



## TUSCUMBIA UTILITIES

### BILLING AND

### COLLECTION POLICY

#### **1. GENERAL PROCEDURES:**

- 1.0.** Each prospective CUSTOMER desiring utility service will be required to enter into a contract (application for service) with TUSCUMBIA UTILITIES. Two forms of identification are required, one of which is a government (United States, State, Local) issued photo identification. Regardless of a prospective CUSTOMER's national origin, the same conditions, documents and eligibility standards shall apply to prospective CUSTOMERS inquiring about or applying for service. Service will not be supplied to any applicant: a) who is indebted to TUSCUMBIA UTILITIES or b) at the time of application is a member of a household of a former CUSTOMER who is indebted to TUSCUMBIA UTILITIES or c) falsifies any information during the application process including forgery of rental or lease agreements. When applying for service and an outstanding bill from a previous address exists, the entire amount due must be paid before the application will be accepted.
  - 1.1.** Each CUSTOMER will be required to put up a deposit when making application for utility service according to the Service Charge Schedule. The deposit is based on the specific utility services requested and the CUSTOMER class average bill for those services. Failure to comply with the two forms of identification, as listed above, will result in the maximum deposit according to the Service Charge Schedule. The deposit in no case will exceed twice the highest estimated monthly bill for the rate classification. Deposit amounts will be reviewed and revised annually by TUSCUMBIA UTILITIES.
  - 1.2.** Cash deposits retained longer than twelve months (after the payment of the deposit in full) that exceed a one-month average electric bill for the class of CUSTOMER are eligible for interest which is accrued annually.
  - 1.3.** TUSCUMBIA UTILITIES will review and adjust interest rates annually based on the prior fiscal year average earnings on its electric deposit account. The deposit balance including earned interest is subject to review by CUSTOMER and TUSCUMBIA UTILITIES, and shall be accounted for in order to credit the account. Upon discontinuing service, the cash deposit and any accrued interest will be applied to CUSTOMER's final bill. Any remaining balance will be transferred to an existing active account or refunded to CUSTOMER.
  - 1.4.** It is the responsibility of the CUSTOMER to give written notification to TUSCUMBIA UTILITIES when service is no longer desired. The CUSTOMER is responsible for the utility bill until such notice is given, regardless of whether or not the CUSTOMER continues to occupy the premises.

#### **2. BILLING:**

- 2.0.** All meters will be scheduled for reading the first two days of each month. Bills will be processed and mailed during the following week. Since all bills are for utility services used by the CUSTOMER in the month prior to receipt of the bill, all bills are due when received. A 5% penalty is added to the amount of the bill paid after the 15 day net payment period, normally the 22<sup>nd</sup> day of the month in which the bill is received.
- 2.1.** If the CUSTOMER feels there has been an error made on the utility bill, or otherwise questions or disputes the amount of the bill, the CUSTOMER should discuss the situation with the CUSTOMER Service Representative at 256- 383-0321. The available rights and remedies to dispute any bill with TUSCUMBIA UTILITIES will be printed on the back of all bills, including the final notice. If the CUSTOMER does not feel satisfied after the discussion with the Customer Service Representative, the CUSTOMER may discuss the problem with the Office Manager or General Manager.

#### **3. LATE PAYMENT:**

- 3.0.** A bill is considered to be "late" or "delinquent" if payment is not made on or before the penalty date. If payment is not made before the penalty date, a Final Notice may be printed.
- 3.1.** Final Notices will be printed not less than 2 workdays after the penalty date. When a final notice is printed, a charge of \$5.00 will be added to the CUSTOMER's next bill. Final Notices will state that payment should be made on or before a specific day of the following month, normally 14 days after the original penalty date.
- 3.2.** CUSTOMERS are automatically granted a credit extension from the penalty date to the date on the Final Notice. No requests for extensions past the date on the Final Notice may be granted. If payment is not made, utility service will be discontinued.

#### **4. DISCONNECTIONS FOR NONPAYMENT OF BILL:**

- 4.0.** TUSCUMBIA UTILITIES may refuse to connect or may discontinue service for the violation of a) any of its Rules and Regulations, b) the provisions of the Schedules of Rates and Charges, or c) the application or contract with CUSTOMER. Utility may discontinue service to CUSTOMER for the theft of utilities or the appearance of theft devices on the premises of CUSTOMER. In addition to discontinuation of service because of theft, CUSTOMER will be charged a tampering fee for illegally reconnecting a service terminated by TUSCUMBIA UTILITIES or interfering with the normal metering of utility service. An additional service charge will be assessed against a CUSTOMER when it is necessary to discontinue electric service at the pole or remove water or gas meter due to utility service being turned on illegally. Meter tampering charges will be prosecuted in either Tuscumbia Municipal Court or Colbert County Circuit Court.
- 4.1.** The discontinuance of service by TUSCUMBIA UTILITIES for any cause as stated in this rule does not release

CUSTOMER from his obligation to TUSCUMBIA UTILITIES for the payment of minimum bills as specified in the application with CUSTOMER. TUSCUMBIA UTILITIES may refuse to connect service to a CUSTOMER at any location for failure to pay bills for service at any other location.

