

CITY OF SEGUIN CUSTOMER SERVICE POLICY

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CITY OF SEGUIN CUSTOMER SERVICE POLICY

I. General

The City of Seguin operates a municipally owned utility that provides electric, water, wastewater treatment and other municipal services, including pick-up of solid waste and recycling, to its citizens. The City of Seguin is required to abide by the ordinances established by the City Council and by the Texas statutes found in the applicable utilities codes. The City of Seguin endeavors to provide quality services at reasonable prices and has established policies and procedures to insure that customers are treated fairly and in a consistent, professional, manner. The City of Seguin has and maintains a strong credit policy in order to protect all customers by managing cost to assure lowest rates.

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II. Definition(s):

Customer means any individual, partnership, association, firm, public or private corporation or governmental agency taking or planning to take service from the city at a specified location. The term will also include any authorized representative who plans or constructs the service and meter installation.

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III. Application for Service

All customers desiring utility service(s) shall complete an application for such service in accordance with this Policy and the Seguin Code of Ordinances. The application, upon execution by the customer and the City of Seguin, shall constitute a contract and shall specify the conditions of sale of utility services to the customer. The application for service must be made in person, although exception(s) to in person applications may be made on a case-by-case basis. Proper identification is required to complete an application. Proper identification consists of a valid Texas driver's license or Texas identification card except for a customer moving from out of state who may present an out of state driver's license with the provision that the next time the customer moves, the customer must have a current Texas driver's license or Texas identification card. Customers must also provide a lease/rental contract or proof of ownership for the desired location for service. A complete application also includes the payment of a Deposit. Service connection fees will be added to the new customer's first bill.

Within the City of Seguin, all commercial locations and some residential dwellings may require a code compliance inspection before the customer can complete an application for service. In such cases the customer will be routed to the permits department to make arrangements for the required inspection.

When a request for services is submitted to the City of Seguin the customer will be assigned to the appropriate rate class for billing purposes. Determination of the appropriate rate class will be at the City of Seguin's discretion.

Utility service shall be on a month-to-month basis, unless otherwise specified in the contract, with service continuous from the date of the initial connection until the customer gives proper notice of termination of service(s) to the City of Seguin; or, in cases where service is otherwise terminated under the provisions of this policy or under the terms of such contract.

All contracts between the City of Seguin and utility customers shall be expressly made subject to the Seguin Code of Ordinances; and, in the event of any conflict between a provision of any contract and the provisions of the Code of Ordinances, the applicable Code provision shall prevail.

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IV. Liability

Unless otherwise stated in a prior written agreement, the City owns, and is responsible for the maintenance of all utility facilities up to the point of delivery, including the meter. The customer is responsible for all facilities on the property side of the meter. Except in exceptional cases, the City cannot repair or maintain customer owned utility facilities, such as service lines.

THE CITY SHALL NOT BEAR ANY LIABILITY FOR DAMAGES, INCLUDING PERSONAL INJURY OR DEATH, CAUSED OR ALLEGED TO BE CAUSED BY THE PROVISION OF CITY UTILITIES.

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V. Access to Customers Premises

The City of Seguin shall have the “right of access” to the customer’s premises in the vicinity of utility connections for any purpose reasonably related to the provision of utility services. All customer located City utility easements, rights-of-way, and city property adjacent to the customer’s premises shall be kept clear of permanent structures and all other obstructions which might impede the city’s access to its service facilities. The city shall have the right to remove its property installed on the customer’s premises at the termination or discontinuance of services. Customer shall be responsible for maintaining access to City meters. Customer shall be responsible for maintaining access to City meters. Customer is responsible, at their expense, to replace any fencing or other structures placed on right-of-way, easement, or blocking access to City utilities.

