

ORDINANCE NO. 121, 2016
OF THE COUNCIL OF THE CITY OF FORT COLLINS
AMENDING THE CODE OF THE CITY OF FORT COLLINS TO CLARIFY
UTILITY ACCOUNTS, BILLING AND COLLECTION PRACTICES

WHEREAS, Chapter 26 of the City Code regulates and governs the provision of utility services; and

WHEREAS, Chapter 26, Article XII, of the City Code sets forth definitions and terms for assessing and collecting fees and charges due for delivery of specified utility services; and

WHEREAS, such provisions require updating and modification from time to time, for purposes of clarification, correction of errors and to ensure that the Code remains a dynamic document capable of responding to issues identified by staff, customers, and citizens and changing technology for and manner of delivering utility services; and

WHEREAS, Fort Collins Utilities staff has identified provisions of Chapter 26 of the City Code where clarification of the service fee collection and bill-correction practices are required to better inform customers and align with current utility practices; and

WHEREAS, on September 1, 2016, the Energy Board reviewed and voted unanimously to recommend approval of proposed revisions to Chapter 26 of the City Code to clarify and update utility customer billing and collection practices; and

WHEREAS, on September 15, 2016, the Water Board reviewed and voted unanimously to recommend approval of proposed revisions to Chapter 26 of the City Code to clarify and update utility customer billing and collection practices; and

WHEREAS, the City Council has determined it is desirable to maintain appropriate utility service billing and collection practices and the recommended clarification of such practices in the City Code, as set forth herein, is in furtherance of the benefits available to utility ratepayers.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF FORT COLLINS as follows:

Section 1. That the City Council hereby makes any and all determinations and findings contained in the recitals set forth above.

Section 2. That Section 26-279(c)(2) of the Code of the City of Fort Collins is hereby amended to read as follows:

Sec. 26-279. Service charges; categories.

- (c) The rate determination by category is as follows:

(2) If water use is metered, the rate for Categories A and B and the rate for Category C shall be based on winter quarter water use in accordance with the following formula:

Cu	=	VuC
Where:		
Cu	=	Users charge per billing period
Vu	=	Volume of winter quarter water use
C	=	A charge per unit volume of water used based upon the cost of service per unit volume of normal, domestic-strength wastewater

a. The user shall be charged this calculated amount and the applicable base charge as set forth in § 26-280. If any metered water service customer connects to the wastewater utility or makes a change in the use of the premises or substantially expands such premises, the Utilities Executive Director shall make an estimate of the water consumption on such premises during an average winter month based upon a count of plumbing fixtures, consumption of similar customers or other information relevant to such determination; and such estimate, when made, shall be the basis for the wastewater service charge until the actual winter use for the premises can be determined or until an alternative means of determining wastewater volume is established for the user in accordance with this Article.

b. If a metered water service customer experiences a temporary mechanical system failure or consumption event that substantially increases the customer's normal volume of use, without otherwise changing the premises, and afterward presents proof of repairs completed and the customer returns to a normal volume of use, the Utilities Executive Director may adjust the customer's winter quarter average if impacted by the failure or event. In making that adjustment, the Utilities Executive Director shall use the greater of the rate class average winter quarter average and an estimate of the water consumption at such premises during an average winter month, based on prior consumption at the premises, consumption of similar customers, and other information relevant to such determination, to the extent such information is available. Such estimate, when made, shall be the basis for the wastewater service charge until a corrected winter use for the premises can be determined or until an alternative means of determining wastewater volume is established for the customer under this Article.

...

Section 3. That Section 26-463(c) and (d) of the Code of the City of Fort Collins is hereby amended to read as follows:

Sec. 26-463. - Electric rates; general service rules, regulations and interconnection standards.

...

