


<b>Policy Title:</b>	<b>Irregular Water Usage Due to Leak Policy</b>		
	<b>OFFICE OF THE CHIEF FINANCIAL OFFICER</b>	<b>Category</b>	[TBD]
		<b>Administrative Policy #</b>	[TBD]
		<b>Revision #</b>	000
		<b>Review Frequency</b>	As Needed – no less frequently than tri-annually
<b>Administrative Division</b>	Customer Service; Billing and Collection; General Counsel; Meter Operations	<b>Reviewed By</b>	Chief Administrative Officer, Chief Financial Officer General Counsel
<b>BOWC Approval</b>		<b>Last Reviewed/Update Date</b>	
<b>Implementation Date</b>			

## 1. OBJECTIVES

- 1.1. To provide policies and procedures for handling Customer concerns and complaints that their water bill has an irregular amount of water usage causing an increase in Customer's billing statement.

## 2. PURPOSE

- 2.1. Detroit Water and Sewerage Department (DWSD) offers customers an opportunity to request an adjustment to sewerage charges, only, when a leak occurs in the water system on customer's property beyond the "stopbox" and where water is metered and consumed. This policy describes conditions when a leak adjustment request will be considered, establishes repair expectations and ensures the consistent application of leak adjustments to accounts.

## 3. DEFINITIONS

"Account refund" means a reimbursement of payment received by DWSD in the form of a payment disbursed to the account owner.

"Account adjustment" means a credit or removal of a charge applied to an existing Customer account under the policies set forth within this document.

"Customer" means an Owner, Landlord or Tenant that establishes an account for DWSD services and is responsible for payment of DWSD services.

"Customer Service Specialist (CSS)" means a DWSD employee or staff person with the title Customer Service Specialist who provides account services to Customers.

"Irregular Water Usage" means an amount of billable, metered water usage that is significantly higher than normal for a specific Customer based upon average usage during a comparable timeframe.

"Leak" means an unintentional water loss caused by broken and/or malfunctioning plumbing fixtures or pipes on Customer's property beyond the "stopbox" and where water is metered and consumed or a leak at a coupling connection, but does not include water loss because of theft, vandalism or construction damage.

"Leak Adjustment Application" means the DWSD form used to request an account refund or adjustment due to a leak.

“Meter Class Average” means the average usage for all Customers with a particular meter size.

“Non-Sewer Affected Leak” means water loss from the leak does not enter the City’s sewer system. (e.g., underground leak, leak enters pervious surface area).

"Owner" means the person that holds legal title to a property.

"Person" means an individual, business, partnership or corporate entity, or a governmental agency.

"Property" means a parcel or group of parcels treated as one unit for purposes of obtaining water and sewerage service.

“Seasonal Average Review Period” means an average of billing statements accrued during any one season (e.g., average billing statements from June through September are Summer Seasonal Averages, average billing statements from December through March are Winter Seasonal Averages).

“Sewer Affected Leak” means water loss from the leak enters the City’s sewer system (e.g., toilet leak).

“Sewerage” means a combination of the water-carried wastes from residences, business buildings, institutions, and industrial establishments, together with such ground, surface, and storm waters as may be present.

#### **4. SCOPE**

- 4.1. This policy applies to DWSD Customers who admit they experienced a Leak causing Irregular Water Usage, provide proof the Leak was repaired/rectified, and timely submit a Leak Adjustment Application.
- 4.2. Leaks due to theft, vandalism or construction damage are not covered under this policy. Resolution of these instances is the responsibility of the account holder or property owner.
- 4.3. This policy does not apply to fireline accounts.

#### **5. RESPONSIBILITIES**

- 5.1. Customers are responsible for submitting a Leak Adjustment Application no later than twenty-eight (28) days after the billing statement date first indicating Irregular Water Usage.
- 5.2. When a Customer contacts DWSD about a billing statement indicating Irregular Water Usage, DWSD employees are responsible for providing Customer with a copy of this Policy and a Leak Adjustment Application. Posting a downloadable copy of the Policy and Leak Adjustment Application on the DWSD website satisfies DWSD’s obligation.
- 5.3. DWSD Customer Service and Meter Operations Divisions are responsible for verifying information on Customer’s Leak Adjustment Application and notifying Customer whether DWSD will make an account refund or adjustment.

