

TERMS AND CONDITIONS OF SERVICE
City of Bentonville, Arkansas

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SECTION I
GENERAL INFORMATION
CHAPTER 1
TERMS AND CONDITIONS OF SERVICE

1.1.1. PURPOSE OF TERMS AND CONDITIONS OF SERVICE

These Terms and Conditions of Service, as approved by the City Council, shall govern all technical aspects for the delivery of the City's utility services and all policies concerning the maintenance of accounts, billing procedures, and credit and collections procedures for those services, and rate schedules pertinent to the various utilities. Revised sections supersede and cancel only those respective portions of previous Terms and Conditions of Service or sections thereof as may be pertinent to the proposed revisions.

1.1.2. APPLICABILITY OF TERMS AND CONDITIONS OF SERVICE

The City does not discriminate in providing services or establishing policy on the basis of race, age, gender, religion, disability, or type of service. These Terms and Conditions of Service and any modifications thereof and additions thereto lawfully made are applicable to all customers receiving utility service from the City and to all standard service agreements and contracts now existing or which may be entered into by the City, and to all rate schedules which from time to time, may be lawfully established.

The City may decline to serve a customer or prospective customer until such customer has complied with the rules and regulations of the Council and any and all applicable federal, state, municipal or other local laws, rules, and regulations.

The City may deny or discontinue service to any customer for noncompliance with these Terms and Conditions of Service where it specifically so provides.

1.1.3. MODIFICATIONS TO TERMS AND CONDITIONS OF SERVICE

The City retains the right to amend these Terms and Conditions of Service or to make additional terms and conditions, as it may deem necessary.

1.1.4. RESPONSIBILITY FOR PREPARATION AND ENFORCEMENT OF TERMS AND CONDITIONS OF SERVICE

The respective utility has primary responsibility for the preparation, revision, and enforcement of the service rules governing technical requirements associated with each utility.

The Utility Billing and Collections Manager shall have the primary responsibility for enforcement of administrative policies and coordinating general policies related to utility accounts, billing and collections.

CHAPTER 2

GENERAL POLICIES

1.2.1. ACCESS BY CITY'S AUTHORIZED AGENTS

It is not required for authorized City employees to seek permission to enter a customer's property incidental to the supplying of utility service, including among other things for tree trimming and tree removal in utility easements, accessing Utility owned lines, pipes or other utility equipment and for the purpose of reading, maintaining, or servicing meters. If fencing is installed that conflicts with direct access at a service point, a gate shall be installed to allow work to be performed with line of sight of Utility equipment. All authorized agents requiring access to the property of a customer will present identification upon request.

1.2.2. REFUSAL TO PROVIDE ACCESS

Refusal on the part of the customer to provide access for City-authorized purposes after reasonable request shall be deemed to be sufficient cause for discontinuance of service. The customer will be notified by letter, if the premises are deemed inaccessible and will be asked to contact the City within five (5) days to arrange for necessary access. Lack of response from the customer, may result in discontinuance of service without further notice.

1.2.3. METER SEALS

No person, other than an authorized agent of the City acting in an official capacity, shall break the seal on any meter unless lawful authority from the City to do so has been granted.

A licensed electrician that lawfully removes a seal for the purpose of completing necessary repair work, shall return the meter to its original status, whether the meter was on or off, and ensure the meter is properly sealed before they leave the premises.

1.2.4. RIGHT OF SELF-DEFENSE

Authorized City employees and agents may use pepper spray, animal bite sticks or "Dog Dazer" for self-defense, when necessary, in the judgment of the employee.

1.2.5. SPECIAL CONTRACTS AND WHOLESALE CUSTOMERS

The City may require a special long-term contract when a customer's requirements for utility service are unusually large or necessitate a considerable amount of special or reserve equipment. Arrangements for special contracts will be made between the customer and appropriate utility manager. The terms of any special contract shall supersede any language relevant to the terms of the contract as contained in these Terms and Conditions of Service.

1.2.6. DENIAL OF SERVICE

The City reserves the right to deny service to a customer, at any premises, until all delinquent utility billings for prior or current utility services incurred with the City are paid.

The City shall not be required to provide service to a customer who uses an alias, trade name, business name, or the name of another person as a device to escape payment of an unpaid obligation for prior service.

A service agreement shall not be altered or rescinded to avoid paying a deposit or escape payment of an unpaid obligation for prior service of any person or entity listed on the service agreement.

1.2.7. DEFECTIVE CONDITIONS

The City reserves the right to discontinue service to any customer without advance notice when a defective condition of wiring, lines, piping or other equipment upon the premises of the customer results, or is likely to result, in danger of life or property or in interference with proper service to others. Service to the customer will not be resumed until the defective condition has been remedied to the satisfaction of the City and may require the service be brought to the current code requirement. If such defective condition is the result of tampering with City equipment, other sections of these Term and Conditions of Service may also apply.

1.2.8. NON-SEPARATION OF SERVICES

When a customer applies for service at an account where more than one type of utility service is available, the customer assumes responsibility for all City utilities provided at that address, whether or not the customer chooses to utilize those services.

1.2.9. MULTIPLE ELECTRIC SERVICES

A non-residential customer may take electric service at one location under more than one rate schedule, if the services are separately metered, are in compliance with code requirements, and otherwise meet the rules of electric utility service.

1.2.10. WATER LEAKS AND SEWER BACK-UPS

The City will not be liable for any loss, damage, or injury whatsoever caused by leakage, escape, or loss of water after the same has passed through the meter, nor for defects in the customer's piping as well as sewer back-ups due to defective conditions.

All pipes and fixtures on the customer's side of the meter shall be kept in good repair and free from leaks at the expense of the customer.

