

***CANBY UTILITY  
REGULAR BOARD MEETING  
JANUARY 28, 2014  
7:00 P.M.***

**AGENDA**

- I. CALL TO ORDER
- II. AGENDA
  - Additions, Deletions or Corrections to the Meeting Agenda
- III. CONSENT AGENDA
  - Approval of January 28, 2014 Agenda
  - Approval of Regular Board Meeting & Executive Session Minutes of January 14, 2014
- IV. CITIZEN INPUT ON NON-AGENDA ITEMS
- V. RECOMMENDATION Increase Water Rate Revenues June 1 – Carol Sullivan, Finance Manager (pg. 1)
- VI. BOARD REPORTS
  - Member Maxwell: Knights Bridge Substation Update (pg. 2)
- VII. STAFF REPORTS

Finance Manager:

  - Purchasing Agent’s Job Performance Evaluation

Customer Service Supervisor:

  - Amending Customer Service Policies and Procedures (pp. 3-40)
- VIII. ADJOURN

**CANBY UTILITY**  
**REGULAR BOARD MEETING MINUTES**  
**JANUARY 14, 2014**

PRESENT: Chairman Cornelius; Members Smith, Wagner, Maxwell and Potter; Matt Michel, General Manager; and Barbara Benson, Board Secretary

ALSO PRESENT: Carol Sullivan, Finance Manager; Sue Arthur, Purchasing Agent; Larry Hepler, Operations Superintendent; Dee Anne Wunder, Customer Service Supervisor; David Doughman, Board Attorney; and Tim Dale, City Liaison

Chairman Cornelius called the Regular Board Meeting to order at 7:01 p.m.

Chairman Cornelius presented the meeting agenda for consideration. He asked for any additions, deletions or corrections to the meeting agenda and Matt Michel, General Manager, requested a staff report on a reservoir valve dispute settlement be added to the agenda.

Chairman Cornelius presented the consent agenda for approval. Member Wagner made the \*MOTION to Approve the Consent Agenda, Consisting of the Amended Meeting Agenda, Regular and Executive Meeting Minutes of December 10, 2013, Write-Offs in the Amount of \$1,364.96, Payment of the Electric and Water Department Bills in the Amount of \$938,131.89, with Carry-Ins in the Amount of \$8,442.06, for a Total of \$946,573.95. Member Smith seconded, and the motion passed unanimously.

Chairman Cornelius stated that the City Charter requires the Board to elect its Chairperson in January each year. He asked Barbara Benson, Board Secretary, to review the process for making nominations. After her review, Member Smith nominated Member Potter. Member Potter declined the nomination, stating two reasons for not accepting the nomination and expressed his appreciation for being considered. Member Potter then nominated the current Chairman, Bob Cornelius to serve for 2014. Member Maxwell seconded the nomination. Chairman Cornelius called for additional nominations and there were none. Member Potter then made the \*Motion to Appoint Bob Cornelius to Serve as the 2014 Board Chair. Member Maxwell seconded, and the motion passed unanimously.

Chairman Cornelius asked for citizen input on non-agenda items and there was none.

Dee Anne Wunder, Customer Service Supervisor, stated that Canby Utility has been donating Green Power to green-up city parks and the transit mall since 2008. The monthly cost for the donation is \$41.40. This donation is made on an annual basis and therefore was being presented to the Board for approval. Matt Michel, General Manager, shared some history on how the donation of Green Power to the city began. The law required utilities to offer a green product and Canby Utility's decision to donate Green Power for city parks was one way to promote and

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market green power in Canby. Upon approval by the Board, Matt contacts the City Administrator who adds the donation to the Council's agenda to take affirmative action to accept the donation. Member Maxwell made the \*MOTION to Continue to Make a Monthly Donation of Green Power for One Year on Behalf of the City Parks and Transit Mall. Member Potter seconded the motion and the roll call ballot was as follows: Member Smith, aye; Member Wagner, aye; Member Maxwell, aye; Member Potter, aye; and Chairman Cornelius, aye. The motion passed 5-0.

Larry Hepler, Operations Superintendent, presented the quarterly reliability report; however, first he shared details from the recent high wind event that caused a power outage effecting customers. He explained that the top of a cedar tree fell onto primary lines that caused an entire feeder to go down. The outage lasted about 40 minutes. Larry noted that he has discussed removing the cedar trees that caused the feeder outage with the homeowner. A second outage occurred when a tree limb fell across a service line. In anticipation of the adverse weather, Larry placed a lineman on standby to ensure prompt storm response.

Larry Hepler, Operations Superintendent, reviewed the events impacting the reliability standards for the quarter. The indices numbers for Canby Utility are higher than usual but they are still good overall. He noted a cable failure in May, windstorm damage in September, and in December a transformer failure and a cable failure caused outages that impacted the numbers. He added that the system's smart switches have greatly reduced outage times and gave examples. Member Smith recommended staff consider publicizing the benefits of the smart switches and how they have helped outage response. Larry said that he would work on something to put on the Canby Utility website that would give customers an update to the outage and discussion ensued.

Larry Hepler also reported on the Knights Bridge substation project cost for rerouting the transmission line into the new substation. Canby Utility prepaid Portland General Electric (PGE) \$300,000 for anticipated cost of time and materials with the expectation that any overpayment would be reimbursed. PGE completed their cost calculations and issued Canby Utility a reimbursement payment of \$89,016.

Carol Sullivan, Finance Manager, presented the fiscal year first-quarter financial report through the month of September 2013. She noted that the report is being presented in a new format that separates electric from water. Carol began with a review of a chart that showed the electric cumulative year-to-date by month revenue and expense data overview, followed by the electric financial highlights. She noted that the expenses are under budget and revenues are above budget. She also noted a \$450,000 adjustment to the cash reserve amounts as a result of a Board policy decision that stemmed from the last rate study, which impacted the electric balance sheet. She then reviewed the statement of operations and changes in net assets and highlighted the drivers for items that were significantly over or under budget for electric. She noted that she is looking into payroll and benefit allocation methods due to the difference between the budget and actual payroll expenses. She also explained that the capital contributions were under budget due

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to the ongoing Urban Renewal Sequoia Parkway project. Member Wagner requested Carol provide a chart for kilowatt sales for electric similar to the revenue charts.

Carol then reviewed the financial reports for water, starting with a review of a chart that showed the water cumulative year-to-date by month revenue and expense data overview, followed by the water financial highlights. She noted that the expenses are below budget and the revenues are above budget. Carol explained that the amount of cash represented on the balance sheet varies from the cash reserve policy due to the system development charge funds being tracked separately from cash reserves. She then reviewed the statement of operations and changes in net assets and highlighted the drivers for items that were significantly over or under budget for water. The payroll and benefit allocation methods are also being investigated for the water fund. She noted the capital contributions were over budget. Member Wagner requested a chart for cubic feet sold for water to use as a comparison to the revenue charts.

Dee Anne Wunder, Customer Service Supervisor, gave an update on the Share the Warmth bill payment assistance program. In 2013, \$48,018.85 was spent to help 246 families. Canby Utility paid \$1,250 to the Canby Adult Center for handling the customer intakes. We received 122 customer donations that totaled \$7,563.31. She stated that customers who really need help are receiving it. The program opened in November to help customers during the time of year when the need is greatest. The average benefit for all customers was about \$197, whereas it was \$167 the previous year. Dee Anne noted that low-income, disabled and senior citizen customers automatically qualify to receive \$200 each year and discussion ensued.

Matt Michel, General Manager, presented the board planning calendar. The calendar lists the topics that the Board had or will discuss during the fiscal year. The Board had no changes for the proposed calendar. Matt will finalize the calendar for distribution.

Matt Michel, General Manager, reported on the coded wire tag fish program funded by the BPA. He gave background on the program and the political involvement regarding BPA's decision to not fund the project. Canby Utility has been asked to contact Congressman Schrader's aide to express its support for BPA's decision. BPA is not eliminating funding all together, but instead shifting funds to fish programs that are directly related to the dam. Matt noted that 25% of Canby Utility's wholesale power bill goes directly to fish programming. Member Smith suggested Matt draft a letter, supporting BPA's decision, for Chairman Cornelius to sign with copies of the letter going to the Congressman's aide and Senators Wyden and Merkley. The Board gave consensus for Chairman Cornelius to sign the letter.

Matt Michel, General Manager, reported that the 401(k) plan trustees have agreed to bring in a new third party administrator for the plan. Matt explained the role played by the third party administrator and the reasons for wanting to change to a new company. Mt. Hood Pension Services LLC was selected. Matt will give United Retirement, the existing company, a 60-day notice to terminate their services.

