



## **NEW PRAGUE UTILITIES COMMISSION SERVICE POLICY ELECTRIC, WATER & SEWER SERVICES**

### **APPLICATION FOR SERVICE**

Each customer must fill out an “Application for Utility Service.” This application form is necessary for the Utility to know who the customer is for purposes of service and billing. It also gives the Utility an opportunity to ensure that each customer receives a Service Policy, Rate Schedule and other pertinent material regarding the Utility. This form, which must be signed by the customer, becomes a permanent part of the customer’s record on file with the Utility. No utility account will be established for any individual or business for which there exists a prior unpaid account balance with New Prague Utilities. Please refer to “Request to Transfer Service/Deposit” on page 3, if applicable.

### **OWNERSHIP OF UTILITY**

As a customer of the New Prague Utilities, you are being served by a utility which is owned by the people it serves. It is governed by city home rule charter and city officials who are responsible for establishing operating procedures, setting rates and future planning of the City.

### **DEPOSIT**

Each new customer is required to make a deposit when applying for utility services. Refusal or failure by a customer to satisfy the deposit requirements shall result in the delay of service until such time as the deposit has been made. This deposit bears interest at a rate established by the MN Statutes Section 325E.02 (b). After a consecutive 24 month penalty free period, the deposit plus interest, will be applied to the account as a credit. If an account holder’s service is terminated voluntarily or otherwise, prior to the return of the deposit, the deposit and any accrued interest will be applied to any unpaid utility account balance or any other debt owed to the New Prague Utilities or City of New Prague. Any remaining amount will be refunded to the account holder within 45 days. Such action shall not relieve the account holder from liability for any remaining debt owed to the New Prague Utilities or City of New Prague. All deposits are non-transferable from one applicant to another and are only payable to the original applicant.

### **CONDITIONS OF AGREEMENT**

All new accounts whether Residential, Commercial or Industrial will be required to pay a deposit amount prior to initiation of services. Deposit amounts are based on approximately two months of the average estimated consumption for each customer class.

**Residential Electric Customers:** Deposit amount will consist of an amount established by the New Prague Utilities annually. Current amount is \$150.00.

**Residential Water Customers:** Deposit amount will consist of an amount established by the New Prague Utilities annually. Current amount is \$50.00.

**Residential Sewer Customers:** Deposit amount will consist of an amount established by the New Prague Utilities annually. Current amount is \$100.00.

**Small Industrial, Industrial and Large Industrial Electric Customers:** Deposit amount will consist of two months estimated consumption based on connected load and demand. With a minimum deposit of \$300.00.

**Commercial Electric Customers:** Deposit amount will consist of two months estimated consumption based on connected load and demand. With a minimum deposit of \$150.00.

**Commercial Water Customers:** Deposit amount will consist of two months estimated consumption. With a minimum deposit of \$100.00.

**Commercial Sewer Customers:** Deposit amount will be based on two months estimated water usage. With a minimum deposit of \$100.00.

### **ELECTRIC/WATER BILLING**

Each utility meter is read on or near the same day each month so that approximately 30 days usage is recorded. In cases where the meter is not accessible or damaged, usage will be estimated according to past records. The customer has the right to dispute the estimated amount and has the right to appeal. Bills are prepared by the billing department of the Utility and mailed to the customer on or near the 20<sup>th</sup> day of each month.

### **SEWER BILLING**

Residential customers shall be billed using a monthly sanitary sewer base rate plus a rate per 1,000 gallons of metered water usage as calculated by using a customer's November, December and January water consumption and averaging the usage for those three months. However, residential customers that have a zero water consumption usage in at least one month during the months of November, December, or January, shall be billed the city-wide residential "three month water average," or their actual monthly water consumption, whichever is less.

New accounts, builders and landlords shall be billed using their actual monthly water consumption up to, but not to exceed, the city-wide residential three-month (November through January) average of water consumption plus a monthly base rate; until the next sewer calculation period of November through January and then shall be billed using their three-month water consumption average.

### **CUSTOMER REQUESTED SERVICE TERMINATION**

It is the account holder's responsibility to notify the New Prague Utilities of the date of final service or final date of responsibility required by lease agreement. A forwarding address must be provided. On the date specified by the account holder, a reading will be taken and a final bill will be calculated. If the New Prague Utilities is holding a security deposit, it will be applied to the final bill and any other debt owed to the New Prague Utilities or the City of New Prague. A final bill for the outstanding balance will be sent to the account holder at the forwarding address given by the account holder within five (5) days from the date of the final meter reading with payment due upon receipt.