Under certain conditions as explained below, the City may adjust the charge for residential domestic and/or irrigation water charges when there has been abnormally large water consumption. First, the conditions that must be met before any adjustment can be considered are outlined. Second, the method of figuring an adjustment is described for those situations that meet the conditions that qualify for an adjustment.

1. Domestic Meter

- a. The conditions for an adjustment of charges on a house meter to be considered are:
 - i. There must be firm evidence of a leak on the customer side of the meter.
 - ii. There must be an invoice from a plumbing company that repaired the leak, OR, for a leak repaired by the customer, a letter from the customer stating the date of the leak, date of repair, and the location of the leak along with an invoice for parts.
 - iii. The consumption must exceed the average consumption by at least twenty thousand gallons. The average consumption shall be based off a six-month period before the leak began and preferably during a similar timeframe in a prior year to account for seasonal behaviors. If a six-month period prior to the leak did not occur for that customer, a per-day average will be calculated from two readings taken seven days apart after the repair.
- b. The procedures for calculating the adjustment of charges on a house meter are:
 - i. The average consumption as calculated above will be billed at the standard City rate.
 - ii. The first five thousand gallons above the average consumption will also be billed at the standard City rate.
 - iii. The next ten thousand gallons will be billed at fifty percent of the standard City rate.
 - iv. The remaining consumption will be billed at the cost of water to the City plus five percent.
- c. If the leak does not cause water to flow into the sewer system, the excess sewer consumption above the average used to calculate the water adjustment shall be credited.

2. Irrigation Meter

- a. The conditions for an adjustment of charges on an irrigation meter to be considered are:
 - i. The customer must have had service for the past twelve months.
 - ii. There must be firm evidence of a leak on the customer side of the meter.

- iii. There must be an invoice from a plumbing company that repaired the leak, OR, for a leak repaired by the customer, a letter from the customer stating the date of the leak, date of repair, the location of the leak along with an invoice for parts.
- iv. Unexplained water loss of at least twenty-five thousand gallons above the average consumption for a representative period, based on factors such as time of year, average of previous season, etc. will be taken into consideration.

b. The procedure for calculating the adjustment of charges on a irrigation meter are:

- i. The average consumption as calculated above will be billed at the standard City rate.
- ii. The first ten thousand gallons above the average consumption will also be billed at the standard City rate.
- iii. The next twenty-five thousand gallons will be billed at fifty percent of the standard City rate.
- iv. The remaining consumption will be billed the cost of water to the City plus five percent.

The Mayor has final authority on any exceptions or disputes regarding this policy.

1.2.11. LIMITATION OF LIABILITY

In the event of a under or over billing of any services, the allowable time frame for adjustment will be limited to the prior six months. Water leak adjustments will be limited to repairs made during the prior six months.

1.2.12. OPEN RECORDS

Personal information collected for the purpose of identifying a person's true identity and for collection purposes shall not be made public under a Freedom of Information request. Persons requesting information other than the customer's name and service and/or mailing address will need to complete a request for record inspection/copy (APPENDICES: Request for Record Inspection) and submit it to the City Attorney/ Staff Attorney for approval before such information will be released.

CHAPTER 3

SPECIAL PROGRAMS

1.3.1 AVERAGE BILLING PROGRAM

For customers who wish to pay average monthly payments over the course of a year, the City offers an average billing program, available to customers who have had service at the same location for twelve consecutive months, whose account is not in arrears and completes an Average Billing Agreement with the City (APPENDICES: Average Billing Program Agreement).

The average monthly payment is recalculated each billing period, using the amounts billed during the previous eleven months, plus the current monthly charges and a percentage of the outstanding balance. The amount due, as shown on the utility bill, will vary each month due to the recalculation using the most recent charges.

Under the terms of the Average Billing Program, if any single payment is late or if a payment is not made, the account will be subject to removal from the program, the account balance becomes due in full, and the account may become subject to disconnection for non-payment.

A customer may elect to be removed from the program at any time. If a customer chooses to be removed from the program, any deferred charges will be due in full immediately.

Termination or transfer of service voids the Average Billing Agreement. Another agreement can not be accepted for residency at a new address until twelve monthly bills showing continuous service at the new address have been issued.

1.3.2 "LIFE SUPPORT" UTILITY ACCOUNTS

The City will maintain a list of customers who submit written evidence that their health would be seriously impaired if electricity or water service were disconnected, due to either outages or non-payment of a utility account. This list is coordinated by the Utility Billing and Collection Department and disseminated to the Electric, Water, Police, Fire and Dispatch Departments, so that the City can expend all necessary efforts to maintain continuity of service to these customers.

A customer may qualify for this category of service by supplying a certificate from a physician, nurse, nurse practitioner, physician's assistant, or public or private agency providing physical or mental health care services that loss of electricity or water will cause serious impairment to the health of an individual in permanent residence at the account address for which consideration is being requested.

Upon receipt of the affidavit and completion of an information sheet that will provide the data necessary for any affected department to properly serve the account, the account will be designated as a "Life Support" account (APPENDICES: Medical Certification of Need to Maintain Utilities). The completed affidavit will include information pertaining to the duration of the condition. In the interest of properly serving all the customers designated as life support, it is imperative that the customer notify the City as soon as possible following any change in status.