## 6. POLICY

### 6.1. Customer Experiencing Leak

- 6.1.1. **Frequency of Application.** Customer may submit one Leak Adjustment Application within a rolling twelve (12) month time period.
- 6.1.2. **Eligibility to Apply for Leak Adjustment.** Customer may not apply for a leak adjustment if the account is delinquent or Customer is in default on a Payment Plan Agreement. Customer has the right to cure the delinquency or default.
- 6.1.3. **Account Payments While DWSD Considers Customer's Leak Adjustment Application.** Customer must continue to make payments on Customer's account in an amount equal to the prior month's balance until DWSD makes a determination whether Customer is eligible for a Leak adjustment and the amount of the adjustment.
  - 6.1.3.1. As long as Customer continues to make payments equal to prior month's balance, Customer will not be subject to service interruption or collection efforts until after DWSD makes a determination regarding Customer's Leak Adjustment Application.
- 6.1.4. **Proof Required for Adjustment.** Customer must submit a properly completed Leak Adjustment Application form within twenty-eight (28) days from the date Customer receives a billing statement first indicating irregular water usage. Customer's application must include proof a Leak occurred and supplemented by proof the Leak has been repaired or rectified. Examples of proof include, but are not limited to:
  - a. Photographs
  - b. Repair bills
  - c. Notarized Affidavits
- 6.1.5. **DWSD Verification Leak Repaired or Rectified.** Once Customer notifies DWSD the Leak has been repaired or rectified, a DWSD Meter Operations employee will visit Property to conduct a meter investigation and verify a Leak does not exist and will indicate his/her findings in Customer's account.
- 6.1.6. **Adjustment for Non-Sewer Affected Leak.** If DWSD determines Customer's proof is satisfactory and verifies a Leak no longer exists, Customer may receive an account refund or adjustment on their sewerage charge consistent with Customer's average billing statements for the Seasonal Average Review Period for the month(s) at issue. All water usage remains billed at the full, metered rate. For example:

*Customer's billing statement for July the previous year was \$50 for water charge and \$100 for sewerage charge and is consistent with Customer's Seasonal Average. Customer's bill for July this year is \$100 for water and \$200 for sewer and a leak caused the irregular water usage. The water leaking from Customer's property drained into a grassy area.*

*If Customer submits a timely Leak Adjustment Application with sufficient proof a Leak occurred and proof it was repaired or rectified, DWSD may*

*refund or adjust the Customer's account for 100% of the difference between the sewerage charge in the irregular bill and Customer's Summer Seasonal Monthly Average sewerage charge—which equals \$100 in this example.*

6.1.6.1. If Customer does not have a billing history for Property, DWSD may obtain meter readings to project normal usage. If a projection is less than the Meter Class Average, DWSD may apply the Meter Class Average to determine the amount of account refund or adjustment.

6.1.7. **Adjustment for Sewer Affected Leak.** If DWSD determines Customer's proof is satisfactory and verifies a Leak no longer exists, Customer will receive an adjustment on their sewerage charge equal to fifty percent (50%) of the Customer's actual sewerage charges for the month(s) at issue. All water usage remains billed at the full, metered rate. For example:

*Customer's July bill is \$200 for water and \$400 for sewerage and a leak caused the irregular water usage. The water leaking from Customer's property drained into DWSD's sewerage or drainage system.*

*If Customer submits a timely Leak Adjustment Application with sufficient proof a Leak occurred and proof it was repaired or rectified, DWSD may adjust the Customer's sewerage portion of the bill to \$200, to reflect 50% of the Customer's actual sewerage charge for July.*

6.1.8. **Leaks Affecting Multiple Billing Cycles.** Adjustments may be considered for more than one billing cycle if there is a reasonable delay from the date when Customer submitted a Leak Adjustment Application and the date Leak is repaired or rectified.

6.1.9. **DWSD Determination and Post-Determination Actions.**

6.1.9.1. **Notice to Customer.** DWSD will send a determination letter to Customer within fourteen (14) days after the Property site verification stating whether Customer is entitled to an adjustment and the amount of the adjustment. (See, Paragraph 6.1.5).