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Matt Michel, General Manager, reported that Canby Utility has been engaged in a dispute over a valve that was installed as part of the new reservoir project. Our project engineers, PACE Engineering, specified a 12” butterfly valve for the project, which turned out to be the wrong valve for the site. Canby Utility replaced the valve with a throttle valve and engaged in negotiations to receive compensation from PACE Engineering for the cost to install the correct valve. The settlement check amount was \$12,000. Matt noted that Canby Utility likely will not do business with PACE Engineering in the foreseeable future. David Doughman, Board Attorney, noted that there was another issue related to a road project with that engineering firm.

Member Smith made the \*MOTION to go into Executive Session according to ORS 192.660(2)(i) to discuss performance of a public employee. Member Maxwell seconded, and the motion passed unanimously.

The Board excused all staff for the remainder of the meeting.

The regular meeting was recessed at 8:15 p.m.

The regular meeting was reconvened at 8:23 p.m.

Member Smith made the \*MOTION to Adjourn the Meeting. Member Potter seconded, and the motion passed unanimously.

There being no further business, the meeting was adjourned at 8:24 p.m.

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Bob Cornelius, Chairman

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Robert Maxwell, Member

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Gary Potter, Member

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Jerry Smith, Member

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Todd Wagner, Member

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Barbara Benson, Board Secretary

***CANBY UTILITY  
EXECUTIVE SESSION MINUTES  
JANUARY 14, 2014***

PRESENT: Chairman Cornelius; Members Smith, Wagner, Maxwell and  
Potter

The Executive Session was opened at 8:15 p.m. by Chairman Cornelius, in the Conference Room of the Canby Utility Board office, pursuant to ORS 192.660(2)(i) for the purpose of discussing performance of public employee.

There being no further business, the Executive Session was adjourned at 8:23 p.m.

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Bob Cornelius, Chairman

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Robert Maxwell, Member

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Gary Potter, Member

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Jerry Smith, Member

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Todd Wagner, Member

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Barbara Benson, Board Secretary



## Memorandum

January 22, 2014

**To:** Chairperson Cornelius, Member Smith, Member Wagner, Member Maxwell and Member Potter

**From:** Carol Sullivan, Finance Manager

**Subject:** Water Rate Revenue Adjustment

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Recommendation: Increase water rate revenues 9.95% effective June 1, 2014.

Our 2013 water rate hearing proposed a two year rate revenue increase with a 9.95% for the first year and up to that amount for the second year pending review. Upon reviewing our actual revenues for the first half of the fiscal year to the budget, we are 1.36% above budget. It is reasonable to assume we will meet the budgeted revenues for FY14 of \$2,284,558. A water rate revenue increase of 9.95% effective June 1, 2014 would bring in \$2,511,872 for FY15, an additional \$227,314.

The water system master plan recommends that we replace \$300,000 of main lines a year. The main replacement program and other capital projects have been put on hold due to minimal funding of the cash reserves. In order to fund capital projects and cash reserves staff recommends the full 9.95% be implemented.

Per Resolution No. 262 the "Board may increase all customer classes' Tier 1 volumetric charge and/or base charge" "to generate up to a 9.95% rate revenue increase". The water rate analysis applied the method of increasing the base charge for both June 1, 2013 and June 1, 2014. The rate impacts for increasing only the base charge June 1, 2014 would be as follows:

Rate Description	Current Average Monthly Water Bill	New Average Monthly Water Bill	Increase
RESIDENTIAL	\$ 30.73	\$ 33.82	\$ 3.09
MULTI FAMILY (Single apt.)	\$ 22.54	\$ 25.67	\$ 3.13
5/8 x 3/4 INCH COMMERCIAL	\$ 28.58	\$ 31.74	\$ 3.16
1 INCH COMMERCIAL	\$ 65.87	\$ 71.45	\$ 5.58

If the board would like to explore the option of raising just Tier 1 or raising Tier 1 and the base charge, we may need to engage our water rate consultant to assist.

Knights Bridge Substation  
Project Costs  
FY13 FY14

Complete	Description	Amount Budgeted	Amount Awarded	(Over)/Under Budget	Payments as of: 1/23/14	Payments Remaining
X	SITE DEVELOPMENT	\$356,630	\$425,000	\$ (68,370)	\$425,000	-
X	STEEL STRUCTURE	303,213	313,174	(9,961)	313,174	-
X	TRANSFORMER	490,000	417,461	72,539	417,461	-
X	CIRCUIT SWITCHER (Field Service and Training this week)	48,000	48,355	(355)	48,355	-
X	VOLTAGE REGULATORS	121,500	130,275	(8,775)	130,275	-
X	CIRCUIT BREAKERS	52,500	38,325	14,175	38,325	-
X	CONTROL HOUSE	177,000	248,286	(71,286)	248,286	-
X	CVO ENGINEERING SERVICES - Design	97,500	97,500	-	97,057	-
X	CVO ENGINEERING SERVICES - Permit Work	12,250	12,250	-	12,250	-
X	CVO ENG SERVICES - Change Order #1 Approved 1-8-1	-	21,800	(21,800)	21,800	-
X	SMITH MONROE GRAY ENGINEERS	14,500	15,921	(1,421)	15,921	-
X	MILLER CONSULTING ENGINEERING SERVICES	4,500	7,400	(2,900)	7,400	-
X	LAND LEASE, APPRAISAL & LEGAL DESCRIPTION	77,820	77,820	-	77,820	-
X	BUS WELDING (Completion by 6-21-13)	31,280	24,450	6,830	24,450	-
X	ELECTRICAL TESTING (FY14)	27,500	16,712	10,788	15,041	-
	<b>TOTAL</b>					
	<b>PGE Power Transfer - Estimate of \$300,000</b>		<b>210,930</b>	<b>(210,930)</b>	<b>210,930</b>	<b>-</b>
	<b>Refund of \$89,069.70</b>					
	CONTROL CABLE (Low Voltage) - CUB Supplied	5,400	5,357	43	5,357	
	PRIMARY CABLE (High Voltage) - CUB Supplied	50,000	48,078	1,922	48,078	
	STATION SERVICE TRANSFORMER - CUB Supplied	750	429	321	429	
	CONDUIT (LV + HV)	51,450	51,450	-	51,450	
	Inventory & Non-Inventory Items & Tools - CUB Supplied	18,193	18,193	-	18,193	
	CU CREW LABOR & OVERHEAD	245,330	264,730	(19,400)	264,730	
	Transportation	47,000	21,014	25,986	21,014	
	<b>ADDITIONAL BUDGET ITEMS</b>	<b>26,513</b>		<b>(30,958)</b>	<b>57,471</b>	
	a) Building Permits/Recording/Survey Fees		8,487			
	b) Beery, Elsner & Hammond Legal Services		11,544			
	c) Rental of Forklift & Boom		21,929			
	d) Flagging		2,611			
	e) Miscellaneous		12,900			
	<b>TOTAL</b>	<b>\$ 2,258,829</b>	<b>\$ 2,572,381</b>	<b>(313,552)</b>	<b>\$ 2,570,267</b>	



## MEMORANDUM

January 23, 2014

TO: Chairperson Cornelius, Member Smith, Member Wagner, Member Maxwell and Member Potter

FROM: Dee Anne Wunder, Customer Service Supervisor

SUBJECT: Customer Service Policy and Procedure Revision

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**Action Requested:** Review the proposed policy changes to the Customer Service Policy and Procedures.

**Background:** Staff recently reviewed the Customer Service Policy and Procedures and determined updates were needed to reflect current practices. In addition, staff is also recommending some changes to the existing practices to streamline the customer service processes we deal with daily.

Below is a list of significant updates and/or changes staff recommends:

- **Application of Service** (updated) – Added information that is required to establish service (page 5).
- **Changes on existing accounts: adding a name, removing a name, etc.** (new) – Policy lacked language to address these topics (page 6).
- **Security Deposit** – (updated) – This has been changed to protect CU when a customer establishes new service. The process has been to either add a deposit to a customer's account one time or add it to the customer's account in three equal payments. Staff would like to add the full deposit to the first bill or if we divide it into three equal payments, require the customer to pay one-third at the time service is established. Staff has also added that CU may issue a door hanger, even if the balance is below \$100, if the customer does not keep the payment arrangement made for the deposit when service was established (pages 7-10 & 14).
- **Installation or Change of Service** (change) – Staff would like to require a customer to pay the Account Processing Charge at the time service is established (pages 6 & 11).
- **New or Expanding Large Load (NELL) to General Service information** (new) – Added to include the new customer class (page 9).
- **Customer Billing Process** (new) – This was added to show the billing process and includes delinquent and door hanger notices. This also includes the current policy that we do not issue door hangers in December. Staff recommends deleting this verbiage so that door hangers are issued during the month of December. By not issuing a door hanger in December, customers may incur two full months of charges without any consequences

for non-payment. On average, last June through November we issued 192 door hangers per month in 3 billing cycles. In only the first two billing cycles this month, we issued 214 door hangers, with another billing cycle left. This puts CU at risk for a higher amount write offs in January. The electric usage is always higher in January; people have just spent funds during the holidays and have a hard time catching up in January (pages 13-14).