Should disconnection for non-payment become necessary, the procedure to be followed for an account qualifying for this consideration is as follows:

1. Notice from a physician, nurse, nurse practitioner, physician's assistant, or public or private agency providing physical or mental health care services in person, by phone, email or letter continues to exist. Upon receipt of notice the health care professional will be notified that an updated certificate will be required within seven days. Validity of notice may be verified by phone.
2. When notified, the utility shall postpone suspension or reconnect services which have been suspended for thirty days or less.
3. The utility must receive the updated certificate within seven days.
4. Service maybe suspended if updated certificate is not received within seven days.
5. Upon receipt of the updated certificate, the utility shall notify the customer, in writing, of the receipt of the certificate, the date the certificate was received, the date the postponement of suspension or reconnection of service was commenced, and the date on which the postponement of suspension or reconnection shall expire. The notice shall contain an explanation of the customer's right to renew the certificate. The notice shall specifically state the last day the customer has to renew the certificate. The notice may be delivered by first class mail, email or by delivery to the customer's premises.
6. A customer may renew a certificate one time for up to an additional thirty days. The certificate must be renewed by the customer before the initial thirty day period expires. To renew a current certificate, the customer must provide a new certificate from the medical professional.
7. A utility is not required to accept more than one medical certificate per household each year. A renewal certificate is not a second certificate.
8. Delaying suspension or reconnecting service does not excuse the customer from having to pay for the service.
9. At the conclusion of the postponed or reconnected service period the utility account must have all past due balances paid.
10. Should any past due balances exist the customer shall be notified of the delinquency amount required to maintain service. The notice may be delivered by first class mail, by email or by delivery to the customer's premises.

SECTION II
POLICY MANUAL
FOR UTILITY ACCOUNTS, BILLING, AND COLLECTIONS

CHAPTER 1

SERVICE AGREEMENT AND DEPOSIT

2.1.1. SERVICE AGREEMENT FOR ELECTRIC, WATER, WASTEWATER, IRRIGATION AND SANITATION UTILITIES

1. Responsible Party:

Each customer desiring electricity, water, wastewater, irrigation and/or sanitation service from the City shall complete a service agreement (APPENDICES: Residential Service Agreement and Commercial Service Agreement) in person at the Utility Billing and Collections office.

Several options exist for starting the service without the customer present.

- a. The customer may elect to complete the service agreement by facsimile. Should the customer choose this option, the customer is responsible for transmitting to the Utility Billing and Collections office the signed service agreement and a legible copy of their photo identification. The customer shall follow-up by telephone to complete the deposit process by providing a credit or debit card to pay the required deposit and service fee amounts.
- b. The customer may elect to complete the service agreement by electronic mail. Should the customer choose this option, the customer is responsible for transmitting to the Utility Billing and Collections office the signed service agreement and a legible image of their photo identification. The customer shall follow-up with a phone call to complete the deposit process by providing a credit or debit card to pay the required deposit and service fee amounts.
- c. The customer may elect to have their utility service connected after-hours. The customer is responsible for completing the service agreement and paying any additional deposit amounts by 1:00p.m. the following business day.

3. Information and Identification:

Completion and validation of the agreement is subject to the applicant providing their true name, mailing address, telephone number(s), social security number or other identifying number, employer, next of kin not residing at the same address and such other information as the City may deem necessary in order to ensure the effective billing and collection of each account.

Identification to substantiate the signature of the applicant and proof the applicant is at least eighteen years of age must be presented when the agreement is filed. A legible, valid copy of a lease or bill of sale may be required when a customer is applying for service. Refusal to provide requested information or identification or providing false information may result in denial or termination of service.

4. Deposit, Payments and Fees

Any necessary deposit shall be made at the time the service agreement is filed. Any balances in arrears, along with any fees must also be paid before utility service(s) can be connected.

2.1.2 INSPECTION OF PREMISES

The City may, at its option, inspect the premises prior to final approval of any service agreement. If said premises are in conformance with these Terms and Conditions of Service and all applicable provisions of the City Code, and the service agreement has otherwise been approved, the necessary connections and installations shall be made. However, the service agreement will be deemed not approved, if unacceptable conditions are found at the premises during the inspection. No service connections will be made until all such conditions have been corrected in accordance with all local, state, federal, and other laws, rules, and regulations.

2.1.3 NEW DWELLINGS

A utility account for a new dwelling or business concern shall be established in the name of the contractor whose name appears on the building permits as soon as the Utility Billing and Collection Department is notified a service has been connected at a location. If new construction, it will be the responsibility of the customer/contractor to contact the respective utility's New Service Coordinator to ensure the metering points align with the current codes. Service may not be transferred from the contractor to another party until the certificate of occupancy is issued. Once the certificate of occupancy is issued, sewer service, if provided, shall be added to the account.

2.1.4 UNAUTHORIZED SERVICE

If the City leaves utility service(s) connected at a vacant location, it does not constitute consent by the City for use of such service without completion of a service agreement for the service(s). Nor is it permissible for occupants, whether authorized customers or not, to turn on services themselves or to cause service(s) to be turned on by anyone other than City personnel acting in compliance with these Terms and Conditions of Service.

Failure to complete the service agreement process will result in termination of service, in accordance with these policies. Occupants who have used service(s) without completing the required application process, shall be liable to the City for the deposit amount, as well as for payment of bills resulting from usage's, estimated or actual, on all services available to the premises, billed at the prevailing rates. All relevant fees and charges must also be paid prior to any connection or reconnection of service(s) at that or any other premises.

Said occupants will be required to show a lease or bill of sale or other verifiable document showing when occupancy began and will be billed from the reading nearest the commencement date of occupancy. If no such document is available, billing will occur using the last available reading for the previous customer at the premises.

If it appears that metering was bypassed or other evidence of tampering is found, service will be discontinued immediately, without advance notice. Further, the City may estimate usages and bill charges, including charges assessed for damage to City property, together with any other outstanding utility bills, must be paid prior to any connection or reconnection of service at that or any other premises.

2.1.5 TEMPORARY SERVICE

The City may from time to time temporarily install service without requiring a deposit for the utility account. Such service will be granted for limited periods of time and only under specific circumstances. Payment for any and all electric, water, wastewater, sanitation and/or any other utilities associated with the location are the responsibility of the customer. This service is available for vacant properties only.