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VI. Confidentiality

Sec. 182.052 of the Texas Utility Code allows publicly owned utilities to give their customers the option of making the customer's address, telephone number, and social security number confidential. This option is exercised when the customer applies for service; however, the customer may, at any time, request that personal information be kept confidential. Please note that the City of Seguin must still provide this information to: (1) an official or employee of the state or political subdivision of the state, or a federal government acting in an official capacity; (2) an employee of a utility acting in connection with the employees duties; (3) a consumer reporting agency; (4) a contractor or sub-contractor approved by and providing services to the utility or to the state, a political subdivision of the state, the federal government, or an agency of the state of federal government; (5) a person whom the customer has contractually waived confidentiality for personal information; or (6) another entity that provides water, wastewater, sewer, gas, garbage, electricity, or drainage for compensation.

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VII. Senior Citizen

According to Texas Utilities Code Chapter 182.002 and 182.003, an individual age 60 or older with a residential account covering the premises occupied by that individual may request a delay in the payment date, without penalty, of a bill for utility services provided to them. The delay in payment may extend until the 25th day after the date the bill is issued. These sections also allow for an individual aged 60 or older to request a delay without penalty of subsequent bills. If the bill is not paid by the 25th day after the bill is issued, the 10% penalty will be assessed and all other policies will continue to be in place, including disconnection of services due to non-payment. If you are not 60 or older at the time an initial utility application is made you must complete a form in our office when you turn 60. Proper identification must be provided when completing the form.

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VIII. Credit Requirements

For each new account the city shall check the customer's utility credit rating. The requirements to post a deposit may be waived if the rating, as determined by the city's credit rating provider, is rated at ten percent or less. If a customer whose deposit has been waived has his services terminated for nonpayment or for issuance of a returned financial item, the customer may be required to provide a deposit. If a customer has more than one dwelling and has established credit, any additional dwelling may not require a deposit.

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IX. Deposits

No application for City of Seguin utility services shall be considered unless made by the owner or tenant of the property to be served, accompanied by the applicable deposit, and any applicable service or inspection fees. The deposit (payment guarantee) shall be sufficient to ensure prompt payment of any account and shall be in an amount sufficient to cover the first month's bill as determined by the City. The City Manager may waive this payment guarantee deposit.

After a customer has utilized utility services for 36 months, with no cutoffs due to non-payment or returned items, the deposit shall be refunded. If, after the return of a deposit, the customer incurs a cutoff or returned item check, the City may require a new deposit in order to continue service.

In lieu of making a cash deposit for utility services, a customer may deposit a bond in the sum of \$1,000.00, payable to the city, indemnifying and guaranteeing the city for any accrued and unpaid accounts of such applicant. This bond is to be executed by such applicant and two good and sufficient sureties approved by the City Manager, or by a corporation authorized under the laws of Texas to issue and execute guaranty and indemnity bonds. Such bond shall be conditioned that the applicant shall pay his account when due in conformity with the ordinances of the city. If any monthly account of such applicant shall exceed \$1,000.00, the city may require an additional bond equal to the difference between the bond of \$1,000.00 and the amount of such monthly account.

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X. Billing and Payments

Bills for utility services shall be due and payable monthly at the City of Seguin Municipal Building, located at 205 N. River St, PO Box 591, Seguin, TX 78156, in accordance with the billing schedule and service conditions set forth in the customer's agreement. It is the customer's responsibility to deliver the payment to the City of Seguin before 5:00 p.m. on the due date, or to the designated night deposit box prior to 8:00 a.m. the following day. Failure to receive a bill does not extend the time to pay.

The customer shall pay the City of Seguin monthly for service rendered, at the rates and upon the terms and conditions established by the City Council set forth in the City of Seguin's Code of Ordinances and evidenced on the monthly bill. Customers will be billed according to the rate schedules for the class of service supplied. Utility service rate schedules are on file at the City Municipal Building and the City's web site.

In the event a billing or metering error occurs, the Customer, will be responsible for payment for the actual service rendered. If however, the City discovers that customer has been undercharged, the City may only collect for the last six months of corrected billings.

