

4-2 DISCONTINUANCE OF SERVICE

4-2.1 Purpose

The purpose of this policy is to establish guidelines for residential water discontinuation for nonpayment of a delinquent account, including how account holders and/or occupants are notified of this policy, how they may obtain a payment arrangement or alternative payment schedule, how they may contest or appeal water charges, and how they may restore service after it has been discontinued for nonpayment.

This Policy provides for the adherence to Senate Bill No. 998 ("SB998"), Discontinuation of residential water service. SB998 was approved on September 28, 2018 and became effective February 1, 2020. SB998 outlines the requirements for discontinuation of residential water service for nonpayment of a delinquent account.

4-2.2 Reasons for Disconnection

- (a) The District reserves the right to disconnect any service line or other connection to its water distribution system and to discontinue water service for any of the following reasons:
- The District or a State or County health officer finds that there exists a condition hazardous to the health or safety of the customer or any water user of the District;
 - The customer fails to comply with any Regulation of the District;
 - The service is being furnished without a proper application or under a false or fraudulent application;
 - There is evidence of unlawful tampering or interference with the District's facilities by the customer;
 - If after investigation, the State Water Resources Control Board, the California Department of Water Resources, or the District finds that water furnished through the connection is being wasted or that the use or method of use of the water is unreasonable;
 - The customer fails, after request by the District, to remove any obstruction that prevents convenient reading of the customer's meter;
 - The customer fails to pay any bill for any rate or charge due to the District within 60 days after the bill date.

4-2.3 Timing of Disconnection

- (a) No advance notice need be given if the purpose of the disconnection is to remove or prevent a hazard to health or safety.
- (b) For residential customers not on an amortization agreement, no less than 7 days prior to disconnecting a service, the District shall give the customer advance notice via phone or mail of its intention to do so, of the reason therefor.
- (c) For residential customers that fail to comply with an amortization agreement, an alternative payment schedule, or a deferral or reduction in payment plan for delinquent charges for 60 days or more or that do not pay their current bill while undertaking an amortization agreement, an alternative payment schedule, or a deferral or reduction in payment plan for delinquent charges for 60 days or more, service may be discontinued no sooner than 7 business days after a final notice of intent to disconnect service is posted in a prominent and conspicuous location at the property.

4-2.4 Disconnection Notice Languages

The notice of discontinuation of residential service for nonpayment is available in English, the languages listed in Section 1632 of the Civil Code, and any other language spoken by at least 10 percent of the people residing in the District's service area. The District's written policy will be made available on the District's internet website.

4-2.5 **Notice of Disconnection**

- (a) The customer shall be offered the District's written policy (this Regulation) on discontinuation of residential service for nonpayment and options discussed to avert discontinuation of residential service for nonpayment, including, but not limited to: alternative payment schedules, a plan for deferred or reduced payments, procedures for requesting amortization of the unpaid balance, a telephone number for customers to contact to discuss options for averting discontinuation of residential service for nonpayment, and a formal mechanism for customers to petition for bill review and appeal.
- (b) Written notice of payment delinquency and impending discontinuation shall be mailed to the customer of the residence to which the residential service is provided. If the customer's address is not the address of the property to which residential service is provided, the notice shall also be sent to the address of the property to which residential service is provided, addressed to "Occupant." The notice shall include, but is not limited to, all of the following information in a clear and legible format:
 - The customer's name and address.
 - The amount of the delinquency.
 - The date by which payment or arrangement for payment is required in order to avoid discontinuation of residential service.
 - A description of the process to apply for an extension of time to pay the delinquent charges.
 - A description of the procedure to petition for bill review and appeal.
 - A description of the procedure by which the customer may request a deferred, reduced, or alternative payment schedule, including an amortization of the delinquent residential service charges.
 - A description of how to request a reconnection should water service be turned off.
- (c) If unable to make contact with the customer or an adult occupying the residence by telephone, and written notice is returned through the mail as undeliverable, a good faith effort will be made to visit the residence and leave a notice of imminent discontinuation of residential service for nonpayment and the urban and community water system's policy for discontinuation of residential service for nonpayment.
- (d) If an adult at the residence appeals the water bill, via the District's available appeal form, residential service will not be discontinued while the appeal is pending.