- 4.2. If a CUSTOMER has multiple accounts on the system and one of the accounts default, any remaining balances will be transferred to other active accounts. Failure to pay transferred balances may result in termination of all services.
- 4.3. If the bill is not paid on or before the date on the Final Notice, utility service will be discontinued as soon as practical. The Final Notice states full payment is required on the past due bill. Although partial payments are accepted, partial payments will not prevent utility service from being discontinued for nonpayment. A CUSTOMER may be disconnected for any amount after the date of the final notice.
- 4.4. Once the disconnect list has been given to the serviceman, full payment of the past due balance and appropriate disconnection fees must be made, even if the CUSTOMER comes in to pay before the service is disconnected. Because large commercial and industrial CUSTOMERS involve a considerable expense to disconnect, effort may be made to contact someone of authority at the location before service is disconnected.
- 4.5. When the serviceman arrives at the location for which the disconnect order was issued, the serviceman is required only to disconnect the utility service. He is not required to contact the CUSTOMER. He is not authorized to accept payment of the bill or to discuss a partial payment.
- 4.6. TUSCUMBIA UTILITIES evaluates weather conditions daily at [www.weather.com](http://www.weather.com). In the event the forecasted temperature for Tuscumbia, Alabama is expected to exceed 100 degrees Fahrenheit or is expected to be below 30 degrees F for that day, TUSCUMBIA UTILITIES will postpone the disconnection of residential CUSTOMERS scheduled for disconnection due to non-payment. Where disconnection is postponed due to an extreme weather condition, the postponement will not extend beyond the extreme weather condition. TUSCUMBIA UTILITIES will not reconnect utility services, without payment, regardless of the weather conditions.
- 4.7. Upon TUSCUMBIA UTILITIES approval of the "Medical Form for Certification of Use of Life Sustaining Device", disconnection of service will be postponed for one day past the final notice date to allow CUSTOMER time to make payment or seek alternative shelter arrangements. The medical necessity form must be completed by a medical doctor licensed to practice in the state of Alabama certifying that the disconnection of electric service would create a life-threatening medical situation for the CUSTOMER or other permanent resident of the CUSTOMER's household.
- 4.8. It is the responsibility of the CUSTOMER to ensure that the form has been approved by TUSCUMBIA UTILITIES. A life threatening medical condition does not relieve a

CUSTOMER of the obligation to pay for electric service, including any late fees incurred or other applicable charges.

## **5. RECONNECTION OF SERVICE:**

- 5.0. Once a CUSTOMER has been disconnected for non-payment, the entire past due balance must be paid before service will be restored.
- 5.1. In addition, a reconnection fee must be paid. If the request for reconnection is made between the hours of 8:00 a.m. – 4:30 p.m., Monday through Friday, the reconnection fee is \$25.00. If reconnection is made after regular office hours and standby personnel must be called out to make the reconnection, the CUSTOMER must pay an after hours reconnection fee of \$35.00 plus the amount of the cost of the overtime for the serviceman called out to reconnect the service. After regular office hours, the serviceman is authorized to collect all monies due when he arrives at the premises to reconnect the utility service.
- 5.2. During the time a CUSTOMER is disconnected for nonpayment, only cash will be accepted for payment of all amounts due. This rule applies to both payments made during regular office hours and after office hours.
- 5.3. The first time a CUSTOMER is disconnected for nonpayment, the amount of the CUSTOMER's security deposit will be determined. If the deposit is less than the amount currently required as a deposit, the CUSTOMER must pay the difference so that the CUSTOMER will have the correct amount as a security deposit. **Should the CUSTOMER be disconnected again, the CUSTOMER may be required to pay an additional deposit of \$25.00 for each time disconnected up to two times the maximum bill for the particular class.**

## **6. COLLECTION OF AMOUNT DUE:**

- 6.0. All active CUSTOMERS should make all utility bill payments to TUSCUMBIA UTILITIES. Former CUSTOMERS who have not paid their final bill with TUSCUMBIA UTILITIES may have their account referred to a collection agency.

## **7. POINT OF DELIVERY:**

- 7.0. The point of delivery shall be established by TUSCUMBIA UTILITIES. All equipment beyond the point of delivery shall be maintained by the CUSTOMER.
- 7.1. CUSTOMERS buried natural gas piping may be subject to corrosion.
- 7.2. Piping should be inspected and repaired periodically.
- 7.3. When excavating near buried piping, it should be located in advance and the excavation should be done by hand.
- 7.4. Plumbing contractors and heating contractors can assist with these tasks.

## **8. INFORMATION TO CUSTOMERS:**

- 8.0. CUSTOMERS will be given a copy of applicable rates upon request. The CUSTOMER may be notified of rate changes by written or electronic communication. A statement of monthly consumption for the prior twelve months is available upon request and proper identification.