposits. Article 5 of the Utility Service Regulations, Ordinance 040805-02, clearly states when a deposit can be required of a customer.

Administrative Hearings: Language is being added to include "telephones" as another method to contact customers to schedule hearings.

ORDINANCE NO.

**AN ORDINANCE AMENDING CHAPTER 15-9 OF THE CITY CODE
RELATING TO UTILITY SERVICE REGULATIONS.**

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

PART 1. Section 15-9-23(A) (*Life Support System List*) of the City Code is amended to read:

(A) In this section, "life support system" means a device approved by the City that requires electric or water service and is certified by a licensed physician as essential to sustain the life of a resident of a service address, including an iron lung, ventilator, feeding pump, or kidney dialysis machine.

PART 2. Section 15-9-72 of the City Code is amended to read:

§ 15-9-72 FORMS AND AMOUNT OF CREDIT SECURITY FOR RESIDENTIAL SERVICE.

If a residential customer or applicant provides proof of identification under Section 15-9-53 (*Identification Required*), the City may accept the following forms of credit security:

- (1) a record of satisfactory compliance with Section 15-9-75 (*Customer Payment Standards*), if applicable, and no outstanding utility invoices;
- (2) a letter of reference from another electric, gas, or water utility with no record of late payments or outstanding balance, and no disconnections for non-payment during the last twelve consecutive billing cycles; or
- (3) a refundable deposit [~~equal to the greater~~] of:
 - (a) \$200[; ~~or~~
 - (b) ~~one-sixth of the average or estimated annual billing at the service address for the previous 12 months as determined by customer care~~].

PART 3. Section 15-9-134(B) (*Meter Totalization*) of the City Code is amended repeal and replace Subsection (B) and amend Subsections (C) and (D) to read:

1 (B) The director of the Electric Utility may allow or require meter totalization of
2 a customer's meters only if:

3 (1) each meter independently qualifies for the same electric rate; and

4 (2) the director determines that:

5 (a) the meters serve a single building, the customer is the sole occupant
6 of the entire building, and the building was served by more than
7 one electric meter before the customer's occupancy;

8 (b) the customer receives a special utility service, including dual feed,
9 that requires more than one electric meter; or

10 (c) because of special engineering considerations, the Electric Utility
11 requires the customer to have more than one electric meter for a
12 building or group of buildings to which the Electric Utility would
13 normally provide service through only one meter.

14 (C) A single building under Subsection (B) ~~[(B)(1)]~~ does not include an attached
15 parking garage or structure connected to the building by a walkway, atrium,
16 or other space that is not a characteristic commercial area.

17 (D) The director of the Electric Utility shall have sole discretion in making the
18 determination that a structure is a single building under Subsection (B)
19 ~~[(B)(1)]~~ or if a customer meets the requirements of Subsection (B) ~~[(B)(3)]~~.

20 **PART 4.** Sections 15-9-140(B) and (C) (*Billing Adjustments*) of the City Code are
21 amended to read:

22 (B) If the City determines that it has undercharged or [5] overcharged~~[-, or applied~~
23 ~~an incorrect rate to]~~ a utility account, including the application of an incorrect
24 rate, the City shall:

25 (1) charge the customer the unpaid amount ~~[of the unpaid charge]; or~~

26 (2) refund the excess payment or overcharge made by the most recent
27 customer at the service address, ~~[to the customer most recently served by~~
28 ~~the meter the amount of the excess payment]~~ limited as provided by
29 Section 16.004 (*Four-year Limitations Period*) of the Texas Civil
30 Practices and Remedies Code or other applicable state law.

31 (C) The City shall calculate the amount of an undercharge or overcharge based on
32 [at] the correct rate in effect at the time of the original assessment.

1 **PART 5.** Section 15-9-155(C) (*Meter Tests*) of the City Code is amended to read:

2 (C) The City may require a customer to pay the cost of a meter accuracy test if:

- 3 (1) the City performed a meter accuracy test at the service address [~~the~~
4 ~~meter has been tested by the City~~] during the preceding 36 [~~12~~] months;
5 and
- 6 (2) the current meter accuracy test indicates that [~~the average registration of~~
7 ~~the meter does not over-register in excess of~~ [~~errs at a rate outside~~]
8 established industry standards.

9 **PART 6.** Section 15-9-192 (*Restriction On Administrative Hearing*) of the City Code is
10 amended to read:

11 **§ 15-9-192 RESTRICTION ON ADMINISTRATIVE HEARING.**

12 A person may not request an administrative hearing if:

- 13 (1) the person did not request and receive an administrative review;
- 14 (2) the customer did not request an administrative hearing on or before the
15 90th day after the customer knew or should have known about the
16 subject of the dispute; or
- 17 (3) the person is disputing:
- 18 (a) the terms or denial of a deferred payment agreement;
- 19 (b) the customer's financial inability to pay for utility services provided
20 by the City;
- 21 (c) the rate schedule;
- 22 (d) the occurrence of a utility service diversion, unlawful use of
23 service, damage to City utility equipment, unauthorized sale of
24 utility service, or violation of law;
- 25 (e) the amount of undercharged costs or charges assessed for a utility
26 service diversion, unlawful use of service, or damage to City
27 equipment;
- 28 (f) unexplained high utility consumption if a meter has been tested and
29 is determined to be accurate;

(g) denial or discontinuance of utility service based on a danger to public health or safety; [Ø]

(h) a matter subject to a court decision; or

(i) the application or amount of a credit security deposit.

PART 7. Section 15-9-193(C) (*Administrative Hearing*) of the City Code is amended to read:

(C) Not later than the third day before the date of an administrative hearing, the director of a utility or the fee administrator of the Watershed Protection and Development Review Department shall provide an appellant with notice of the time, date, and location of the hearing either in person, by telephone, by confirmed facsimile transmission, or by mail to the person's last known address. The City and the appellant may agree to the date and time of an administrative hearing.

PART 8. This ordinance takes effect on _____, 2006.

PASSED AND APPROVED

_____, 2006

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Will Wynn
Mayor

APPROVED: _____
David Allan Smith
City Attorney

ATTEST: _____
Shirley A. Gentry
City Clerk