6.1.9.2. **Posting Refund or Adjustment.** DWSD will post an account refund or adjustment on the next monthly billing statement after mailing date of determination letter.

6.1.9.3. **Customer Rejects; Right to Appeal.** If Customer does not agree with DWSD's determination, Customer may submit a Request to Appeal Leak Determination form, and must do so within fourteen (14) days of the date of DWSD determination letter.

6.1.9.3.1. **Leak Appeal Panel.** If Customer requests an appeal, a Leak Appeal Panel comprised of one member each from the Office of General Counsel, Finance Department and Customer Service Division, and an engineer, if necessary, will notify Customer of a hearing date to be conducted within thirty (30) days.

6.1.9.3.2. **Hearing.** Customer may bring new information to the hearing in support of Customer's position. Customer may choose to be represented by an attorney at the hearing.

6.1.9.3.3. **Leak Panel Decision.** The Leak Panel will issue a decision letter within fourteen (14) days from the hearing date. If the Panel awards Customer a Leak adjustment, DWSD will post an account refund or adjustment to the Customer's account on the next monthly billing statement after mailing date of decision letter.

6.1.9.4. **Court Action.** If Customer does not agree with DWSD's Leak Adjustment Determination and/or the Leak Appeal Panel decision, Customer may file legal action. Upon receipt of a pending lawsuit, DWSD will place a hold on the amounts in question and the account will not be subject to service interruption for non-payment of amount in dispute.

6.1.9.5. **No Action.** If Customer does not timely file a Leak Adjustment Application or does not file a timely Request to Appeal Leak Adjustment Determination, DWSD may initiate collection proceedings for the full amount of the bill and Customer may be subject to service interruption.

## 6.2. Reasonable and Necessary Accommodations

6.2.1. Management may take reasonable and necessary actions to accomplish the intent of this policy.

## 7. PROCEDURE

7.1. Customer Service Specialists advise Customers inquiring about an irregular water usage bill that they may have leak and will provide a copy of this Policy and a Leak Adjustment Application to Customer and direct Customer to DWSD's website to find a downloadable, PDF-fillable copy of the Policy and Leak Adjustment Application.

7.2. Customer submits a Leak Adjustment Application no later than twenty-eight (28) days after the billing statement date first indicating Irregular Water Usage.

7.3. Upon receipt of a Leak Adjustment Application, the CSS verifies timely submission and whether Customer's account is current.

7.3.1. If Customer's account is not current, CSS will notify Customer they are not eligible to apply for a leak adjustment and must pay the outstanding balance due or enter into a payment plan to become eligible.

7.3.2. If Customer did not submit application within 28 days from the date Customer receives a billing statement first indicating irregular water usage, CSS will notify Customer they are not eligible to apply for a leak adjustment.

7.4. Customer's application is considered complete after Customer submits proof the leak has been rectified or repaired. Proof may be submitted within thirty (30) days after making a Leak Adjustment Application.

7.5. Once Customer submits proof leak has been rectified or repaired, CSS prepares a work order for Meter Operations to visit Property site to investigate Customer's meter and verify a leak no longer occurs.

7.6. After Meter Operations has verified that a leak no longer exists, Meter Operations will notate Customer's account with a completed work order indicting their findings.

7.7. After a completed work order is entered, a CSS will issue a determination to the Customer and make the appropriate Sewer or Non-Sewer Affected Leak account refund

or adjustment in enQuesta. The adjustment, will post on the next monthly billing statement after mailing date of determination letter.

- 7.8. If Customer does not agree with DWSD's determination, Customer submits a Request to Appeal Leak Determination form within fourteen (14) days of the date of DWSD determination letter.
- 7.9. Upon receipt of Request to Appeal Leak Determination form, the Leak Appeal Panel will notify Customer of a hearing date to be conducted within thirty (30) days.
- 7.10. The Leak Panel will issue a decision letter within fourteen (14) days from the hearing date based upon proofs presented. The Panel will send a copy of decision letter to Customer Service Division.
- 7.11. A CSS will enter or remove an account refund or adjustment to the Customer's account in enQuesta based upon the Leak Panel's decision. The action will post on the next monthly billing statement after mailing date of decision letter.