- **Counterfeit currency** (new) – This was added due to recent counterfeit activity and staff needed a procedure to follow (page 15).

Staff will bring back the final Customer Service Policy and Procedure to the February Board Meeting for adoption.

I will be available to answer any questions at the Board Meeting.



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## I. PREFACE

Canby Utility (CU) is a municipal electric and water utility of the City of Canby, Oregon. This customer service policies and procedures manual applies to CU's electric and water service. The use of such words as "shall, should, may," etc., indicate the status of the policy or procedure. "Shall" for example is a requirement. "Should" is recommended. "May" is at the discretion of CU.

The following policies and procedures apply to any electric or water applicant or CU customer in accordance with the responsibility and authority set forth in the Canby City Charter, state and federal law, and applicable intergovernmental agreements. Customers are subject to, and required to comply with, the utility-specific policies and procedures for each service received from CU.

It shall be the policy of CU ~~to endeavor~~ to provide utility services without discrimination and in accordance with sound business principles; that rates will be reasonably uniform to all customers within classifications; and that utility services pricing will be based on providing competitive rates to all customers without special rate categories for selected social or economic classes of customers.

It shall be the policy of CU to consider the aesthetics and environmental effects of its activities in conjunction with utilization of its resources while providing utility services.

This Policies and Procedures manual is intended to provide guidance to CU customers and CU staff to achieve the common goal of efficient and safe utility service. CU personnel are available for advice and consultation related to utility services.



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**A. Conditions of Service**

Rate schedules are applied according to use and occupancy classifications. Customers are subject to, and required to comply with, the utility-specific Policies and Procedures for each service received from CU.

The customer is responsible to furnish, own and maintain all materials and facilities required to distribute services beyond the point of delivery to points of use on the property. CU-owned facilities, located beyond the point of delivery, such as the electric meter, shall be maintained by CU.

The customer will secure the necessary permits from the governmental agency having jurisdiction thereof and pay all costs of installing and maintaining utility materials and equipment necessary to accept CU services. The customer shall comply with all codes and regulatory requirements, including the National Electric Code (NEC) and the National Electric Safety Code (NESC). The customer shall not have any conditions on the property or structure that cause CU to be out of compliance with applicable safety standards or policies.

CU shall not be responsible for loss or damage to life or property resulting from non-CU owned, installed, or maintained facilities on, adjacent to, or connected to CU's facilities, and the customer shall assume all liability thereof.

Customer or applicant must pay all monies due by them to CU prior to service connection. CU reserves the right to deny new service until monies owed are paid in full. CU reserves the right to terminate any service if evidence is later discovered that the customer owed a debt to CU that was not resolved at the time of service connection.

CU does not provide utility service in the absence of a billing responsibility. In the event of a deceased customer, responsibility for billing must be assumed by the estate, an individual, or a personal representative.

If a metered service shows no usage for 730 consecutive days, CU may remove the meter, service and related equipment.



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**B. Application for Service**

An “application for service” is a request for service only and does not, in itself, constitute a contract until CU actually delivers or is ready to deliver utility service to the customer.

Applications for service shall be made a minimum of one business day in advance of desired connection date. Acceptance of service, with or without a written application, shall be subject to compliance with all of CU policies and procedures.

An application for service must include all required information and be submitted in a form acceptable to CU under the particular circumstances. Requests from persons other than the applicant will not be accepted unless a letter of authorization or power of attorney signed by the applicant in a form acceptable to CU is on file with CU.

In the absence of an approved application, pre-existing services at a property may be disconnected.

Applicants for residential service shall provide CU with the following minimum information at the time each account is opened:

- Legal name of applicant
- Service address
- Mailing address
- Previous address
- Date of birth
- Date applicant wants service to begin
- Social Security number
- Valid identification i.e.: valid driver’s license, State issued ID card
- Spouse’s name
- Other adult occupants
- Employment
- Work phone number
- Daytime phone number
- ~~Name, address and phone number of a personal reference~~
- Copy of Rental Agreement, if applicable
- Other information as CU may require

Applicants for non-residential service shall provide the following minimum information ~~as required by CU. at the time each account is opened.~~



- Legal Business name
- Name of Responsible party
- Tax Id number
- Date applicant wants service to begin
- Daytime phone number

Upon application for service, CU shall ~~conduct~~verify identify of the applicant(s) after obtaining permission from applicant to run a soft credit evaluation of the applicant, check of the person(s) setting up service. If for any reason, permission to run the soft credit check is denied or if there is a question on the identity of the person(s) setting up service they will be required to bring identification into the business office to complete the application process. Based upon this evaluation, a security deposit may be required. A non-refundable Account Processing fee will be collected at the time service is established.

Where two or more persons join in one ~~written or oral~~ application for utility service, such persons shall be jointly and severally liable there under and shall be billed by means of a single periodic bill mailed to the person designated on the application to receive the bill. Whether or not the utility received a joint application, where two or more adults are living in the same residence, they shall be jointly and severally liable for the bill for utility service(s) supplied.

#### 1. Changes on Existing Accounts

- a) Adding a name: An existing customer named on the account must contact CU and provide the name of the new customer to be added to account. The new applicant must contact CU and provide minimum information as required by CU to set up service. The account must be current before any changes can be made. The new applicant may not become primary owner of account for at least one year.
- b) Removing a name: The customer retaining service must notify CU stating that they will become the sole account owner and take full responsibility of account. The customer being removed from the account must contact CU to have their name removed from account. Once CU has been contacted by both the retaining customer and the customer being removed, CU will complete the request. The account must be current before any changes can be made. If the primary customer is deceased a customer named on the account must provide a copy of the death certificate to remove the deceased customer's name. If the account has



been established for less than one year, a deposit may be required if the primary applicant is removed. The deposit will be determined as stated in section C.1 in this procedure.

- c) Removing a co-signer: When a co-signer requests to have their name removed from the account; account has to be current. If account was established less than one year, a deposit will be required according to the deposit requirements listed in C.1. Payment history for accounts that have been established over one year will be reviewed; payment history must not have more than 1 delinquency notice and 0 door hangers issued in the past 12 months. If payment history meets requirements, services will be changed under single owner. If account history does not meet requirements, co-signer will be removed and a deposit will be added according to deposit requirements listed in C.1 in this procedure.
- d) Deceased Customers with one account owner: Responsibility for billing must be assumed by the deceased's estate, an individual or a personal representative. A copy of the death certificate, letters of testamentary or court appointed documents must be provided to make changes on account. CU may use confirmation of death from a published source; such as obituary from newspaper or internet.
- e) Name Change: An account owner may make a request for a name change by phone, email or in person for reasons such as marriage, divorce, etc. No documentation is required.

## C. Security Deposit

### 1. Residential Customer

CU requires a security deposit to mitigate financial risk on a new or existing account. Credit history on all active and inactive accounts with CU will determine if a security deposit is required. If an applicant has an unpaid balance on a prior account, the unpaid balance must be paid in full before new service is established. If an unpaid balance is discovered after service is established, a written notice will be issued notifying applicant they have 24 hours to contact CU to make a payment or arrangements for the past unpaid balance. If applicant does not contact CU, service will be disconnected as stated on the notice. If an applicant does not have credit history with CU, the security deposit requirements may be satisfied with the following alternatives:



- a) Provide a letter from another electric utility establishing a favorable credit history, verifying that payments have remained current during the previous twelve (12) months.
- b) CU may access a customer's credit history from a recognized credit bureau and will determine if a deposit is required.
- c) Provide a Guarantor to co-sign for security. Co-signer must be a CU customer for a minimum of two (2) years, with no more than 1 delinquency in a 12 month period. The Guarantor may not co-sign for more than one active CU account.

Only customers responsible for residential accounts can co-sign for residential accounts.

The amount of the deposit will be calculated to be at least twice the highest historical bill for each billable service at the applicant's or customer's service address. The deposit shall be a minimum of \$150.00. Deposit amounts may be adjusted at any time after the start of service if the actual usage of electricity and/or water is substantially different than the estimates upon which the deposit amounts were based. Once a deposit requirement has been established, it will be added to the first billing period. Upon request, CU may make a payment arrangement for the deposit. CU may require payment of one-third of the deposit at the time service is established; the decision will be based on credit check and bill the balance in two equal payments. If the customer fails to make the payments on the deposit as billed, CU may issue notice for disconnection for non-payment.