### **PAYMENT OPTIONS**

**Forms of payment:** The Utility office accepts cash, cashier's check, money orders, checks, credit and debit cards (Visa and MasterCard). You also have the option to pay your bill online with Visa or MasterCard.

**ACH (AUTOMATIC CLEARING HOUSE):** The New Prague Utilities offers all customers the option of having their account balance automatically withdrawn from their checking or savings account. Customers choosing this option must complete an ACH form for their bank account they wish to have the funds withdrawn from. Customers must also complete a new ACH form if they wish to change bank accounts. Funds will be withdrawn from their account on the 15<sup>th</sup> of each month. The account holder will be mailed a monthly statement indicating the account balance that will be withdrawn. Automatic payment may be discontinued by filling out the ACH Cancellation form and returning to New Prague Utilities. Payments returned for non-sufficient funds will be subject to a \$30 service charge. All conditions in the "Returned Payments" section will apply.

**Budget Billing:** The budget billing program allows the customer to pay a set amount each month based on their previous year's utility usage and adjusted due to changes in utility rates. A customer may request to be on budget billing after they have established a twelve (12) month history with the Utility. The Utility will evaluate the customer's budget billing in January, and in May all budget customers will be removed from budget and a new budget calculation will be established in July. Accounts may be removed from the budget billing program if utility bills become delinquent. They cannot be reinstated on budget billing until one year of penalty free payment history is established or the customer participates in the Utility's ACH plan.

#### **OVERPAYMENT & UNDERPAYMENT**

In the event an account holder overpays their utility bill, the overpaid amount will be applied as a credit against any unpaid account balance or other debt owed to the New Prague Utilities or City of New Prague. If the credit will not be absorbed within two (2) months the account holder can request that a refund check be issued.

#### **RETURNED PAYMENTS**

If a customer makes payment by a check or ACH which is subsequently returned for non-sufficient funds (NSF) or account closed, that customer's account will be considered delinquent. The customer's account will be assessed a \$30 service fee. If the Utility receives more than two (2) NSF or account closed checks from a customer within a twelve (12) month period, that customer may be required to make future payments in the form of cash, money order, certified check, or debit or credit card. For a minimum of twelve (12) months before we will accept checks or ACH again.

#### **NONPAYMENT & LATE PAYMENT PENALTY DISCONNECTION & RECONNECTION FEES**

Unpaid accounts are delinquent on the first working day following the 15<sup>th</sup> of each month and shall be assessed a penalty in the amount of ten percent (10%) of the current outstanding balance.

When an account becomes past due, the New Prague Utilities will mail a notice of the Utility's intent to discontinue service if payment is not made. Such notice shall inform the account holder that the bill must be paid within five (5) calendar days from the date of the notice during May 1 – September 30 or twenty (20) calendar days during the cold weather rule period of October 1 – April 30.

A second notice may be hand delivered to the service address reminding the account holder of the date utility services will be disconnected. **This second notice is a courtesy and is not required by MN law.** Disconnection of utility service will happen whether a courtesy notice is left on the service address door or not, as final notice was mailed on the first working day following the 15<sup>th</sup> of each month. Partial payments, although accepted, will not prevent disconnection of utility service unless other payment arrangements are made with the New Prague Utilities staff. Service will be restored only after the full amount due including a reconnection charge has been paid. Discontinuance of service shall not release the account holder from his or her obligation for payment of bills or charges.

Failure to comply with an agreed upon payment arrangement will make the account immediately subject to the disconnect procedure.

On the date of disconnection, any account not paid by 10 am, will be disconnected and required to pay the reconnection fees, the following amounts shall be charged for the reconnection of service: (\$35.00 plus tax not included) if the reconnection is made during regular business hours of 8:00 am – 4:30 pm; or (\$150.00 plus tax not included) if the reconnection is made after hours between 4:31 pm – 7:59 am or weekends or holidays. Technicians are not allowed to accept payments while disconnecting services or to avoid disconnection. Personal checks will not be accepted as a form of payment once disconnection of services has been made.

### **REQUEST TO TRANSFER SERVICE / DEPOSIT**

When an account holder currently has an account with the New Prague Utilities and would like to setup a new account at a new address within the Utilities service territory, they must pay any unpaid balances on their original account. Their final bill will be transferred to their new account. The deposit, if applicable, will be transferred to the new address, for the same services. If additional services are required at the new address an additional deposit will be required.