(c) The Utilities Executive Director may adopt minor additions, revisions and corrections to the Electric Service Standards and Interconnection Standards for Generating Facilities Connected to the Fort Collins Distribution System as may, in the judgment of the Utilities Executive Director, be necessary to better conform to good engineering and/or construction standards and practice or to clarify a particular standard. The Utilities Executive Director shall approve only those proposed technical revisions that:

...

(d) The Utilities Executive Director may approve the limited suspension of the Electric Service Standards and Interconnection Standards for Generating Facilities Connected to the Fort Collins Distribution System for the purpose of supporting special research, equipment testing or pilot projects that are under the direction and control of the Fort Collins Utilities. The Utilities Executive Director shall approve limited suspension only for projects that:

...

Section 4. That Section 26-713 of the Code of the City of Fort Collins is hereby amended to read as follows:

Sec. 26-713. Due date; delinquency.

(a) All fees and charges for the use of utility services are due and payable in full as of the due date specified on the utility bill and become delinquent after that date. Acceptance of partial payment will not be deemed a waiver of the City's right to collect any remaining balance or to exercise any of its authorized remedies for nonpayment. Prior to service disconnection, customers may make arrangements for payment with the approval of the Utilities Executive Director, and as otherwise provided in the administrative rules and regulations adopted by the Financial Officer pursuant to § 26-720.

(b) All charges and fees on utility bills shall be effective as of the date mailed to the last known mailing address of the customer.

- ...
- (e) The terminated utility service will be restored after the customer has paid in full all delinquent fees and charges, plus collection costs, together with the expenses of discontinuing and restoring service, including costs of after-hours labor and materials and specified fees, as provided in this Article.

Section 5. That Section 26-715 of the Code of the City of Fort Collins is hereby amended to read as follows:

Sec. 26-715. Deposits.

The City may at any time require a deposit if the customer has no history with the utility or has received one (1) or more turn-off notices for delinquency within the past twelve (12) consecutive billing periods. The amount of the deposit shall be two (2) times the estimated monthly bill for the utility services to be furnished to the customer. Any outstanding portion of a deposit not previously returned to a customer will be credited toward the customer's final service bill.

Section 6. That Section 26-719 of the Code of the City of Fort Collins is hereby amended to read as follows:

Sec. 26-719. Service initiation and termination at user's request.

(a) Requests to initiate any utility service must be made to the utilities at least one (1) business day prior to the customer's desired initiation date, and additional notice may be required to ensure services are available. Requests are managed as soon as possible during normal business hours and may incur additional fees and charges, as set forth in Section 26-712 of this Code.

(b) Requests to terminate a utility service other than through an electronic service request portal must be made to the utility at least one (1) business day prior to the desired discontinuance date. The customer(s) will be liable in any event for utility services consumed until the final meter reading is obtained. The termination notice given by the customer does not relieve the customer in any way from any minimum charges or payments guaranteed under a service contract.

Section 7. That Section 26-721 of the Code of the City of Fort Collins is hereby amended to read as follows:

Sec. 26-721. Billing errors.

- (a) When an error has been made in an account, the following shall apply:

Overpayment	<p>When the utility determines a customer has overpaid for utility service and the overpayment occurred no more than six (6) years before the date the error is made known to the utility, the utility will issue to the customer a credit or a refund, without interest, as reimbursement for the overpayment if each of the following conditions is met:</p> <ul style="list-style-type: none"> a. documentation evidencing the overpayment is available in utility records or has been provided to the utility by the customer; and b. the utility confirms the accuracy and sufficiency of the documentation based on utility records.
Credit balances	<p>The utility will make reasonable efforts to refund or credit, without interest, to the customer any amount paid or credited to an account for utility service in excess of applicable charges where there are current billing records acceptable to the utility. Any refund mailed to the last known address of the customer and returned unpaid to the utility or not cashed by the customer within two (2) years of either the date of delivery or mailing of the check, will be retained by the City, and disposed of according to the unclaimed intangible property policies of the utility.</p>
Undercharges	<p>When the utility determines a current customer has been undercharged for any reason and has underpaid for utility service, the customer shall be billed for the undercharges without interest, except:</p> <ul style="list-style-type: none"> a. when the undercharges occurred more than six (6) years before the date the utility discovers the error; or b. the undercharges total less than a minimal amount per account or aggregate billing system threshold established by the administrative rules and regulations adopted by the Financial Officer pursuant to § 26-720.
Meter failure	<p>When the utility determines a meter has failed to register usage within prescribed accuracy limits, the customer will be billed based on the estimated metered consumption for the period during which the meter malfunction occurred, as determined by the Utilities Executive Director.</p> <ul style="list-style-type: none"> a. in the case of a failed water remote meter, the utility will bill for the difference between the inside meter reading and the remote reading, as determined by the Utilities Executive Director.