On the anniversary date of deposit being fully paid, CU will review the account to determine if the account has established favorable payment history with no more than 1 delinquency in a 12 month period. CU will request authorization from the account owner to obtain a soft credit check. If the soft credit check is completed and is satisfactory the security deposit and accrued interest will be applied to account. If authorization is not given or there is a lack of information needed for the soft credit check, the deposit and interest will be held for another year. After a deposit is held for two years and favorable payment history is established CU will refund the deposit and interest back to the customer's account. CU will make a reasonable attempt to contact customer for their approval to run the credit check. If CU is unable to make contact with the customer the deposit will remain on



account until customer contacts CU. Notes on the customer account will reflect the history of attempts made.

In the event that the customer serves notice on CU to discontinue service, any portion of the deposit not previously returned and any accrued interest thereon shall be applied to the payment of any unpaid CU utility bills of the customer. Any remainder of the deposit and any allowable interest shall be refunded to the customer. All refunds will be made within 30 days from the date the deposit refund is posted to the account.

Security deposits accrue interest based upon the monthly Local Government Investment Pool earnings.

Deposit notices will be issued to customers who have received two (2) door hangers in any (6) six month period that does not have a deposit or the deposit does not cover twice the highest historical bill for the service location. The notice will advise customers that when a third (3) door hanger is issued within the six month period a deposit will be added or increased.

CU will maintain credit history on customers in confidentiality.

2. General Service or New or Expanding Large Load (NELL) Customer

All General Service and New or Expanding Large Load (NELL) accounts are subject to a credit evaluation, when initially opened or at any time while the account remains active, to determine the need for a security deposit.

CU, at its discretion, may waive a security deposit for a General Service or NELL customer who has previously established favorable CU credit history, or who can provide a letter from another electric utility establishing a favorable credit history, verifying that payments have remained current during the previous twelve (12) months.

Should a deposit be required at any time, it will be calculated to be at least twice the highest historical bill for each utility service at the service location. The deposit shall be a minimum of \$150.00. Deposit amounts may be adjusted at any time after start of service if the actual usage of electricity and/or water is substantially different than the estimates upon which the deposit amounts were based.



After two years of service, and establishing favorable credit, the security deposit and accrued interest may be applied, at CU's discretion, to any unpaid balance or transferred to another account of the same customer. Upon termination of the account the security deposit and accrued interest may be applied, at CU's discretion, to any unpaid balance or transferred to another account of the same customer.

Security deposits accrue interest based upon the Local Government Investment Pool earnings.

Any customer who receives two (2) or more door hangers in any six (6) month period, and who does not have a deposit on file or the deposit does not cover twice the highest historical bill for the service location, will receive written notice that a deposit will be required or increased as specified therein if a third door hanger is issued in the six (6) month period following the notice.

CU will maintain credit history on customers in confidentiality.

### 3. Bankruptcy

Customers who file for bankruptcy will be subject to the bankruptcy laws in effect at the time of their filing. When a legal notification of a bankruptcy on an established account is received, CU will close the existing account and a new account will be set up. The new account will be set up with the date the bankruptcy notice was received. If a deposit was required on the established account, the new account will require the same deposit. If the account did not have a deposit, no deposit will be required. The new account set up fee will be waived.

### **D. Installation or Change of Service**

~~A~~The customer shall be responsible for all billable services, effective the earlier date that either CU is requested to start service, or the date of the customer's ~~occupancy or responsibility~~ leasehold interest in the premises being served begins.

A customer requesting utility service connection or disconnection of service must contact CU during business hours for service to be connected or disconnected during the following business day. CU connects or disconnects service on CU business days,



Monday through Friday. Customers ~~requesting~~who request to have same day ~~and~~service or after business hours changes of their utility service will be charged a fee according to the schedule of charges. (See ~~Service Charges and Rates, under Electric and/or Water~~Master Fee Schedule)

The customer will be liable for services rendered and for charges billed for the service location through the time that CU disconnects the utility services or closes the account, whichever occurs later. A non-refundable Account Processing Charge will be ~~billed whenever collected when~~ a customer account is established, or reactivated. A non-refundable Account Processing Charge will be billed to account when service is moved to a new location, ~~or reactivated.~~

When requests for new, individually metered, single, multifamily or nonresidential units are processed, CU may elect to install any or all meters as “active” in the owner’s name, or to install any or all meters “as inactive.” Shared-meters (i.e. for laundry facilities) will be installed in the property owner’s name. Billing for minimum charges will commence the date an active meter is installed. An inactive meter becomes active when it is assigned an account number and a customer’s name. Billing alternatives for shared meters are:

1. Property owner or customer pays a licensed contractor to reconfigure facilities to meter each unit separately, in accordance with CU policy, and receive approval from the appropriate inspector designated by CU.
2. Property owner assumes billing responsibility for the shared-meter.

**DE. Release of Information Concerning Customers**

1. Collection of Information

All information collected and used by CU to conduct its business activities is a public record.

2. Custodian of Records

CU designates its ~~Executive Assistant~~Board Secretary or designated alternate as the custodian of its public records. The custodian will maintain, care for, and control the public records created, directly or indirectly, by CU.



The custodian will ~~develop~~maintain procedures for CU employees to follow that allow CU employees to respond promptly to most requests to inspect records or to receive a copy. ~~(See Procedure 402).~~ Any requests determined by a CU employee to be questionable or to be denied, will be directed to the custodian for review, assessment, and final action.

3. Customer Account Information

Disclosure of specific account information is made in accordance with customer consent or in the absence of customer consent, disclosure may occur pursuant to a court order, or subpoena or if the disclosure is otherwise in accordance with federal or state law. CU may make customer records available to third party credit agencies on a regular basis in connection with the establishment and management of customer accounts with written authorization, or in the event such accounts are delinquent.

4. Request for Inspection of Records and Furnishing Copies

Upon request, and in accordance with Oregon public records law the custodian or designee will furnish proper and reasonable opportunities for any person desiring to inspect, examine and copy the public records in the offices of CU, during the usual business hours.

The custodian may adopt reasonable rules necessary for the protection of the records and to prevent interference with the regular discharge of duties of the custodian.

5. Denial in Whole or in Part

The custodian will deny, grant, or deny in part, or grant in part a request to inspect or receive a copy of a public record in accordance with time frames established under ~~Oregon law~~CU procedures.

Any denial of a request to inspect or receive a copy of a public record ~~shall~~ be based upon any laws that exempt such public records from disclosure, including but not limited to ORS 192.501 and 192.502.

6. Search Fees and Costs



~~CU will establish search fees reasonably calculated~~ Fees are established to reimburse the utility for its actual costs and labor in copying and making such records available including costs for summarizing, compiling or tailoring such records, either in organization or media, to meet the request. See Master Fee Schedule and Procedure 402.

~~E. Security Deposit~~

~~1. Residential customer~~

~~CU requires a security deposit when there is concern for financial risk on a new or existing account. Credit history on all active and inactive accounts with CU will determine if a security deposit is required. If an applicant does not have credit history with CU, the security deposit requirements may be satisfied with the following alternatives:~~

- ~~a) Provide a letter from another electric utility establishing a favorable credit history, verifying that payments have remained current during the previous twelve (12) months.~~
- ~~b) CU may access a customer's credit history from a recognized credit bureau and will determine if a deposit is required.~~
- ~~c) Provide a Guarantor to co-sign for security. Co-signer must be a CU customer in good standing.~~

~~Only customers responsible for residential accounts can co-sign for residential accounts.~~

~~The amount of the deposit will be calculated to be at least twice the highest historical bill for each billable service at the applicant or customer's service address. The deposit shall be a minimum of \$150.00. Deposit amounts may be adjusted at any time after start of service if the actual usage of electricity and/or water is substantially different than the estimates upon which the deposit amounts were based.~~

~~After one year of service, and establishing favorable credit, the security deposit and accrued interest may be applied, at CU's discretion, to any unpaid balance or transferred to another account of the same customer.~~



~~In the event that the customer serves notice on CU to discontinue service, any portion of the deposit not previously returned and any accrued interest thereon shall be applied to the payment of any unpaid utility bills of the customer. Any remainder of the deposit and any allowable interest shall be refunded to the customer.~~

~~Security deposits accrue interest based upon the monthly Local Government Investment Pool earnings.~~

~~Any customer who receives two (2) door hangers in any six (6) month period and who does not have a deposit on file will receive written notice that a deposit will be required as specified herein if a third door hanger is issued in the six (6) month period following the notice.~~

~~CU will maintain credit history on customers in confidentiality.~~

## ~~2. General Service Customer~~

~~All general service accounts are subject to a credit evaluation, when initially opened or at any time while the account remains active, to determine the need for security.~~

~~CU, at its discretion, may waive such security for a general service customer who has previously established favorable CU credit history, or who can provide a letter from another electric utility establishing a favorable credit history, verifying that payments have remained current during the previous twelve (12) months.~~