### **RULES REGARDING LANDLORD AND TENANT**

The New Prague Utilities considers, as its customer, that person or persons who fill out the "Application for Utility Service" and who assume responsibility for payment of services. Services will normally continue until the customer requests that it be discontinued or until such time that the customer does not adhere to the rules and regulations of service. Upon request or discontinuance of services, the meter reading is recorded and, if no arrangements have been made in advance by another person or persons, the service will be transferred into the landlord's name. All Landlord's will be responsible for the unpaid sewer, water, and refuse billing or it will be assessed as described in "Collection of Delinquent Accounts".

### **COLLECTION OF DELINQUENT ACCOUNT**

All charges for Utility services shall be due on the date specified by the Utility for the respective amount and shall be delinquent on the first working day following the 15<sup>th</sup> of each month. The Utility shall endeavor to collect delinquent accounts promptly. Where satisfactory arrangements for payment have not been made, and after procedural requirements of the policy have been complied with, Utility services will be disconnected. When all administrative efforts at collecting a delinquent account have been exhausted, alternative collection methods will also be used. **In addition, all unpaid utility charges for owner occupied accounts and all unpaid sewer, water and refuse utilities for rental accounts shall be certified to the City Administrator, who shall propose an assessment role each year providing for assessment of the delinquent amounts against the respective properties serviced.** The assessment role shall be delivered to the City Council for adoption. The remedies described herein are not meant to be exclusive and New Prague Utilities may use any alternative method of collecting delinquent charges that is available under the laws of the State of Minnesota.

### **DATA PRIVACY ACT**

The Utility is prevented by MN law to notify any party of utility account issues other than the account holder of the service address unless a Third Party Notice is provided to the Utility by the account holder.

### **CONNECTION AND DISCONNECTIONS**

Only Utility personnel or Utility authorized personnel are permitted to connect or disconnect Utility services. In the case of scheduled service disconnects for any reason, the Utility will make a reasonable attempt to notify the customer of the reason, time, and duration of the disconnection.

Water customers that request their water to be turned off or water is turned off due to non-pay or service line issues will be required to be at the service location when water service is restored. This requirement is needed to confirm that there are no water leaks in the house or business after water services have been restored.

In case of customer requested connections or disconnections during hours other than normal Utility business hours, the customer may be charged in accordance with actual overtime costs to provide after-hour service.

## **METERS**

The customer must make the meters accessible to the meter readers in order to maintain and obtain meter readings, and must grant the New Prague Utilities the right and easement to construct and maintain the necessary service lines to the customer's facility.

## **METER TESTING**

When a property owner complains that the bill for any past service period is excessive, the Utility shall have the meter reread on request. If still dissatisfied, the customer may, by written request and the deposit of an amount equal to the cost of testing from a certified testing company, have the meter tested. If the test shows an error in the Utility's favor exceeding five (5) percent of the consumption, the meter shall be deemed inaccurate. The meter testing deposit shall be refunded and a new meter shall be installed, and the bill shall be adjusted accordingly with interest. The adjustment shall not extend back more than one service period from the date of the written request. If the meter is found to be accurate, the deposit made by the customer will be forfeited.

## **COMPLAINT PROCEDURE**

It is understood that there are times when a customer of the Utility has a complaint about the quality of service or with a particular billing which seems inaccurate or unjust.

Complaints may be made by personal contact with Utilities employees, by letter, or telephone. In any case, the Utility employee will write down the complaint and will see that the complaint is properly recorded and processed. The employee may be able to satisfy the complaint immediately. If not, the complaint will be channeled to the person who can take the necessary action. Once action is taken, details will be recorded and the data will be filed. Also, the customer who registered the complaint will be contacted to determine if the action was satisfactory. If the customer is not satisfied with the action taken, he may appeal the matter in accordance with the adopted appeal procedure.

## **APPEAL PROCEDURE**

When a customer is dissatisfied with action taken on his or her complaint, he or she has the right to appeal. It is intended that the appeal process be orderly for the benefit of the customer and the Utility. A written record shall be made of the appeal and filed with the original complaint. In all cases, the customer has the right to access of his or her complete file and may make his or her own record of the file. The first step in the appeal process is normally with the Utility personnel with whom the customer has had immediate contact regarding the problem. If no satisfaction is reached at this level, the next appeal is with the Utility General Manager. If satisfaction is still not reached, the customer may appeal to the Utilities Commission by requesting a hearing by letter to the President, New Prague Utilities Commission at 118 Central Ave N, New Prague, MN 56071.