Multi-rental property owners with good credit history with the City, or if a new customer, provide a good credit reference from another utility, may sign a deposit waiver agreement (APPENDICES: Deposit Waiver Agreement) in lieu of placement of a deposit. The owner must furnish and maintain an updated list of rental properties eligible for such a waiver. It is the obligation of the owner to keep Utility Billing and Collections department notified of changes in rental status of the subject properties.

Multi-residential or commercial units under construction by the same contractor may also qualify. To qualify for this waiver, such owners must have good credit with the City, or if a new customer, provide a good credit reference from another utility, may sign a deposit waiver agreement in lieu of placement of a deposit. The customer must furnish and maintain an updated list of units under construction eligible for such a waiver. It is the obligation of the contractor to keep Utility Billing and Collections department notified of changes in status of the subject properties.

2.1.6 AUTOMATIC TEMPORARY SERVICE

The owner of multiple rental units may elect to enter into an agreement (APPENDICES: Automatic Temporary Service Agreement) with the City that will automatically place the utilities at predefined locations into the owners name should the tenant request the utilities be taken out of their name. The owner must furnish and maintain an updated list of rental properties eligible for such service. Payment for any and all electric, water, wastewater, sanitation and/or any other utilities associated with the location are the responsibility of the customer.

The term of the agreement is from the date of its execution to the end of the current calendar year. From that date forward the term shall automatically be from January 1 to December 31 of the same year. The agreement shall automatically be renewed on a year to year basis and continue in full force unless terminated by the owner or the City.

This agreement may be terminated by the owner upon thirty days written notice to the City. The City may terminate the agreement should the owner default in the agreement. The following are deemed reasons to declare the owner in default of the agreement:

1. Failure of the owner to pay in full any amounts due and owing for utility service. Disconnection for non-payment shall follow normal procedures as outlined these Terms and Conditions of Service.
2. The owner wrongfully represents ownership of any properties covered by this agreement.
3. The owner allows tenants to reside at a location using service under this agreement.

The City agrees to waive the standard same-day fee, which is charged when a customer requests that service be connected, disconnected and/or reconnected in the same calendar day.

Should a tenant be disconnected for non-payment, the service will be disconnected until payment to reconnect the account is received, the account is closed by the utility billing office, or service at the address is placed into another party's name.

2.1.7 AFTER-HOURS SERVICE

Utility Billing and Collections staff may connect service for residential customers after normal working hours. The customer will complete an after-hours service agreement (APPENDICES: After-hours Temporary Service Agreement) and pay any applicable fees at the time service is connected. The customer is then responsible for completing the permanent service agreement and paying all deposit amounts by 1:00 p.m. the following business day. If a customer contacts the Electric Utility generating an outage and it is actually a customer breaker tripped or the customer is off for non-payment but outside of the Utility Billing and Collections hours a service fee shall apply as approved by the Council.

2.1.8 TRANSFER OF SERVICE

Neither the agreement for service, nor the associated deposit is transferable from one person to another. Service at a new location for a customer moving within Bentonville may be established by transfer of the current deposit. The transfer can only be made by the responsible person listed on the account.

Service will not be connected if, on the date for which a connection is requested, there exists or will exist any past due balance on any current or prior utility accounts.

If an overlap of services for longer than fifteen days occurs, a standard deposit will be required.

2.1.9 RESPONSIBILITY FOR CHANGES IN SERVICE

It is the responsibility of the customer to notify the City of any changes in occupancy that will affect the billing and/or service of the customer. Changes may be requested in person, by telephone, or in writing. However, the City will not be responsible for any error or omission in account changes if the requests for change are not made in writing. For requests necessitating connection of service, the customer must contact the City and may be required to complete a new service agreement and tender a new deposit in accordance with these terms.

2.1.10 TERMINATION OF SERVICE

When a customer elects to terminate service, it is the responsibility of the customer to notify the City as to the day such termination is desired. The City may disconnect service at any time after 7:00 a.m. on the day for which the disconnection is requested. Customers must request a termination in service at least one business day prior to the requested date.

The City will read the appropriate meter(s) on the requested termination date and disconnect the service. A final bill will be prepared as a result of the final reading(s) and mailed to the current or forwarding address of record. Any outstanding security deposit will be applied to the final bill.

If service has been disconnected according to a customer's request and the customer then requests the service reconnected for any reason, the customer must present verification the reconnection is duly authorized by the responsible party for the account. All appropriate fees must be paid and a new disconnection date scheduled before service will be reconnected.

2.1.11 APPLICABILITY OF UTILITY DEPOSITS

Every potential customer requesting utility service from the City may be required to make a deposit with the City. A deposit may be made for every completed service agreement and for each separate premises, except as may be otherwise specified in these terms and conditions.

In the event a customer discontinues service or the account is otherwise closed, the deposit will be credited to the customer's account in the amount of the outstanding deposit. A potential refund shall not be used in lieu of tendering a new deposit for service at a new City address, except as may be otherwise specified in these terms and conditions. If a meter or meters located on the premises are damaged in any way, except by ordinary wear and tear, as ascertained by the appropriate utility manager, the whole of the deposit or as much thereof as is necessary to pay for repair of damages shall be deducted from the deposit before any refund is made.

2.1.12 AMOUNT OF DEPOSITS

1. Residential:

For the purpose of guaranteeing payment of the final utility billing, a residential deposit may be required at the time the service agreement is completed, and before service is installed. The amount of such deposit shall be determined according to the current deposit schedule (SECTION IV: Rate and Fee Schedules).

5. Commercial:

Deposits for commercial and business establishments shall be determined on the currently approved deposit schedule (SECTION IV: Rate and Fee Schedules).