~~Should a deposit be required at any time, it will be calculated to be at least twice the highest historical bill for each utility service at the service location. The deposit shall be a minimum of \$150.00. Deposit amounts may be adjusted at any time after start of service if the actual usage of electricity and/or water is substantially different than the estimates upon which the deposit amounts were based.~~

~~After one year of service, and establishing favorable credit, the security deposit and accrued interest may be applied, at CU's discretion, to any unpaid balance or transferred to another account of the same customer. Upon termination of the account the security deposit and accrued interest may be applied, at CU's~~



~~discretion, to any unpaid balance or transferred to another account of the same customer.~~

~~Security deposits accrue interest based upon the Local Government Investment Pool earnings.~~

~~Any customer who receives two (2) or more door hangers in any six (6) month period, and who does not have a deposit on file will receive written notice that a deposit will be required as specified herein if a third door hanger is issued in the six (6) month period following the notice.~~

~~CU will maintain credit history on customers in confidentiality.~~

~~3. Bankruptcy~~

~~Customers who file for bankruptcy will be subject to the bankruptcy laws in effect at the time of their filing. Customers filing for bankruptcy may be required to provide adequate security acceptable to CU and in accordance with CU's deposit procedures, to establish service with CU after the effective date on bankruptcy protection.~~

**F. Billing**

Bills will be issued on a periodic basis to the permanent mailing address for the customer of record. Reference to one month's service in the rate schedules relates to the billing period and does not necessarily correlate to a calendar month. CU reserves the right to read meters and present bills for longer or shorter periods. In the event that a meter is inaccessible for any reason, CU reserves the right to estimate the meter reading and to issue bills calculated upon estimated usage and applicable fees. Utility service supplied at more than one location, or for more than one separately operated business shall be metered separately and billed at each such location for each such business.

Rate schedules are applied to locations and services according to use and occupancy at the time of application. The applicable rate schedule for a location is subject to change, by CU, based upon actual usage. If the use and/or occupancy of a location changes, the customer shall ~~notic~~notify CU and CU will determine the applicable rate schedule.

Utility services shall be billed in the regular billed period. Opening and closing bills may be prorated.



A Landlord Billing Agreement is an authorization for billing of services to the verified property owner(s), as determined by Clackamas County records, during vacant or non-signed periods, and is available at CU's discretion.

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1. Customer Billing Process

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Service is provided in advance of payment, typically for a 28-34 day billing payment cycle.

Payment for the service provided is due 14 days from the date on the billing statement. If the payment is not received in full by the end of the 14th calendar day from the statement date, the account will be considered past due.

A delinquent notice will be issued to all accounts with a past due balance of \$50.00 or more on the following Tuesday. The delinquent notice will extend the due date 10 calendar days. If there is a past due balance still owing after the extended date, a door hanger will be issued the following Tuesday to all accounts with a balance of \$100.00 or more. A door hanger notice may be issued any time to an account, with a balance less than \$100.00, if the balance includes any unpaid deposit billed at the time service was established. A fee will be charged to the account for these door hanger notices. All accounts are subject to the door hanger fee once the door hanger has left the business office for delivery. The door hanger notice will extend the due date until the following Monday end if business.

If a payment is not received in full, a disconnect order will be issued and service will be disconnected. A reconnect fee will be added to the account and the balance must be paid in full including all fees assessed to the account before service is reconnected. If service is requested after 4:00 p.m., while the office is open, an after hour fee will added to the account. The past due balance must be paid in full including all fees, before the reconnection is made. If the reconnection request is made after normal business hours, the customer must agree to make the full payment at the business office by 8:30, the next business day. If the payment arrangement is not kept, services may be disconnected.

Delinquent notices are issued every month, including to customers who have a payment arrangement on file. Door hangers will not be issued to customers who have made a payment arrangement. Any customer who fails to keep a payment arrangement may be subject to a door hanger issued at a later date. Door hangers are not issued in the month



of December, unless a prior payment arrangement was not kept. (See Master Fee Schedule)

**G. Bill Payment**

Bills are payable upon receipt and past due after the due date stated on the bill. Payment must be in the form of United States legal tender, money order, check or credit/debit card.

1. Bill Payment Options

Payments may be:

- a) At CU business office
- a)b) Mailed to CU’s post office box
- b)c) Placed in a CU drop box - on or off-site
- e)d) Automatically deducted from customer bank account
- d)e) ~~Paid~~ On-line payment through customer bank
- e)f) ~~Paid by~~ Credit/debit card over the phone or in person at CU’s office
- g) On-line through CU’s website

2. Payment Allocation

CU allocates payments ~~over all unpaid charges, paying all the oldest charges first. CU does not allocate~~ as follows: electric write offs, electric payment agreements, water payment agreements, other payment agreements, water write offs, deposits, electric, water and then agency payments to include or exclude specific charges.

3. Non-Sufficient Funds Payments

If CU receives a ~~non-sufficient funds (NSF) returned check~~ notice or is unable to charge ~~bill an auto payment to from a checking account or debit/credit card from~~ the customer’s account for insufficient funds or other processing issues, the event ~~will~~may be considered as an NSF payment, and the customer ~~will~~may be charged according to the schedule of charges. (See ~~Service Charges and Rates, Electric and Water~~Master Fee Schedule.) Two NSF payments in a twelve (12) month period will disallow all but verifiable funds payment in the future. CU reserves the ~~right~~rights to establish the means or form of payment (cash, money order, bank cashier’s check, etc.) from any customer who has previously tendered a



dishonored check or gives indication that the funds are not sufficient to cover any check tendered.

Service charges established by CU may be added to a customer's account to cover the costs of collection efforts in the processing of dishonored checks, hand-delivered notices by field representatives, and the disconnection/reconnection of services. ~~(See Service Charges and Rates, Electric and Water.)~~(See Master Fee Schedule)

4. Counterfeit Currency

Counterfeit notes (counterfeit bills) are prevalent in any environment where money is exchanged. Best cash handling practices will help detect bills by examining them carefully, using counterfeit marking pens or other counterfeit detection devices. If CU receives a counterfeit bill, CU will follow these steps:

- A) Identify the bill by using a counterfeit marking pen or other identifying tools available to determine if the bill is counterfeit
- B) Notify a supervisor
- C) Explain to the customer that the bill may be counterfeit and will need to contact the local police so they can make a report
- D) Contact local police
- E) CU will not return the bill to the customer, unless the customer demands the bill back, give it back.
- F) Limit the handling of the note
  - a. The CU employee will write their initials and the date in the white border area of the suspect bill
  - b. Carefully place it in a protective covering, such as an envelope.
- G) Complete a USSS Counterfeit Note Report; surrender the bill and a copy of the completed USSS Counterfeit Note Report to Police Officer. Maintain copies for your records. The form can be found at <http://www.secretservice.gov/forms/ssf/1604.pdf>.

4.2. Adjustment of Utility Bill

Water Leak Credit Adjustments: In cases where a customer is found to have had an accidental and unavoidable period of excessive water use, the Customer Service Supervisor, or designated employee may authorize a reduction in customer's water bill subject to the following criteria:



- A) A written request that includes date(s) of high usage, date when the leak was fixed, name, address and account number.
- B) To be considered “excessive”, the water use must be at least 50% of normal range for the month when compared to historical water use at the property in the records of CU.
- C) The water bill shall not be reduced to below the average amount for comparable months, nor shall it be reduced to less than 50% of the amount billed.
- D) The reduction shall not be granted for longer than 3 consecutive months, thereby encouraging prompt attention to necessary repairs.

When an under-billing or over-billing occurs, CU shall provide the customer with notice of the circumstances, period of time, and amount of adjustment. If the date of error can be established, the under-charge or over-charge shall be computed back to such date. If no date can be established, CU shall refund or re-bill for six months of usage. In no event, shall an under-billing or over-billing be adjusted for a period of more than three (3) years usage.

CU may waive re-billing for under-billings when the cost to the utility of re-billing makes it uneconomical.

No billing adjustment shall be required if a meter registers less than 2% error under conditions of normal operation.

When a customer is required to pay for an under-billing, the customer may enter into a ~~time~~-payment agreement at CU’s discretion.

#### **H. Financial Assistance**

Residential customers who are having difficulty paying their CU bill may receive assistance from CU. This assistance may include referrals to organizations, agencies, and programs which provide financial assistance, as well as other services offered by CU. Information may be disseminated regarding community service agencies, which may have programs designed to assist with payment of utility bills.

A customer who is unable to pay the full amount of a utility bill may enter into a payment schedule subject to the approval of CU. CU may prohibit the customer who has not kept prior payment ~~commitments~~arrangements from entering ~~into a~~ new payment



~~arrangements~~arrangement. Payment arrangements will usually not exceed 90 days, and will be in addition to all current billings. Acceptance of partial payment in the past shall not preclude CU's right to require full payment upon demand in the future.