Payment types include cash, check, money order, and credit card. There is an additional 2% transaction fee for all credit or debit card payments.

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XI. Payment Arrangements

A utility payment arrangement is an agreement between a residential customer and the City of Seguin to pay the total outstanding utility bill after its due date. This arrangement must be made on or before the final payment due date. A payment arrangement is not allowed to be made for a period greater than five (5) business days past the final payment date. Only two (2) arrangements are allowed per calendar year. If the customer fails to meet the terms of the agreed arrangement, administrative fees will be applied to the account and no other arrangement can be made until the following January.

In appropriate circumstances, a residential customer(s) may be referred to the Community Council of South Central Texas for utility payment assistance. In such circumstances, Customer must fulfill all obligations to the Community Council. Failure to follow through with said requirements might result in utility cut-off.

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XII. Delinquent Payments & Disconnect for Non-payment

Those payments received after 8:00 a.m. on the day following the due date will be assessed a 10% penalty. A reminder notice will be provided with the amount due indicated and the last day to pay before cutoffs are processed. An automated phone call or electronic communication (such as text or e-mail) is made to notify a customer that payment has not been received and the date that utilities will be terminated. If the delinquent amount is not paid by the final due date, the account will be processed for disconnection for non-payment and additional administrative fees will be applied as set out in the Fee Schedule in Appendix C of the Code of Ordinances.

To restore services the customer must pay the delinquent amount, administrative fees, and increase their deposit to the current deposit amount prior to 2:00 p.m. Any customer wanting to restore services after 2:00 p.m. will pay an additional after-hours fee.

To the extent allowed by applicable law, balances owing on one or more accounts may be transferred to another active account of the individual responsible for the original debt. This provision applies to customers seeking to re-establish service who have an outstanding debt with the City of Seguin when the debt was incurred at a different address. The City of Seguin is not required to render utility service until all outstanding debt has been paid.

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XIII. Tampering

A tampering fee, as set forth in appendix C of the Seguin Code of Ordinances, will be assessed for tampering with a meter or related equipment. Tampering includes, but is not limited to, removal of a meter seal, damage to equipment associated with metering, or bypassing the meter entirely. In addition to the tampering fee, customers shall be charged for damaged or missing equipment and any diverted power or water in appropriate cases. The tampering fee may be assessed to the person or persons that the City of Seguin determines responsible for the tampering including the customer of record or, in the case of residential structures other persons on the residential lease. All tampering fees and related costs must be paid in full before service will be resumed. In cases where the customer(s) of record has moved, assessed tampering fees and related costs must be paid by the customer prior to receiving utility service at any address in the Seguin utility system.

With respect to damaged equipment, the City of Seguin may charge either the customer of record, or the owner of the property before damaged equipment is replaced. Property owners or customers shall also be responsible for any meter damage caused by contractors working on their behalf. The City shall not repair, replace or reconnect any utility service to a structure unless the cost to repair and replace the damaged equipment has been paid in full.

Lost revenues to the City of Seguin may be charged to the customer of record for estimated revenues lost as a result of the tampering. The method of calculating the estimated lost revenue will be at the sole discretion of the city.

The remedies established in this ordinance are not exclusive. The City of Seguin may initiate prosecution for violation of city ordinances or Texas law. The City of Seguin may also invoke other rights and remedies allowed by applicable law with respect to tampering, including filing of charges for theft of service..

The customer of record, or other persons living on the premises, are ultimately responsible for tampering, whether or not he or she tampered with the meter or related equipment or otherwise had actual knowledge of the tampering.