After twelve months of service, a commercial/business establishment may request that the amount of deposit be reviewed and adjusted to an amount determined to be the actual average utility bill for the most recent twelve months of service. Such adjustment may result in an increase or decrease to the existing deposit. However, if payments have been late more than once in the previous twelve months no decrease in deposit amount will be made.

2.1.13 REFUNDING DEPOSITS

After at least twelve months of continuous account history with the City and no late payments during the most recent twelve months the deposit shall be credited toward the utility account the deposit is associated with. Should the refunded deposit cause a credit balance, the credit balance shall be carried over to the next billing. No refund checks will be issued for credit balances on accounts that remain active.

Should an account that has previously had their deposit refunded, have more than two late payments in a twelve-month period, a new deposit may be required. This deposit will be held for at least another twelve months or until the criteria for a deposit to be refunded is again met.

If a customer elects to transfer service to another location from a location that has had their deposit refunded for good credit, they will not be required to make a new deposit for the new location. However, if the customer at any time exceeds two late payments in a twelve-month period, they will be required to post a deposit. This deposit will be held for at least another twelve months or until the criteria for a deposit to be refunded is again met.

When a utility account is closed, all outstanding deposits associated with that account shall be credited toward the final utility bill. Any balances remaining will be sent to the customer, however, a check will not be issued for any balances less than one dollar.

2.1.14 DEPOSIT-EXEMPT STATUS

Federal, state, county, municipal agencies and public schools shall be exempt from posting deposits with the City.

2.1.15 UNCLAIMED MONEY

If a deposit refund check is returned to the City, all reasonable attempts will be made to contact the customer. If the check cannot be delivered, the Utility Billing and Collection staff shall attempt to locate another active utility account with the City that is in the customer's name and apply the credit to that account. If there are no other active utility accounts, the check will be handled in accordance with prevailing and applicable State regulations.

If a credit balance should arise on a utility account for any reason, the Utility Billing and Collections staff shall attempt to locate an active utility account in the customer's name. If one is located the credit shall be transferred to that account. If the customer does not have another active utility account, a check will be created and mailed to the most recent address according to the utility billing system. If this check is returned, after all reasonable attempts have been made to contact the customer; the check will be handled in accordance with prevailing and applicable State regulations.

2.1.16 LOST CHECKS

When utility refund checks of any nature have been sent to the last known address of a utility customer, but have not been received by the customer, the City may, at its option and after a reasonable amount of time has elapsed, issue a "stop payment" request to the bank on which the lost check was drawn, and initiate those internal procedures appropriate for reissuing the check. The customer may be responsible for the stop payment charges according to the fee schedule if the customer chooses to request an immediate reissue of the check.

CHAPTER 2

BILLING AND BILLING ADJUSTMENTS

2.2.1. APPLICABILITY OF BILLS

No person shall use any utility service provided by the City without paying for same.

2.2.2 DELIVERY OF UTILITY BILLS

The City may mail a bill for utility services to the address at which service is taken or to other such address as designated by the customer.

Delivery is deemed to have taken place when, according to the City's records, a bill or any notice containing billing or delinquent information has been properly delivered to the U.S. Postal Service.

Failure to receive a duly delivered bill or other notice in no way exempts a customer from liability for payment of any amount due.

2.2.3 READING AND BILLING CYCLES

City meters will typically be read at monthly intervals of not less than twenty-five days and not more than thirty-five days; billing for service will normally be submitted to customers monthly.

Should it not be possible to read meters for each billing period, the City may submit an estimated bill to the customer, based on previous usage and other available information, to be adjusted, as necessary, when the next actual reading is obtained.

2.2.4 BILLING RATES

The City's standard rate schedules (SECTION IV: Rate and Fee Schedules) state the conditions under which each rate for each service is available. They also state the terms or period for which each is established.

Design of the appropriate rate structure shall be the responsibility of the appropriate utility.

2.2.5 PAYMENTS

The City accepts cash, checks, money orders, and credit or debit cards for payment of utilities. Should a customer believe their account has not been properly credited for a payment; the customer should contact the Utility Billing and Collections office immediately. When contacting the City, the customer must have either a receipt or proof such as a canceled check to receive credit

2.2.6 LATE PAYMENTS

If the balance of each monthly bill is not received in the billing office on or before the Due Date, as printed on each bill, a late payment charge shall be added to the current bill. The Due Date shall be no sooner than twenty-one days after the date of the bill, which is the day the bill is mailed.

Each late charge applied to a utility account, whether due to non-payment or late payment, shall cause a late payment indicator to be created within the customer's master utility account record.

2.2.7 TESTING OF METERS

It is the responsibility of the appropriate utility director to maintain all meters related to the appropriate utility in good repair and proper working condition without cost to the customer, except where the customer may become liable, as stated in these Terms and Conditions of Service. All meters, whether electric or water, shall be inspected and tested as often as deemed necessary and sufficient by the City in order to insure their good working condition and accurate calibration. The City may replace any meter, at any time, at its option.

The City will test the accuracy of any customer's electric and/or water meter after receipt of a written request (APPENDICES: Request for Meter Test) from the customer and prepayment of the stipulated meter test fee. The customer may request to be present, during normal working hours, when the meter is tested. Further, the customer may, at the customer's option and own expense, have an expert or other representative present at the time of the test.

If the tested meter is found to be more than two percent incorrect, causing the customer to be over billed, the City shall credit the meter test fee, correct the billing as set for the in these Terms and Conditions of Service, and shall replace or adjust the meter. In the case where the tested meter is found to be more than two percent incorrect, causing the customer to be under billed, the City shall not credit the meter test fee, however it will correct the billing as set for the in these Terms and Conditions of Service, and shall replace or adjust the meter.

If the tested meter is found to be within the accuracy limits of two percent, whether slow or fast, the City will not credit the meter test fee, nor make any adjustment to the account's billing.