In the case of an appeal regarding billing matters or delinquency of payment, the appeal is initially to the billing department, then to the Finance Director. If satisfaction is not reached, the appeal is directed to the Utility General Manager, and if deemed necessary, to the New Prague Utilities Commission as previously stated.

## **ALL ELECTRIC AND WATER METERS ARE THE PROPERTY OF THE NEW PRAGUE UTILITIES**

### **WATER SERVICE LINES**

All water connections and lines from the City's water mains are considered private connections and lines belonging to the property owner, and it shall be the property owner's responsibility to maintain the connections and lines, as outlined in the City's code of ordinances.

**SEWER SERVICE LINES**

All sewer connections and lines from the City's sewer mains are considered private, belonging to the property owner, and it shall be the property owner's responsibility to maintain the connections and lines, as outlined in the City's code of ordinances.

**RIGHT OF ENTRY/ACCESS**

The Utility has the right to enter private property, including buildings and dwellings where utilities are installed or located. For the following circumstances: for the purpose of inspection and repair of meters, for the purpose of reading utility meters or a utility system, and for the purpose of connecting and disconnecting service.

Free and clear access to Utility equipment shall be maintained at all times for emergency and normal maintenance service and meter reading. The access area shall be kept safe and free from any and all hazards, including pet animals. Free and clear access must also be provided for underground electric service and feeder cables. All reasonable efforts will be made by the Utility to minimize the impact on the customer's property resulting from digging and backfilling of cable trenches. Normally, the Utility will obtain the customer's signed agreement before digging.

**ELECTRIC SECONDARY OVERHEAD SERVICE**

New Prague Utilities will provide the conductor to the point of service entrance and make the final service connection.

**ELECTRIC SECONDARY UNDERGROUND SERVICE**

New Prague Utilities will provide secondary service to the property line. It is the responsibility of the property owner to install the service to that point. The New Prague Utilities will make the final service connection.

**ELECTRIC PRIMARY SERVICE**

The New Prague Utilities will supply the primary service to the nearest point of the building. If a different location is requested, there will be a special connection charge assessed based on material, labor and equipment.

**ELECTRIC LOAD CONTROL DEVICES**

In order to facilitate the New Prague Utilities Load Control Program, new residential construction having central air conditioning shall install a controller furnished by the New Prague Utilities. Service updates to accommodate central air conditioning or central air replacements shall also install a controller furnished by the New Prague Utilities. The controller must be installed in accordance with the New Prague Utilities requirements.

**SECURITY LIGHTING**

The New Prague Utilities offers security lights on existing poles. In the event a request is made for an area not having a pole, the expense of the pole, labor, and wire would be paid by the requesting party.

**PROTECTION OF EQUIPMENT**

The customer shall protect the equipment of the Utility on his or her premises and shall not interfere with or alter, nor permit interference with or alteration of the Utility's material or other property except by duly authorized representatives of the Utility.

**CHANGE IN LOAD**

All line equipment supplied and installed by the Utility for the use of its customers, has a definite limit to its capacity. Therefore, it must be the responsibility of the customer to notify the Utility in writing before any major change is made in connected load, either in location or purpose, or addition of such equipment. This particularly applies to installation of large motors, welders, electric heating, air conditioning and items requiring heavy power use. Failure to give notice of such changes or additions shall render the customer liable for damage to meters or accessories, transformers, wires or other apparatus of the Utility caused by the additional or changed installation.

**POWER INTERRUPTION**

Your Utility is committed to doing everything within its means and capabilities to assure an adequate supply of electrical power, for its customers now and in the future, but because of many factors, including equipment failure, accidents, storm damage and temporary shortages of power supply from other sources, **it cannot guarantee continuous, uninterrupted service to any customer**. Therefore, the customer is responsible to provide protection for his or her own equipment if damage to such equipment can result from an inadvertent loss of supply of power from the Utility. Because of these factors, the Utility disclaims all liability for all damages, consequential or otherwise, for any failure to deliver electrical power hereunder except for its own voluntary act or neglect to exercise reasonable care and diligence in performance of its duties.