

**POLICY TITLE: City of Hamilton Water and Wastewater/Storm Extraordinary Circumstance Bill Adjustment Policy**

POSITION RESPONSIBLE FOR TASK: Senior Policy Advisor, Financial Planning and Policy

POLICY NO: PP-0011

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MANAGER REVIEWED: Tom Hewitson

TO BE REVIEWED: May 2021

MAINTENANCE RESPONSIBILITY: Financial Planning and Policy Division

## **I GENERAL**

The City of Hamilton's Water and Wastewater/Storm Extraordinary Circumstance Bill Adjustment Policy ("Policy") provides residential, not-for-profit and institutional customers who utilize City water services the opportunity to request adjustments to abnormally high water and wastewater/storm billings which result from unexplained or extraordinary and unusual circumstances and are not attributable to identified leaking situations.

## **II BACKGROUND**

The Policy sets out specific eligibility criteria that a customer must meet in order to qualify for a billing adjustment for an abnormally high water and wastewater/storm billing resulting from unexplained or extraordinary and unusual circumstances.

The policy is intended to apply to situations that are not associated with plumbing failures, that do not qualify for relief under the City's Water Leak Adjustment Policy, and that may result in an undue financial hardship for some customers.

## **III POLICY**

### **PURPOSE**

To provide staff with the authority to consider and permit adjustments to unusually high water and wastewater/storm billings which result from unexplained and/or extraordinary and unusual circumstances, and are not caused by an identified leaking situation.

## DEFINITIONS

For the purposes of this Policy, the following definitions apply:

**abnormally high water usage:** Water and wastewater/storm billing for a City of Hamilton customer where the recorded metered water consumption for the customer is two or more times greater than the historical daily average consumption of that customer for the same property and for a similar time period from the previous year.

**Horizon Utilities:** Horizon Utilities Corporation.

**leak:** An unintentional water loss caused by broken and/or malfunctioning plumbing fixtures and/or pipes within a residence or building. A leak occurs when there is a failure of the plumbing system to do what it was designed to do.

**not-for-profit:** Not-for-profit corporations are incorporated under the *Ontario Corporations Act* or under successor or similar legislation as organizations that carry on activities without the purpose of gain for its members and any profits to the corporation.

**unoccupied:** An unoccupied dwelling and/or building is a dwelling and/or building in which occupants are absent from the property for a time period of seventy-two (72) hours or more, due to such matters as vacations or prolonged illness.

**vacant:** Regardless of the presence of furnishings, a vacant dwelling and/or building means the occupants have moved out with no intent to return. A newly constructed dwelling and/or building is also considered to be vacant after it is completed and before the occupants move in. A dwelling and/or building is also vacant when the occupants move out and before any new occupant moves in.

## REQUIREMENTS FOR WATER AND WASTEWATER/STORM BILLING ADJUSTMENTS

Under this Policy, a billing adjustment may be available to qualifying City water customers who experience high water billings for abnormally high water usage which falls under one of the two categories:

1. Unexplained Consumption Increase; or
2. Extraordinary Circumstance.

Situations that are eligible for relief under the City's Water Leak Adjustment Policy are **not** eligible for billing adjustments under this Policy.

**Adjustment Amount (Credit)** – The customer's billing may be adjusted for up to 50% of the change between the average consumption of the affected property and the bill for the period of abnormally high water usage. If there is no prior year history, the credit if granted, will be based on the average consumption of similar customers.

**1. Unexplained Consumption Increase** – a situation where:

- The water meter has been tested and found to be measuring water consumption within prescribed standards for accuracy and is otherwise free from defects that could affect the measurement of water consumption. In accordance with the City's Waterworks By-law R84-026, the cost of water meter testing when requested by a customer is borne by the property owner if the meter tests within the accuracy standards as set out by American Water Works Association (AWWA). If the water meter does not meet the accuracy standards, then the cost of the test and the cost to replace the meter are borne by the City;
- The abnormally high water usage relates to a limited period of water usage of no greater than 120 days in duration and, in the sole determination of the General Manager of Finance & Corporate Services or designate, cannot reasonably be attributed to:
  - other known activities;
  - an act or omission of the customer, an occupant of the property or a person within the customer's or occupant's control; or
  - a leak or other defect in the private plumbing system of the customer's property (such leak situations and potential remedies are normally addressed under the City's Water Leak Adjustment Policy).