	<p>b. customers who have been underbilled for services received, will be re-billed, at no interest, for the actual or estimated services delivered, based on utility service records or other information acceptable to the utility that verify previous billing statements do not appropriately reflect actual consumption. The number of billing cycles over which collection will occur will be subject to the administrative rules and regulations adopted by the Financial Officer pursuant to § 26-720.</p>
--	---

(d) Any customer aggrieved by a final determination or decision regarding a billing error correction under this Section may petition the Utilities Executive Director for a hearing by making a written application for such hearing within seven (7) days of the date of such determination or decision. The Utilities Executive Director may appoint a hearing officer or elect to conduct such hearing personally. If a timely request for hearing is made, a hearing concerning the propriety of the determination or decision shall be granted to the aggrieved party and, after notice to the aggrieved party, the hearing shall be held no more than ten (10) calendar days after the filing of the request for hearing. At the hearing, the appellant and the City may be represented by an attorney, may present evidence and may cross-examine witnesses. The decision of the hearing officer or Utilities Executive Director shall be based upon competent evidence. The aggrieved party may file an appeal from such hearing to the City Manager pursuant to §2-541 of this Code.

Section 8. That a new Section 26-723 of the Code of the City of Fort Collins is hereby adopted to read as follows:

Sec. 26-723. Leased property owners.

(a) Owners of rental property served by City utilities are required to select the preferred manner for administering utility services to the rental property during tenant vacancies.

(b) Service options include:

Leave Utilities On:	This option automatically transfers account responsibility into the property owner's name when a tenant discontinues service. A fee under Section 26-712 of this Code will be assessed to the property owner each time the services revert to the property owner. This option will not prevent discontinuance of service due to any delinquency.
---------------------	--

Turn Utilities Off:	This option discontinues metered utilities at the property when a tenant discontinues service. A service connection fee under Section 26-712 of this Code will be assessed to the new service address account when services are reinstated.
---------------------	---

Introduced, considered favorably on first reading, and ordered published this 1st day of November, A.D. 2016, and to be presented for final passage on the 15th day of November, A.D. 2016.

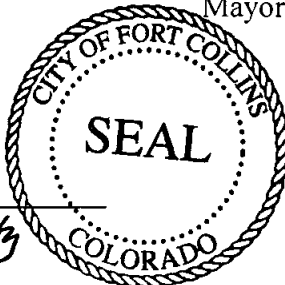


Mayor

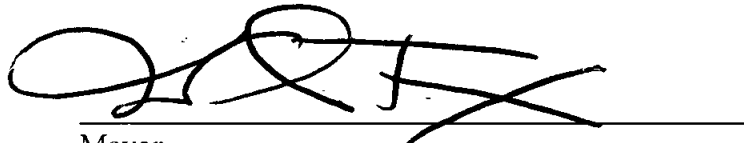
ATTEST:



City Clerk / Chief Deputy

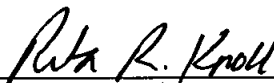


Passed and adopted on final reading on the 15th day of November, A.D. 2016.



Mayor

ATTEST:



Chief Deputy City Clerk