2.2.8 ADJUSTMENT OF BILLS

If the results of any meter test, whether requested by the customer or performed at the option of the City, show that a meter registers inaccurately by more than two percent, fast or slow, the City will correct the customer's utility billing, using the percent of error as the factor for calculating adjustments:

1. **Fast Meters:** The City shall credit to the customer's account the amount overcharged during the previous billing periods, not to exceed six months.
2. **Slow Meters:** The City may charge for the services(s) consumed, but not included in bills previously rendered, for a period not to exceed six months.
3. **Clerical/Technical Errors, Adverse to the City:** If a meter or account record is found to have an incorrect register, connection, multiplier, or constant, or if a meter is found not to register or to have been registering intermittently for any period, or if a clerical error of any nature has been made on the account, the error shall be corrected and the account adjusted. Billable usage may be estimated based on such information as is available from the City's records and as is deemed reasonable in comparison to previous usage at the same account or similar usages at comparable accounts.
4. **Clerical/Technical Errors, Adverse to the Customer:** When the error is adverse to the customer, a credit adjustment will be made to the account for the amount charged due to incorrect metering or due to errors in billing calculations for the period of time that the bills were in error, but not to exceed six months. When the error is adverse to the City, the City may charge the customer the undercharge for the utility service incorrectly metered or billed for the period of time that the bills were in error, but not to exceed six months.
5. For sanitation charges, should a pick-up not occur due to weather conditions or holiday schedule, no adjustment will be made to the customer's account.
6. **Minimum Adjustment:** No billing adjustment will be made where the full amount of the adjustment is less than \$1.00.
7. **Payment of retroactive Billing:** The City may accept installment payments for account adjustments issued due to meter, billing, or technical errors. The maximum period of time for such installment payments to be spread may equal, at the discretion of the Billing and Collections Manager, the same amount of time over which the error existed, but not to exceed six months.
8. **Objections to Retroactive Billing:** If the customer should object to retroactive billing, the objection should be made in writing to the Billing and Collections Manager on or before the due date specified for payment of the retroactive billing. Non-payment of the disputed amount will not cause the account to be subject to disconnection; however, the maximum objection period is limited to three months. Thereafter, the account may become subject to disconnection, even if the dispute is unresolved.
9. **Payment During Dispute:** During the period of dispute, applicable minimum charges and all properly billed subsequent charges shall be due and payable on each respective due date. Service will become subject to disconnection, if current charges become delinquent, even if resolution of the disputed amount is still pending.
10. **Routine Testing:** These procedures shall not apply to routine testing and/or replacement of meters.

CHAPTER 3

CREDIT AND COLLECTIONS POLICIES

2.3.1. DELINQUENT ACCOUNTS

Charges for utility service shall be due and payable monthly on such dates as determined by the City's Billing and Collection Department. Each customer's monthly bill shall have printed thereon the date on which payment is due in full. If a monthly bill is not paid by the indicated date, a late payment charge is assessed and the account is delinquent and becomes subject to disconnection.

2.3.2. NOTIFICATION OF DISCONTINUATION OF SERVICE

In the case of disconnection of service due to non-payment of account, the following procedures shall apply, except as otherwise provided for in these policies:

A written notice stating the amount that must be paid in order to avoid disconnection of service shall be sent, by mail, to the mailing address of the customer, as shown on City records. The notice shall be delivered to the postal service at least five business days prior to the disconnection date shown on the notice.

2.3.3. DISCONNECTION OF SERVICE

1. Disconnects with Prior Notice

The City may discontinue utility service to a customer for reasons set forth below, as long as notice of impending disconnection of service has been delivered to the postal service. Failure to accept or acknowledge notification shall not be cause for delay of the disconnection. Disconnection may take place anytime during normal working hours on or after the day designated for disconnection.

- a. Non-payment of any bill, or any portion of a bill, properly rendered by the City to the customer at any premises for any utility service.
- b. Refusal by the customer to provide reasonable access for City personnel to read, service, or otherwise maintain City equipment located on the customer's premises, in accordance with these policies.
- c. Violation of or non-compliance with an approved rule of service of the City, including these Terms and Conditions of Service.
- d. Violation of or non-compliance with any rule or regulation of any applicable federal, state, municipal, or other local laws, rules, or regulations.
- e. Failure by the customer to complete a service agreement or furnish a deposit.

f. Failure by the customer to complete a service agreement in the true name of the customer.

g. Checks or bank drafts returned by a bank unpaid for any reason.

6. Disconnects with Simultaneous Notice

The City may discontinue utility service without advance notice to a customer for any of the reasons set forth below. However, notice will be posted at the premises at the time of discontinuation of service, indicating the reason for disconnection.

- a. Existence of a dangerous or defective condition of wiring, plumbing, or utility-related equipment on the customer's premises.
- b. Fraudulent use of service.
- c. Tampering with the City's regulating and measuring equipment or other property.

7. Disconnects without Notice

Under the following conditions, utility service may be disconnected without notification, either prior or at the time of disconnection. Notice of the original disconnection date will have been made in writing at the time that the related agreement was signed, a copy of which was then given to the customer.

- a. Expiration of a Temporary Service Agreement
- b. Failure to comply with the terms of a Utility Payment Extension Agreement.

2.3.4. EXTENSION OF TIME TO PAY

If a customer is unable to pay an outstanding amount on a utility bill and is in danger of service being disconnected, the customer may request an extension of up to fourteen calendar days to pay the account provided a Utility Payment Extension Agreement is completed and signed. The extension agreement (APPENDICES: Utility Payment Extension Agreement) shall include the complete amount past due.