### **I. Levelized Payment Plan**

CU offers a voluntary Levelized Payment Plan as a convenience for qualifying residential customers. Under this plan, the customer pays only the average monthly amount of the bills which are based on previous billings for the service address. The customer must have a minimum of twelve (12) consecutive months of service at the service location.

The customer's account must be at a zero (-0- ) balance before signing up for this service. If the customer becomes delinquent on the Levelized Payment Plan, the account ~~will~~may be removed from the Levelized Payment Plan and returned to a regular payment status. Delinquencies may result in further collection actions as described in these Policies and Procedures.

The Levelized Payment Plan is a pre-arranged payment schedule and therefore no other payment arrangements are available.

### **J. Appeals**

A customer who disagrees with a billing, collection or deposit decision shall have the right to appeal the decision to CU. The customer shall be notified in writing of the right to appeal on the Delinquency Notice mailed by CU to the mailing address of record. Appeals must be submitted in writing to CU, received prior to disconnection of service, and include the following information:

- Account number
- Person requesting appeal
- Service address
- Mailing address if different
- Other occupant names
- Telephone number(s)
- Date submitted
- Narrative of appeal
- Printed name



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- Signature
  - 1. Upon receipt by CU of a written appeal from a customer or applicant, CU shall investigate the appeal and report the results, in writing, of its investigation to the customer or applicant within ten (10) business days from CU's receipt of the written appeal. CU shall prepare a written record showing the name and address of the customer or applicant involved, the date and nature of the appeal and the disposition of the matter. CU shall retain records of the appeal pursuant to CU's record retention policy.
  - 2. Pending resolution of the appeal, the customer's obligation to pay undisputed and subsequent charges continues.
  - 3. A customer or applicant who has an appeal pending with CU may receive continued service provided:
    - a) No evidence of theft of service, tampering or fraud is discovered, and
    - b) A bona fide appeal exists in which the facts asserted by the customer or applicant may entitle the customer or applicant to service.
  - 4. If the conditions in subsection (3) of this rule are not satisfied, CU has no obligation to provide continued service. CU will give the customer or applicant notice in accordance with CU's Policies and Procedures prior to disconnecting service because of a failure to meet the conditions of subsection (3).
  - 5. If the customer refuses to accept delivery of the written decision or fails to comply with the decision, CU may proceed with immediate collection efforts without further notice including, but not limited to, restriction or disconnection of the customer's service. The written decision of CU is final when issued.
  - 6. Appeals are only accepted from CU customers, applicants, or their authorized agents.

**K. Disconnection or Reconnection of Service/Opening-Closing Accounts**

- 1. By CU



In addition to all other rights and remedies at law or in equity, CU may restrict or disconnect the delivery of utility service(s) with no less than 24-hour notice unless otherwise specified in these policies for any of the following reasons:

- 1) Utility service will be disconnected after written notice for failure of the customer to pay all charges for service, including but not limited to ~~loans, and~~ deposits when due;
- 2) Without written notice upon apparent evidence of fraud or tampering;
- 3) Without notice to protect health, life, or property;
- 4) Violation of any part of these Policies and Procedures; or
- 5) Without notice where a CU recognized customer does not exist at the service address.

CU does not issue door hangers in the month of December; however, a disconnection may result from a prior month notice or arrangement that was not kept.

Residential service may not be disconnected or restricted for nonpayment in the post-noon period of any Friday or regular business day preceding a CU-observed holiday, or a 24-hour period when the predicted temperature, as reported by the Aurora State Airport, is at or below 32 degrees Fahrenheit.

## 2. Tampering/Diversion

All CU meters, equipment and services shall be kept free of any and all forms of tampering or diversion. CU will maintain a continuing program for detecting and deterring such activity through education, audit, collection of costs, estimated revenue loss and prosecution.

If tampering or diversion is found, CU will impose a fee against the customer's account using the applicable rate schedule or charges equal to the estimated cost for services used and not previously billed, as well as actual costs of repair and replacement incurred by CU, ~~whichever is greater.~~ These charges are applicable to each tampering or diversion occurrence. ( See ~~Service Charges and Rates, Electric and Water~~ Master Fee Schedule.) In addition, the details of each case may be referred to proper authorities for possible prosecution.

## 3. Fraud



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CU may discontinue service without notice or may refuse service, if the customer's actions or the condition of the premises are such as to effect fraud against CU.

4. Code Violations

If a code violation exists, service may be denied or discontinued without notice. This policy relates to, but is not limited to, federal, state, and appropriate local codes affecting utility service.

5. Resumption of Service after CU Action

Whenever utility service has been discontinued or temporarily suspended by CU for any federal, state, or local code violation, fraud, failure to pay all charges for service, or for violation of any part of these Policies and Procedures, the service will not be resumed until the situation requiring such action has been corrected to the satisfaction of CU and any other governmental agency having jurisdiction thereof. Any inspections and changes in the customer's wiring or plumbing shall be made prior to reconnection at the customer's expense.

Disconnected service will not be resumed while any individuals remain at the residence that occupied the subject service address during the time any outstanding debt was accumulated unless all charges have been paid in full, with verifiable funds. If the owner of the property has outstanding charges owing to CU, service will not be resumed in any name at the subject address until all outstanding charges of the owner have been paid.

A customer will be charged according to the established schedule of charges for all such resumption or reconnection of service. ~~(See Service Charges and Rates, Electric Section and Water Section)~~(See Master Fee Schedule.)

6. Emergency Situations

Where it is necessary that utility service be temporarily disconnected or connected to protect health, life or property, CU will, at its discretion, take such action without charge to the customer.

7. Application for Medical Equipment Exemption for Residential Utility ~~Service~~Service



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- a) A customer must submit ~~an application~~ a written request, which includes a certification from a qualified medical professional, which explains how disconnection would significantly endanger the physical health of an occupant at the service address. CU requires proof of occupancy as part of the application process.
  - b) ~~Applications~~ The written request must include:
    - 1) The name of the person to whom the equipment exemption applies and relationship to the customer;
    - 2) Nature of illness;
    - 3) An explanation of how the lack of service will affect this person;
    - 4) A statement indicating how long the health condition is expected to require a medical exemption for utility service;
    - 5) A statement specifying the type of utility service and medical equipment required (for example, electricity for respirator); and
    - 6) The printed name, signature and phone number of the qualified medical professional certifying the medical need.
  - c) If a medical equipment exemption is not submitted in compliance with this policy, CU may disconnect service after providing notice to the customer, in accordance with CU's policies and procedures.
  - d) A medical equipment exemption shall be valid only for the length of time the health endangerment is certified to exist, but no longer than twelve (12) months without renewal. At least 15 days before disconnection due to the expiration of the medical equipment exemption, CU will give the customer written notice.
  - e) A customer obtaining a medical equipment exemption is not excused from paying for utility service:
    - 1) Customers are required to enter into a written ~~time~~-payment agreement with CU when an overdue balance exists.



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- 2) Time-payment arrangements in effect when a medical equipment exemption terminates, remain in effect for the balance then owing.
- f) If a customer with a medical equipment exemption fails to enter into a written time-payment agreement, or to abide by its terms, and fails to bring the account current, CU will disconnect service after providing notice in advance of disconnection for non-payment in accordance with CU's Policies and Procedures.
- g) If CU determines a customer does not qualify or no longer qualifies for a medical equipment exemption, CU will terminate the medical equipment exemption after providing notice and the customer will be subject to service in accordance with CU's Policies and Procedures.
8. CU's Options

CU may exercise any or all of the options available listed in these Policies and Procedures or any other applicable law whenever and as often as any violation or default may occur. Any delay on the part of CU in exercising such option, or omission of any action permitted under such option, at any time, shall not be deemed a waiver of CU's option rights.

#### **L. Temporary Service**

Temporary service refers to utility service for short-term or transient-type installations, such as short-term commercial activities, and on-site service during construction operations. Short-term temporary service is limited to twelve (12) months use from date of connection and may be disconnected unless agreed upon with CU in writing. Temporary service is further discussed in, and subject to Electric Service Conditions, Temporary Service, and Water Service Conditions, Temporary Service.

#### **M. Resale of Utility Service**

Customer'sCU's rate schedules cover the sale of utility services for the sole and exclusive use of the customer. The customer shall not resell utility services supplied by CU. Redistribution of utility charges by the customer for shared-meter services is permitted only for the purpose of allocating the actual cost of service to individual tenant-



occupants. Such allocations shall be based solely on an equitable distribution of actual utility billings for services provided by CU through the shared-meter. In no case shall the sum of the CU charges redistributed by any CU customer to others be greater than the actual charges billed by CU in any given billing period, without CU's written consent.

