



# HUNTSVILLE UTILITIES POLICY

<b>Revision Approval Date:</b> Gas & Waterworks Board-4/26/2022 Electric Board- 4/27/2022	<b>Date Posted:</b> 4/28/2022	<b>Implementation Date:</b> 5/1/2022
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**Policy #:** CC-09

**Policy:** Customer Billing

**Purpose:** To outline the billing cycle and process for all residential or non-residential customers.

Utility bills will be issued monthly based on the established billing period. The monthly billing period could vary between 28 and 34 days. The due date presented on the bill will be no less than fifteen days following the bill issue date. Bills that fall due on a weekend or Huntsville Utilities (HU) holiday, will be due the next business day. Customers may request any available bill from their account, which includes details of their consumption, that has been issued within the last three years.

## Late Fees

If payment is not received by the close of business on the due date listed on the bill, the account will be assessed a late fee. The late fee will be calculated separately for each service at a rate of five percent for the first \$250.00 plus one percent for any remaining balance over \$250.00. The projected late fee for the full bill will be listed on each month's bill; however, the late fee will be assessed on the balance not paid.

Failure to receive a bill will not release a customer from the payment obligation, nor extend the due date.

## Average Monthly Billing

In order to help budget their monthly bills, an Average Monthly Billing (AMB) program is available to qualified and verified non-profit small commercial and residential customers. Customers on the AMB program will see their monthly payment amount fluctuate based on changes in their consumption. Customers must notify HU if they wish to cancel the AMB program, at which time any unpaid balance will be due in full. A customer will be removed from the program for failure to pay by their assigned due date.

## Due Date Assistance

The Due Date Assistance program was designed to assist customers on a fixed income and provides a fixed due date on the fifth of each month. The program will allow the customer to pay on or before this date without incurring a penalty. To qualify, the customer must have a good payment history with HU and their meter must be read by the 20<sup>th</sup> of each month. Customers who continually pay their bill late after being placed on the program will be removed.



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### Estimated Bill

HU reserves the right to render an estimated bill to the customer on the basis of the best information available if any of the following occur:

- HU or its agents are unable to obtain access to the meter during regular business
- An error occurs in the computation or calibration of the meter
- HU elects to read meters less frequently than each month to reduce meter reading expenses or due to inclement weather
- Evidence of meter tampering exists at the location

If subsequent meter readings show the estimated bill was based on an erroneous estimate of consumption, HU will adjust the bill accordingly.

### Seasonal Service

Seasonal service is provided to customers that maintain non-residential service during certain portions of the year for the purpose of operating a farm or cotton gin. Offices, outdoor lighting and other business functions as defined by HU during the account setup or review process are excluded from this rate class.

### Utility Use Tax

All bills will be subject to the Alabama Department of Revenue (ADOR) Sales and Use Tax. The Sales and Use Tax will be included on each bill unless the customer has obtained a Direct Pay Permit (Form DPP) from the State of Alabama or a current tax exemption (Form STE-3). It is the sole obligation of the customer to notify HU immediately of any change(s) to their tax status.

### Collective Billing

Non-residential customers who have multiple accounts in the same name may request to have their invoicing consolidated into one collective billing statement. This ensures all bills have one due date and payment each month that covers all accounts. To qualify, the customer must have at least five individual accounts and all accounts must have a zero balance. All collective billing statements will have a fixed due date that corresponds with their billing cycle.

### Billing Adjustments/Corrections

In the event of faulty equipment, inaccurate reading or other error, adjustments to a customer's account may be made. Records must be maintained detailing the reason for the adjustment and providing a corrected bill calculation. Failure to adjust inaccurate retail readings for a particular customer amounts to a special concession for that customer, the cost of which is unfairly paid by all other rate payers.

While HU may adjust fees, penalties or miscellaneous charges, amounts based on metered consumption may not be altered unless they are due to a billing or metering error. In the event of a billing or metering error HU will adjust the customer's bill accordingly (Alabama Code Section 37-8-22). Any additional billing



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or credits will be made to the appropriate account(s) for a maximum period of thirty-six months. This practice is followed for all types of billing discrepancies based on the statute of limitations outlined in the State of Alabama for a revolving account.

The three-year statute of limitations; however, does not apply in cases of diversion or theft. In cases where a party fraudulently or criminally obtains goods or services, HU would collect for all services consumed by the customer without regard to the three-year statute of limitations.

In the event of an underground or concealed water leak resulting in a water/sewer bill that exceeds the average monthly consumption, the water and subsequent sewer billing may be adjusted. All water consumption above the average for the proceeding three months will be charged at the current residential-inside city limits lowest tier rate. In accordance with City of Huntsville guidelines, all excess sewer charges above the average will be adjusted off. Only one adjustment will be permitted during a one-year period and shall not exceed three months without approval from the Customer Service Director. Furthermore, if such leak or waste occurs in a fixture or if it shall be otherwise visible or audible or known to the consumer, a bill or charge for the full water/sewer shall be rendered. (City of Huntsville ordinance Sec 26-632)

City of Huntsville Water Pollution Control will issue a sewer credit for pool fillings that meet all necessary requirements. Only one credit per calendar year will be issued. For consideration, customers must complete and submit the Swimming Pool Credit Form along with all required documentation. Once approved, the credit will show on the next utility invoice. This credit does not apply to HU customers outside of the City of Huntsville jurisdiction.

**Original Issue Date:** 7/1/21

**Revision Date:** 12/1/21