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XIV. Fees for Returned Checks Failed Bank Draft Payments, Cancelled Credit or Debit Card Payments, and other returned items

Any payment, including but not limited to checks, ACH draws, or credit card payments (including cancelled credit or debit card payments) that are not honored by the customer's bank for any reason will be returned to the City of Seguin and the customer will be charged a fee in the amount of \$30.00. Customers who have three returned items within a 12 month period will be required to pay for all City of Seguin services with cash, credit card (unless the offending transaction was made by credit or debit), cashiers check, or money order, for the next 12 month period. For customers using automatic draft, if the draft is returned that customer will be taken off automatic draft and will need to pay by other means. Payment for a returned item must be in the form of cash, cashier's check or money order.

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XV. Life Support Accounts

The City of Seguin recognizes that some customers rely on electric utility service to utilize medical equipment designed to improve quality of life or provide needed health care in the home. Although service interruptions may occur and the City of Seguin makes no guarantee as to providing a continuous flow of power, the City of Seguin will make reasonable efforts to prevent service interruptions, and when they do occur shall re-establish service as soon as practicable. Accounts with special needs for medical equipment will be so noted on the customer account and a list of those accounts is made available to electric department personnel.

Customers will be required to submit a Medical Need of Utilities form provided by the City of Seguin that will need to be complete and signed by their physician. For the purpose this section life support shall mean electrically driven medical equipment that is required by a customer to maintain basic bodily functions that keep the customer alive. In order to stay flagged as a Life Support Account, this form needs to be resubmitted every twelve months (once per year).

Customers on the list are still responsible for payment of their bill on time and under the same conditions as all other customers. Life Support customers are responsible for installing and maintain devices which protect their service installation, equipment, and processes and/or make arrangement for alternative measures during periods of abnormal service conditions or service interruptions. This section shall not serve as a guarantee by the City that a customer's service will not be interrupted or that the interruption may last for a period of time that could be detrimental to the customer's medical needs.

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XVI. Budget Billing

Budget Billing is a customer service provided to residential customers by the City of Seguin. On the Budget Billing Program the amount you pay each month for utilities will be based on 12 months previous billing at the residence. Every September, accounts on Budget Billing will be reconciled for the past 12 months, and the difference (from the averaged amount) will be charged or credited to the customer. Even though the monthly bills are averaged, customers must remember that the charges are based on usage for the prior year, and should plan on making up the difference when the account is reconciled in September, especially if their household and/or consumption changed or if the City's rates were increased after the previous reconciliation.

The Budget Bill amount will not include any penalties or other charges assessed to the account. All penalties/other charges will need to be paid in addition to the budget bill amount.

ELIGIBILITY:

- * Residential customers only
- * Must have a 12 month history at current service location
- * Cannot have any outstanding bills/charges
- * Cannot have been on the cut-off list or been disconnected within the last 12 months
- * Name on the account must be the same as Budget Billing applicant
- * Returned checks, denied credit and debit card payment or returned ACH will result in removal from the Budget Bill Program.

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XVII. CREDIT FOR WATER LEAKS

If the water leak was due to City work at or around the area of the leak, a credit will be given to the customer for the difference between the actual consumption and the average consumption over the past twelve months¹, based upon the water rates charged at the time of the leak.

If the water leak was not due to City work at or around the area of the leak, a credit to a water bill will be considered if the following criteria are met:

1. Customer was not allowed a credit for a water leak within the past 5 years.
2. Actual consumption was 10 times higher than average usage over the last twelve months.¹

Credits will not be considered if the following occurred:

1. Leak was due to tampering with meter by the customer.
2. Leak was due to illegal connection by the customer.
3. If customer was made aware of potential leak by City staff and allowed the leak to continue for seventy-two additional hours.

The customer's bill, with the credit, will be computed as follows:

1. The bill will be based upon the average consumption over the past twelve months,¹ using the water rates charged at the time the leak occurs, plus
2. The additional consumption will be based upon the rate the City of Seguin pays the Schertz-Seguin Local Government Corporation at the time the leak occurs.

¹ If the customer resides at the location less than twelve months, the average will be based upon the number of months the customer actually lived there.