**N. Rights-of-way and Rights of Access, Tree Trimming**

CU shall be granted, at no cost, all rights-of-way, rights of access, and easements necessary to serve the customer for the installation, maintenance, repair, replacement, removal or use of any or all equipment or materials used to supply and deliver utility services to the customer.

The customer is required to provide safe and timely access, as determined by CU, to the premises of the customer for the purpose of reading meters, testing, repairing, removing or exchanging any or all equipment belonging to CU.

CU shall be granted all necessary rights-of-way and rights of access to perform clearing and trimming of trees, shrubs, vines, or other vegetation it deems prudent to maintain proper clearances and accessibility for the maintenance and operation of all utility services, or as may be required by standard utility safety practices. The decision to trim or clear around CU facilities shall be the exclusive right of CU.

The customer may be charged for clearing or trimming activities in the vicinity of CU's facilities.

When access to any of CU's facilities is impaired by the customer's actions, animals, trees, shrubs, changes of grades, fences, locked doors, or other obstructions, CU shall notify the customer and/or property owner, as determined by Clackamas County records, of the impairment to access. The customer is responsible for safely resolving the impairment or eliminating the interference preventing timely access to CU's facilities. If access remains impaired, the property owner, as determined by Clackamas County records, is subject to one of the following actions: ~~the customer~~ Service will be ~~finestopped~~, or CU's facilities will be relocated and the customer shall reimburse CU for actual costs. (See Service Charges and Rates, Electric Section, and Water Section.) For ~~access to meters~~ meters that are in an area that is locked or in a gated area, the customer must provide key access or permit CU to install remote meter reading equipment, if required.

**O. Interruptions, Curtailments, Fluctuations, Shortages, and Outages**



CU shall endeavor to supply satisfactory and continuous utility services. It is inherent however, that there will at times be some degree of failure, interruption, suspension, curtailment or fluctuation. CU cannot and will not guarantee constant or uninterrupted delivery of utility services and shall have no liability to its customers or any other persons for any interruption, suspension, curtailment, or fluctuation in utility services, or for loss or damage caused thereby when such interruption, suspension, curtailment or fluctuation results from the following or from any other causes:

1. Causes beyond CU's reasonable control including, but not limited to, accident or casualty, fire, flood, drought, wind, action of the elements, court orders, litigation, breakdown of or damage to facilities of CU or of third parties, acts of nature, strikes or other labor disputes, civil, military or governmental authority, electrical disturbances originating on or transmitted through electrical systems with which CU's system is interconnected, and acts or omissions of third parties.
2. Repair, maintenance, improvement, renewal or replacement of facilities, or any discontinuance of service (which in CU's judgment, is necessary) to permit repairs or changes to be made in CU's source of supply, transmission or distribution facilities, or to eliminate the possibility of damage to CU's property or to the persons or property of others. Whenever CU schedules maintenance in advance which will require customers to be without utility service for more than one hour, CU will notify customers as follows:
  - a) At CU's discretion, customers may be contacted in person, by phone or by written notice, either mailed or left at the location scheduled for temporary interruption.
  - b) The oral or written notice will include the following:
    1. Reason for interruption
    2. Date and approximate time interruption will begin
    3. Expected duration of interruption
  - c) Whenever possible, customers expected to be without service beyond one hour will be notified as least one day in advance.
3. CU may take automatic or manual actions (which in its sole judgment are necessary or prudent) to protect the performance, integrity, reliability, or stability of CU's systems or any system with which it is interconnected. Such



actions shall include but shall not be limited to, the operation of automatic or manual protection equipment installed in CU's systems including, without limitation, such equipment as ~~automatic~~ relays, ~~generator controls~~, circuit breakers, switches, valves and pumps.

- 4. CU may take action with respect to any plan or course of action to conserve utilities at times of anticipated deficiency of resources, including, but not limited to, non-voluntary curtailment or suspension of utility services. CU has adopted a Water Supply Shortage Contingency Plan that details voluntary and non-voluntary actions to be taken in the event of a water shortage. Refer to Water Utility, Water Shortages and Curtailments, for a description of customer responsibilities during a curtailment declaration.

**P. Metering Service**

Utility service supplied by CU at more than one location shall be metered and separately billed for each location.

A record will be kept by CU of all meter readings (according to the applicable records retention requirements). These records shall be accepted and received at all times and places, and in courts, as prima facie evidence of the use of utility services by the customer. The records shall be the basis on which bills are calculated, except for those customers having un-metered service.

~~Under certain circumstances, un-metered utility service may be provided at the option of CU. Specific conditions shall determine availability of un-metered service. (See Electric, Electric Service Conditions, and Water, Water Service Conditions.)~~

CU shall own, install and maintain all necessary meters for measuring the amount of utility services used by the customer. Where a master meter is used, CU shall not furnish or read auxiliary or sub-meters used for the customer's convenience, except under special contracts.

For a customer-requested meter change, the customer shall pay the cost based on CU's current rate schedules.

For rate schedule purposes, all meters serving the customer's premises will be considered separately and the readings not combined, except where CU deems necessary, to install two or more meters to serve the customer's premises. Common-use facilities associated



with individually metered multifamily structures with more than four living units shall be served on the General Service Rate Schedule and must be in the name of the owner.

When additional metering is installed to serve a customer's premises, each additional meter shall be served under the same rate as the existing meter if such meter serves load that is an integral part of the customer's existing use and is of the same phase and voltage. Each meter shall be billed separately, including any applicable basic customer charge or minimum charge.

Should any meter malfunction and incorrectly register the consumption of utility services used by the customer, the customer's bill shall serve as notification of the metering malfunction. Charges for the affected current billing period shall be computed by estimating the consumption and demand; further, the immediately preceding billing period or the comparable period of the year before shall be basic factors in arriving at the estimated consumption.

CU will, upon request, test any customer's meter; however, tests of the customer's meter shall be made only if the customer is present to observe the test. If the meter is found, upon test, to over-register more than two percent (2%), the customer's billing shall be adjusted for a maximum of six months to reflect the correction. No charge will be made to the customer for this meter test.

**Q. Rate Adjustment, Revision of Policies and Procedures**

CU reserves the right to change any or ~~all of its~~ entire rate schedules in accordance with the City Charter or these policies and procedures, as it deems necessary and with public notice.

Where applicable, these policies and procedures cancel and supersede all previous regulations, Policies and Procedures issued by CU governing its utility service.

**R. Conflict**

In case of conflict between any provision of any rate schedule and these Policies and Procedures, the rate schedule shall apply.

**S. Unauthorized Attachments Prohibited**



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Written consent shall be obtained from CU before any equipment or material of any description may be attached to any facility or property owned by CU. CU shall not be responsible for loss, injury, or damage to life or property resulting from customer-owned installed and maintained facilities on, adjacent to, or connected to CU's facilities, and the customer shall assume all liability.

**T. Grades and Locations within Private Property**

CU may, at its discretion, install utility facilities where the customer has provided satisfactory easements in subdivisions, planned unit developments, minor land partitions, etc. Such facilities are installed to provide utility services for the convenience of adjacent properties. It shall be the customer's responsibility, while excavating accesses and parking facilities, to provide an additional width of level ground, constructed to grade, to permit CU to efficiently install and maintain underground and surface-mounted facilities.

It shall be the responsibility of the customer to stake engineered grades and locations, conforming to CU's facilities designs, prior to CU's construction. Upon completion, it will be the customer's responsibility to confirm that CU's installations have been made in the location and to the grade provided by the customer's engineer.

After review and acceptance by the customer, the customer or purchaser of the lot shall be responsible for the cost of all repairs and adjustments subsequently required by grade changes or location changes resulting from construction activities. Failure to pay these costs will result in denial of utility service until payment is made to CU.

**U. Locating – Underground Facilities**

CU will provide locating services upon request, via the Oregon Utility Notification Center, in accordance with the applicable provisions of ORS 757 and OAR 952-001-0010 through OAR 952-001-0100, to assist excavators in identifying the existing location of CU's underground utility facilities. CU does not locate customer owned facilities such as the customer owned water service from the meter to the dwelling or structure. Information, maps, field stakes and painted locate marks indicate the approximate location of facilities within parameters set forth by the above-mentioned statutes and regulations. Excavators will be held responsible for actual costs and consequential



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damages resulting from damage to CU's facilities as the result of the excavator's activities.

**CALL BEFORE YOU DIG – FOR ALL UTILITY LOCATIONS CALL:  
OREGON UTILITY NOTIFICATION CENTER 1-800-332-2344**

**V. Damage**

Damages or alterations to CU's property and/or facilities due to any activity associated with improvements or changes for individual properties shall be the responsibility of the owner of the property or principle of any third-party agreement to reimburse CU all costs to repair or replace the damaged property and/or facilities to original condition. In the event any of CU's property and/or facilities is required to be altered or moved because of the changed configuration or usage of any properties, the property owner, as determined by Clackamas County records, shall be responsible for the full cost of the alteration or relocation.