4-2.6 **Limits to Disconnection**

Residential water service shall not be discontinued for nonpayment if all of the following conditions are met:

- (a) The customer, or a tenant of the customer, submits to the District, the certification of a "primary care provider," as that term is defined in subparagraph (A) of paragraph (1) of subdivision (b) of Section 14088 of the Welfare and Institutions Code, that discontinuation of residential service will be life threatening to, or pose a serious threat to the health and safety of, a resident of the premises where residential service is provided.
- (b) The customer demonstrates that he or she is financially unable to pay for residential service within the urban and community water system's normal billing cycle. The customer shall be deemed financially unable to pay for residential service within the urban and community water system's normal billing cycle if any member of the customer's household is a current recipient of CalWORKs, CalFresh, general assistance, Medi-Cal, Supplemental Security Income/State Supplementary Payment Program, or California Special Supplemental Nutrition Program for Women, Infants, and Children, or the customer declares in writing, on a District provided form, that the household's annual income is less than 200 percent of the federal poverty level.
- (c) Customer is willing to enter into a plan for deferred or reduced payment, consistent with the written policies provided pursuant to subdivision (a) of Section 116906, with respect to all delinquent charges or an amortization agreement (not to exceed 12 months), alternative payment schedule.

- The District may grant a longer repayment period if it finds the longer period is necessary to avoid undue hardship to the customer based on the circumstances of the individual case.
- (d) If Policy sections 4-2.5 (a) through 4-2.5 (c) are met, the District shall offer the customer one or more of the following options:
- Amortization of the unpaid balance.
 - Participation in an alternative payment schedule.
 - A partial or full reduction of the unpaid balance financed without additional charges to other ratepayers.
 - Temporary deferral of payment.
- (e) The District may choose best payment option that the customer will undertake and set parameters of that payment option.

4-2.7 **Reestablishment of Water Service**

- (a) When service has been discontinued due to nonpayment, the District will provide information on how to restore that service. The service will not be restored until all required delinquent charges and fees to re-establish service have been paid.
- (b) Residential customers that have a household annual income less than 200 percent of the federal poverty level (*any member of the household that is a current recipient of CalWORKs, CalFresh, general assistance, Medi-Cal, Supplemental Security Income/State Supplementary Payment Program, or California Special Supplemental Nutrition Program for Women, Infants, and Children, or the customer declares that the household's annual income is less than 200 percent of the federal poverty level*), are automatically eligible for both of the following discounts:
- Pursuant to State Health and Safety Code (H&S Code) section 116914 (a) (1), the fee to reconnect during normal operating hours will be the lesser of \$50 (as may be adjusted annually pursuant to H&S Code section 116914 (a) (1)) or the actual cost of reconnection as set forth in District's cost allocation plan.
 - Reconnection fees shall be subject to an annual adjustment for changes in the Consumer Price Index beginning January 1, 2021.
 - Pursuant to H&S Code section 116914 (1) the fee to reconnect during the District's nonoperation hours, will be the lesser of \$150 (as may be adjusted annually pursuant to H&S Code section 116914 (a) (1)) or the actual cost of reconnection as set forth in the District's cost allocation plan.
 - Reconnection fees shall be subject to an annual adjustment for changes in the Consumer Price Index beginning January 1, 2021.

4-2.8 **Disconnection Involving Landlords and Tenants**

- When the District is notified prior to shutoff that a tenant legally occupies the residence, the District shall make every good faith effort to inform the residential occupants, by means of written notice, when the account is in arrears at least 10 days prior to the termination. The written notice shall further inform the residential occupants that they have the right to become customers, to whom the service will then be billed, without being required to pay any amount which may be due on the delinquent account.
 - Once notified of the relationship the District will give notice of termination at least seven days prior to the proposed termination
- The District will only make service available to the residential occupants when each residential occupant agrees to the terms and conditions of service and meets all other District requirements to establish water service.
- In a multi-family residential property, if one or more of the residential occupants are legally willing and able to assume responsibility for the subsequent charges to the account and agree to meet all other District requirements to establish water service or if there is a physical means legally available to the District of

selectively terminating service to those residential occupants who have not met the requirements of the District's rules and tariffs, water service will be made available.

- In order for the amount due on the delinquent account to be waived, the occupant who becomes the customer must verify that the delinquent account customer of record is or was the landlord, manager, or agent of the dwelling. Verification may include, but is not limited to, a lease or rental agreement, rent receipts, a government document indicating that the occupant is renting the property, or information disclosed pursuant to Section 1962 of the Civil Code.

4-2.9 **Disconnection Reporting**

- (a) Annually, a report showing the number of annual discontinuations of residential service for inability to pay will be posted to the District's website.
- (b) The Board will also receive the report.