Extension agreements are available to customers only once every three months for a maximum of four times in a twelve-month period. Failure to comply with the terms of any extension agreement will result in disconnection of service without further notice. The customer will not be eligible for any additional extensions for twelve months following a broken extension.

2.3.5.

DISHONORED CHECKS AND DRAFTS

In the event a customer should offer for payment for any utility bill, deposit, fee, or portion thereof, by means of a check or bank draft which is not honored by the payer's bank for any reason, a returned check service charge shall be charged.

Notification shall be sent to the customer's mailing address that a check or draft has been returned unpaid by the bank. The notice shall state the customer has five business days from the date of the letter to replace the check and pay all fees associated with the dishonored check. Failure to replace the dishonored check or draft with cash, certified check, cashiers check, or money order by the date indicated shall be disconnected.

In the event that two dishonored checks or drafts have been tendered to the City as payment for utility service within any of the last twelve months, payment by any such customer for the next twelve months of service shall be accepted only when tendered by certified check, cashier's check, money order, or cash.

After the customer is no longer precluded from presenting checks for payment of utility billings, should that customer again have two checks or drafts returned within a twelve month period, payment by any such customer for the next twenty-four months of service shall be accepted only when tendered by certified check, cashier's check, money order, or cash. The third time a customer has two checks or drafts returned within a twelve month period, payment by any such shall be accepted only when tendered by certified check, cashier's check, money order, or cash.

The City reserves the right to contact the payer's bank to insure that sufficient funds are available to cover the amount of any check or draft.

2.3.6.

RECONNECTION OF SERVICE

When any utility service has been disconnected, reconnection shall occur only upon certified correction of the condition that caused the disconnection, including payment of the total current account balance, all fees and/or deposits.

2.3.7.

SUMMARY OF DISCONNECTION POLICIES

1. Commercial Accounts
 - a. Weather does not affect disconnection.
 - b. Payment of all past due amounts made before 8:00 a.m. the day of disconnection will stop disconnection.
 - c. Returned checks and drafts are to be paid with cash, cashier's check, money order or credit card by the end of the business day indicated on the notice mailed to the customer.

8. Residential Accounts
 - a. Service will not be disconnected when weather forecasts indicate that the temperature will fall to thirty-two degrees Fahrenheit or below on the day of disconnection.
 - b. Service will not be disconnected when weather forecasts indicate that the temperature will rise to one hundred degrees Fahrenheit or above on the day of disconnection.
 - c. Payment of all past due amounts made before 8:00 a.m. the day of disconnection will stop disconnection.
 - d. Returned checks and drafts are to be paid with cash cashier's check, money order or credit card by the end of the business day indicated on the notice mailed to the customer.
 - e. Service will not be disconnected on the day before any legal holiday.
9. Residential and Commercial Accounts
 - a. Once service has been disconnected, payment of the entire balance on the account, together with the appropriate fees and deposits, are required before service will be resumed.
 - b. Billing and Collection department staff responding to calls for connections or reconnections will issue a receipt to the customer and record payments taken in the field. Staff shall not make change for a customer. If a customer makes a payment in cash and does not have exact change, the excess amount will be applied toward the account as a payment.
 - c. Agreements granting extensions of time for payments on an account must be approved by the Billing and Collections Manager or designated representative.
10. If a designated disconnection date for which proper notice has been given is delayed, service may be disconnected within the next five working days without further notice. If disconnection continues to be delayed, a second notification shall be given, whether by mail or by notice left at the service address.

2.3.8

Emergency Utility Payment Extension Agreement

1. If a disaster or emergency is declared by the Mayor, the Mayor is given the authority to temporarily waive utility late fees, temporarily suspend utility disconnections for non-payment and implement the extended utility payment agreement policy.
 - a. The Mayor shall determine a date through which delinquent utility bills are eligible to be included in an extended utility payment agreement.
 - b. Customers may request an extension of all delinquent utility amounts through the date designated by the mayor.

- c. The extension shall be repaid over two (2) times the number of months the account's delinquent charges consist of.
- d. Extended utility payment date agreed to by the City and customer shall occur monthly on a specific date.
- e. Each payment shall be roughly equal in size.

2. If a utility payment extension agreement is not met as agreed, the following shall apply:

- a. A notice of failure to meet the extension shall be either emailed to the customer's email address on file or if no email address is on file, a hang tag shall be delivered to the customer's location.
- b. If an account is sent for disconnection, prior to service being disconnected a customer can stop the disconnection by paying the amount of the missed extension payment with any normal disconnection trip fees.
- c. If an account is shutoff, the customer can reconnect service by paying the amount of the missed extension payment with the normal disconnection/reconnecting fees, as long as this occurs prior to the account being closed and final billed.
- d. If an account is closed and final billed, all delinquent balances as well as any deposits are required to reestablish service.

CHAPTER 4

FRAUDULENT USE OF UTILITY SERVICES

2.4.1. CUSTOMER'S RESPONSIBILITY FOR CITY PROPERTY

No person shall deface, damage, or destroy any City property. No regulating or measuring equipment or other property or equipment owned by the City, wherever situated, whether upon the customer's premises or elsewhere, shall be tampered with, removed, worked on, or interfered with, either for the purpose of adjustment or otherwise, except by authorized representatives of the City acting in their official capacity.

The customer shall be responsible for all damage to or loss of City property located on the premises of said customer, unless the damage or loss is proven to be beyond the customer's control. In addition, the customer shall be responsible for any and all costs incurred by the City in the removal, relocation, or modification of the City's property, equipment, or facilities when such removal, relocation, or modification has been necessitated by some act of the customer and results in inaccessibility, danger, or interference with utility service.

2.4.2. RESALE AND/OR SUBMETERING PROHIBITED

Utility service delivered to customers shall be for use upon the premises of the customer only and shall not be resold or delivered for use off the premises of the customer or shared with others. No person shall allow sub-metering for any utility service without express, written authorization and consent by the City. This rule may be waived by special contract with the City.