**For the purposes of such determination:**

- (a) The customer must submit a signed copy of an *Unexplained High Water Use Billing Adjustment Request Form* available from the City's billing agent, Horizon Utilities;
- (b) The customer must also complete a declaration that:
  - the unexplained abnormally high water usage is not the result of an apparent or deliberate act of the customer such as pool filling or irrigation use and there is no reasonable explanation for the high usage;
  - the customer agrees that an unexplained abnormally high water usage billing adjustment will NOT be available where:
    - i. there exists a cross connection with a well or other water source on the subject customer's property;
    - ii. the unexplained abnormally high water usage was caused by equipment which was improperly installed, malfunctioned due to manufacturer's defect, or is covered by any written warranty e.g. sump pumps or water softeners covered by new home warranties; or
    - iii. the customer's water and wastewater/storm account with the City is not in good standing;

- (c) The customer must provide to the General Manager of Finance & Corporate Services, at the customer's cost, written verification from a plumbing contractor, licensed to carry on business in the City, that the private plumbing system for the customer's property is free from leaks or other defects that may affect water consumption and that upon careful inspection of the system there are no other factors that may explain the increased consumption; and
- (d) The customer must provide to the General Manager of Finance & Corporate Services any documentation or other information in the customer's possession or knowledge in respect to the private plumbing system for the subject property, occupants of the subject property and the customer's water consumption during the billing period in question as the General Manager of Finance & Corporate Services may request; and
- (e) The customer agrees to permit City personnel to access the customer's property to conduct inspections.

**2. Extraordinary Circumstances** – a situation where:

- The likely cause of an increase in water consumption is known but there are unique and unusual circumstances and given the potential for undue financial hardship for some customers, a potential billing adjustment may be available under the Policy.
- Customers through no fault of their own have incurred high water bills for abnormally high water usage due to natural disaster or construction activities not under contract by the property owner and/or tenant. The customer must provide evidence of no relief available from third party sources such as insurance claims.
- Customers experience high water bills due to abnormally high water usage where the detection and correction of the usage could not have been reasonably been accomplished in time to avoid the excessive water usage. Examples include where customers are medically incapable (written evidence may be requested) of addressing a leaking situation in a timely fashion.

**For the purposes of such determination:**

- (a) The General Manager of Finance & Corporate Services is delegated the authority to determine Policy application in extraordinary circumstances.

**OTHER CONDITIONS/EXCLUSIONS**

- The Policy is only available to eligible customers who have high water billings for abnormally high water usage. Water consumption must have returned to normal (average) levels.

- The abnormally high water usage in question must have occurred over the last three water and wastewater/storm billings; and
- Only one billing adjustment (if granted) is available per property owner with a maximum adjustment of 120 days.
- Requests for billing adjustments must be received by Horizon Utilities and/or the City within 60 calendar days of the billing date in which the abnormally high water usage was reflected.
- Water loss due to theft, vandalism or construction damage is not eligible for relief under this Policy. Resolving these issues is the responsibility of the customer.
- The Policy does not apply where a dwelling is unoccupied and/or vacant for more than 72 hours. For extended absences, customers should consider shutting off the water supply (except where water is used for heating) and draining all the pipes and appliances. In accordance with the Waterworks By-law R84-026, whenever any premises having water service becomes a vacant premise (as defined under that By-law), the owner is required within twenty-four (24) hours of vacancy to notify in writing, the City's Water department to shut off the water at the street line.
- The Customer is required to keep their water and wastewater/storm account current with payment in full or establish a payment arrangement pending consideration in order to be eligible for billing adjustments under this Policy. Any unpaid amounts under appeal will be treated in the same manner as all other unpaid accounts so that collection activity continues as per the City's Water and Wastewater/Storm Arrears Policy.