**GLOSSARY**

The following terms, when used in these Policies and Procedures, rate schedules, or in the application or contract for utility services, have the following meanings, unless specifically indicated otherwise:

**Actual Costs:** The sum of direct labor, materials and services (including contracted services), equipment use, operations overhead and administrative overhead.



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**Administrative Overhead:** Computed at a percentage of actual costs. For direct labor, administrative overhead is applied in addition to the Operations Overhead Charge (see below), but not compounded. Administrative overhead shall be levied on all damage claims, maintenance and capital work, including line extensions billed to others to recover the costs of administrative functions performed in support of field work. Including payroll and vendor invoice processing, transportation, office supplies, postage, printing, legal fees, contract maintenance, utilities, human resources, benefits and insurance.

**Applicant:** A person or legal entity, which has yet to meet all requirements as stated under Conditions of Service for a new or existing location.

**Billing Cycle:** Customer accounts are proportionately and geographically divided into separate groups called cycles.

**Billing Period:** Utility usage is calculated and billed at approximately the same time each month throughout the year. Depending upon the number of workdays, weekends and holidays in any particular month, billing periods may fluctuate.

**Close Account:** To stop billing for services to a specific customer, ~~which~~that may result in the physical disconnection of those services.

**Commercial Use:** An enterprise of either a profit or nonprofit nature, the purpose of which is to manufacture, sell or convey an idea, service or product (either tangible or intangible). (Also see “General Service”)

**Common-Use Facility:** Facilities such as, but not but not limited to, common laundry room, water heater, lighting, irrigation, and water serving more than one unit.

**Connect Service:** To physically start the availability/flow of service to the property.

**Conduit:** A tubular material suitable for receiving and protecting electric conductors.

**Contractor:** The party doing the utility work whether it is the actual owner or a person, firm or corporation working for the owner.

**Co-signer:** An active CU customer with a minimum of two (2) years active service and favorable credit history. CU customers receiving financial assistance with their CU bill are not eligible to be co-signers.

**CU:** Canby Utility



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**Cubic Feet:** A unit of measure used by CU when computing the amount of water consumed or that passes through a meter. One hundred (100) cubic feet equal 748 gallons.

**Customer:** Any individual, partnership, corporation, firm, or governmental agency which has applied for goods or services, been accepted, and is currently receiving goods or services from CU. Customer definition by class or service for rate application purposes shall be according to the “Applicable” section of the various rate schedules under which CU provides utility service.

**Demand:** The maximum average kilowatt load used by the customer for any period of thirty (30) consecutive minutes during the billing period.

**Developer:** An individual, partnership, corporation, or other legal entity, requesting an electric line or water main extension to serve a specified parcel of land.

**Disconnect Service:** To physically stop the availability/flow of service to the property.

**Diversion:** To change the intended course of water or power without the consent of CU.

**Electric Service:** Generally refers to the supplying of electricity and electric related services to the end-user.

**Estimated Read:** ~~Approximated measurement of consumption for billing purposes~~ When metered data is unavailable, for billing purposes, an average measurement of consumption based on same time period is used.

**Facilities:** The equipment, material and other appurtenances owned by CU including but not restricted to poles, guy wires, anchors, transformers, meters, conductors, conduits, manholes, switching cubicles, ~~pad mounts~~ pad mounts, translosures, valves, pipes, traps, etc.

**Favorable Credit:** Twelve (12) consecutive months of utility service without any adverse credit action and not having any monies owing to CU.

**Fraud:** Evidence of fraud includes but is not limited to the following activities:

1. Unauthorized receipt of utility services by theft, diversion, tampering or unauthorized connection;
2. Using service without having contracted with CU to do so and refusing to establish service in a responsible billing party’s name;



3. Making an application for service in a fictitious name or non-occupant; and
4. Making an application in the name of another member of the family or household or other occupant which assists in the avoiding a prior outstanding debt to CU and;
5. Obtaining a utility service connection without paying CU all monies due by the customer to CU prior to service connection, unless specifically exempted in writing by CU.

**General Service:** A utility service used for purposes not included under such classification as Residential, High Voltage, Street Lighting, Private Property Lighting, etc. Living units used jointly for both domestic and business purposes shall be considered general services if 50% or more of the square footage of all enclosed structures served is devoted to commercial use.

**Kilovolt (kV):** One thousand (1,000) volts.

**Kilowatt (kW):** A unit of productive power equal to 1,000 watts, or 1.341 horsepower.

**Kilowatt-Hour (kWh):** The amount of energy delivered in one hour when delivery is at a constant rate of one kilowatt (3412.8 BTU's).

**Landlord Billing Agreement:** A property owner- (as determined by Clackamas County records) signed authorization for billing of utility services during vacant or non-signed periods.

**Living Unit:** An area that is used for residential purposes.

**Master Meter:** Meter that serves a wholesale customer, such as a water district.

**Meter:** An instrument used for measuring the water, energy or power delivered to the customer.

**Operations Overhead:** Computed at a percentage of direct labor. Operation overhead shall be levied on all capital, maintenance and damage claim work billed to others to recover the costs of planning, engineering studies, construction supervision, work order processing, training, communications, staff meetings, safety, customer field support and inspections.

**Permanent Service:** The long-term utility service to a structure that is designed to remain in one place. Permanent or temporary service classification shall be at the discretion of CU.



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**Point of Delivery:** The point of delivery shall be the point of attachment of CU's water service line or electric conductor to the customer's line or conductor without regard to the location of CU's metering equipment. In all cases, CU shall designate the point of delivery.

**Power Factor:** The ratio of kilowatts to kilovolt-amperes expressed in percentage.

**Prorated Billing:** A method of billing for customer charges, based on the fraction of the month for which the customer is served.

**Qualified Medical Professional:** A United States-licensed physician, nurse practitioner, or physician's assistant authorized to diagnose and treat the medical conditions described without direct supervision by a physician.

**Rate Schedule:** A formal statement of the charges and conditions for a particular class or type of service in a given area.

**Residential Service:** Service furnished to a living unit that is separately metered and is primarily used for domestic purposes. It further includes duplexes, triplexes, quads, any second service determined to be domestic use and billed on the same residential account, and common use facilities associated with those structures. It excludes dwellings where tenancy is typically of a transient nature such as hotels, motels, and lodges. Also excluded are sororities, fraternities, and apartment complexes served through a shared meter.

Boarding, lodging, rooming houses or group care facilities shall be considered residential service if not more the five (5) private sleeping rooms exist for use by other than members of the customer's family. A boarding, lodging, or rooming house means a building other than a hotel, which advertises as a boarding, lodging, or rooming house, or is a licensed place of business with rooms for available for rent.

Living units used jointly for both domestic and business purposes shall be considered residential services, if more than 50% of the square footage of all enclosed structures served is devoted to domestic use. However, CU reserves the right to exclude combined business/residential services from the residential rate where a disproportionate amount of either the monthly kW or kWh load is consumed by the business portion, as determined by CU. The customer has the option of separating the wiring such that the residential portion may be metered and billed separately.

**Service Drop:** The overhead service conductors from the last pole or other aerial support, including the splices, if any, which connect to the service entrance conductors at the building or other structure.



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**Shared Meter:** Single meters which serve more than one residential or commercial unit. Utility service provided through a shared meter remains the billing responsibility for one customer, but may serve multiple units.

**Tampering:** To rearrange, injure, alter, interfere with, or otherwise prevent from performing normal or customary function, any property owned by CU for the purpose of providing utility services. Including but not limited to, any unauthorized breaking of CU's meter seals, locking devices, or meter glass, placing of a foreign object in a meter or otherwise interfering with an accurate registering of consumption; unauthorized connection or reconnection of shut off services; any act which interferes with the delivery, billing, and compensation of CU's services.

**Temporary Service:** A utility service of a short-term or transient nature, which may or may not be to a support or structure designed for permanence.

**Theft:** The use or receipt of the direct benefit of all or a portion of utility service with knowledge of a diversion, tampering, unauthorized connection or of circumstances supporting a reasonable belief by CU that the use or receipt was without the authorization or consent of CU at the time of the use.

**Unpaid Water Service:** A previously installed (at CU's expense) water service line for the provision of future service to an un-served property.

**Utility:** Any company that provides services such as steam, water, gas, or electricity.

**Utility Service:** Generally refers to the supplying of utility and utility related services to the end-user.

**Water Main:** The pipe laid in the street, alley, or utility easement for the distribution of water to customers through service lines.

**Water Service:** Generally refers to the supplying of water and water related services to the end-user.

**Weatherhead:** The termination at the end of the conduit through which the customer's conductors pass for attachment to an aerial service drop.