2.4.3. METERED & UNMETERED SERVICE

It shall be unlawful for any person to receive or use any utility service from the City's distribution and collection. All meters must meet all City specifications and all the provisions of these Terms and Conditions of Service.

No person shall install piping or wiring or make such connections or attach pipes or wires to service lines in such a manner that service may be obtained without being supplied according to these Terms and Conditions of Service.

2.4.4. EVIDENCE OF UTILITY DIVERSION

Proof of the existence of or an attempt to create any bypass, tampering, or unauthorized metering shall be deemed *prima facie* evidence that the customer at the premises where such bypass, tampering, or unauthorized metering or an attempt thereof occurred, if it is proved that the customer is an occupant of the premises and that said customer had or controlled access to the meter or other utility equipment where the bypass, tampering, or unauthorized metering or attempt thereof occurred.

2.4.5.**TAMPERING WITH SERVICE EQUIPMENT**

It shall be unlawful for any unauthorized person to turn on service or otherwise tamper with shut-off devices on City metering equipment in any way, form, or manner.

Tampering, bypassing, or unauthorized use of a meter, which is both subterfuge and a possible safety hazard, shall be grounds for immediate disconnection of service. Notification shall be delivered to the premises at the time of discontinuation of service. Service shall not be reconnected until any and all deficiencies in wiring, connections, meters, or other facilities at the premises have been repaired, corrected, or otherwise altered to conform to the requirements of all applicable ordinances, rules, and regulations.

In addition, all charges and bills, whether current, past due, and/or estimated, must be paid in full before service is restored. The amount of deposit shall be reviewed and shall be subject to change, as if the account were being activated for new service; however, any new deposit amount stipulated as a result of this review shall under no circumstances be less than any currently-existing level of deposit.

2.4.6.**PENALTIES FOR UTILITY SERVICE DIVERSION**

The City may estimate any and all usage not recorded as a result of tampering, bypassing, and/or unauthorized metering and bill an amount resulting from the estimated calculations. Such estimations may be derived from actual usage for the same account at a time when usage was known to be accurate, or in comparison with any other premises of a similar size or nature, or in accordance with any other method that the Billing and Collections Manager shall deem prudent and reasonable.

SECTION III
DEFINITIONS

<u>TERM</u>	<u>DEFINITION</u>
BILLING AND COLLECTIONS MANAGER	shall mean the party chiefly responsible for, among other duties, ascertaining deposit amounts, assuring the accuracy of account maintenance and timely distribution of utility bills, overseeing credit and collection procedures, and reviewing the activities of the meter reading and utility staff.
BYPASS or BYPASSING	shall mean any wire, cord, socket, pipe, motor, or other instrument, device, or contrivance connected to the electric or water supply system or any part thereof, so as to transmit, supply, or use any electricity or water without the electricity or water passing through an authorized meter for measuring or registering the amount of such electricity or water.
CITY COUNCIL	shall mean the duly elected body of officials which, among other duties, is chiefly responsible for the development and enactment of the ordinances that govern the affairs of the City of Bentonville, Arkansas.
CUSTOMER	shall mean any person, firm, partnership, corporation, agency, or legal entity, including authorized agents or employees of an owner, who has assumed responsibility for and/or receives utility service of any nature for any given premises.
DIRECTOR OF FINANCE	shall mean the party chiefly responsible for, among other duties, all fiscal record-keeping within the City. The Director of Finance provides oversight for the Billing and Collections Manager.
DWELLING UNIT	shall mean any living unit containing kitchen appliances and facilities used for residential dwelling, either continuously or part-time. A weekend cabin or mobile home is a dwelling unit.
ELECTRICITY	shall mean electric power and energy produced, transmitted, distributed, or furnished by the City.
LEGAL HOLIDAY	shall mean those days declared by the Council to be days on which City offices are not open for business.
METER	shall mean any device or devices, installed and approved for use by the City, used to measure or register electric power and energy or water or waste water consumption
NORMAL WORKING HOURS	shall mean the hours of 8:00 a.m. to 4:30 p.m., Monday through Friday, with the exception of legal holidays.

POINT OF DELIVERY	shall mean the point at which the utility supply system of the City connects to the wiring or piping system of the customer.
PREMISES	shall mean any piece of land or real estate or any building or other structure or portion thereof or any facility where any utility service is furnished to a customer, including dwelling units as defined herein.
PRODUCTION COST ADJUSTMENT	shall mean a factor determined by the City of Bentonville and applied to the cost of energy used by the consumer to account for variations in the cost of generating or purchasing power.
SANITATION	shall mean garbage or refuse collection service furnished by or for the City.
SERVICE OR UTILITY SERVICE	shall mean the supplying by the City electricity, water, waste water, sanitation, security lighting, fire sprinkler service, or any combination thereof.
SUMMER SEASON	shall mean customer usage months beginning May 1 and ending October 31 of each year.
TAMPER OR TAMPERING	shall mean damaging, altering, adjusting, or in any manner, interfering or obstructing the action or operation of any meter provided by the City for measuring or registering the amount of utility service passing through the meter.
UNAUTHORIZED METERING	shall mean the installation, connection, moving, reconnection, removal, or disconnection of any meter or metering device for utility service by any person other than employee of the City acting in an official capacity or other designated parties acting on the behalf.
WASTEWATER	shall mean the wastewater service furnished by the City.
WASTE WATER UTILITY MANAGER	shall mean the party chiefly responsible for, among other duties, all technical aspects of waste water service provided by the City to its customers.
WATER	shall mean the water service furnished by the City.
WINTER SEASON	shall mean customer usage months beginning November 1 and ending April 30 of each year.