

# CORPORATE POLICY AND PROCEDURE



|                  |                                       |
|------------------|---------------------------------------|
| POLICY           | <b>Leak Forgiveness Credit Policy</b> |
| CATEGORY         | Corporate                             |
| AUTHORITY        | IDE- Environmental Services- Water    |
| RELATED POLICIES | None                                  |
| APPROVED BY      | Guelph City Council                   |
| EFFECTIVE DATE   | January 1, 2022                       |
| REVISION DATE    | January 1, 2025                       |

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## **POLICY STATEMENT**

The City shall provide financial assistance to qualifying residential customers in respect of unusually high water and/or wastewater fees or charges, resulting from Leaks. The City shall provide this financial assistance by way of a Leak Forgiveness Credit against the water and wastewater fees and charges ordinarily imposed under the City's Fees and Charges By-law. Staff will amend Appendix A from time to time to better suit customer and business needs.

## **PURPOSE**

The Credit is intended to provide partial reimbursement to innocent customers who suffer significant, unexpected, unintended increased fees and charges due to Leaks, and to encourage prompt repair of such Leaks.

The City shall calculate the Credit based on the extra water and wastewater fees and charges over the average, expected, water and wastewater fees and charges incurred prior to the Leak. The City shall apply any Credit by means of a payment against the customer's water and wastewater account.

## **DEFINITIONS**

In this Policy the following terms have the corresponding definitions:

"Account Holder" means an Account Holder as defined in the Customer Accounts By-law;

"Credit" means the Leak Forgiveness Credit under this Policy and Procedure;

"Customer Accounts By-law" means the City's Water and Wastewater Customer Accounts By-law Number (2016)-20074, as amended or replaced;

"Fees and Charges By-law" means the City's Water and Wastewater Fees and Charges By-law Number (2017)-20224, as amended or replaced;

“Leak” means an unintentional water loss caused by a broken or otherwise malfunctioning plumbing pipe or fixture;

“Property” means a property as described in this Policy and Procedure; and

“Water Supply System” means the Water Supply System as defined in the Customer Accounts By-law.

## **PARTICULARS OF THE CREDIT PROGRAM**

Following are particulars of the program for implementing the Credit Policy.

### **1. Eligibility**

An Account Holder may apply for a Credit in respect of the Account Holder’s Property if the Property:

- Is located within the geographic limits of the City;
- Is serviced by the City’s Water Supply System;
- Qualifies as a residential customer;
- Is the only Property served by the applicable water meter;
- Has a properly functioning and accessible internal shut off valve;
- Has not had an unmetered water line or open by-pass line within the last 5 years;
- Shows no evidence of tampering with the water meter; and
- Possess a water bill identifying at least two times the average monthly consumption for the Property as caused by a leak.

### **2. Application Requirements**

To apply for the Credit, the Account Holder must submit:

- A completed application form;
- The Account Holder’s contact information;
- The Property address;
- The Account Holder’s account number; and
- The serial number of each applicable water meter in respect of the Property.

To participate in the Credit program, the Account Holder must, at its own sole cost:

- Carry out all actions required by City staff for compliance with the Credit Policy and Procedure;
- Pay all costs for repairing the Leak, such as parts and labour; and
- Pay the portion of all fees and charges owing but not eliminated by the Credit.

## **APPENDIX A**

### **PROCEDURE**

City Water Services staff shall administer the Credit Policy in accordance with the following Procedure.

Staff shall:

- Make available forms for applying for the Credit;
- Receive applications for the Credit, with applicable supporting documentation;
- Review applications for the Credit, including by investigating water consumption amounts;
- If an application for the Credit is incomplete, request missing documentation;
- When an application for the Credit is complete, if necessary, visit the Property to determine the accuracy of the information and documentation received;
- If necessary, after the Account Holder has indicated that the Leak has been repaired, visit the Property to verify whether the Leak has indeed been satisfactorily repaired;
- Evaluate the complete application documentation, and, within 60 business days after receipt of the complete documentation, decide whether to approve or deny the Credit;
- If a Credit is approved, calculate the amount of the Credit, and notify the Account Holder of the approval, and the amount of the Credit; and
- If a Credit is denied, notify the Account Holder of the denial, and the reason for the denial.

In determining a Credit, staff shall exclude any water loss that appears to result from any extraneous factor, including, but not limited to:

- Theft;
- Vandalism;
- Leaks on the City's side of the Account Holder's water meter;
- Outdoor water use, such as, but not limited to, irrigation, pool, basin or hot tub filling, hose, outdoor cleaning or maintenance, or skating rink;
- Action by a third party, from whom the Account Holder is able to recover the Account Holder's loss;
- Neglect of the Property; or
- An occurrence in a Property where:
  - Although the Property is ordinarily occupied, the occupants were absent for at least 72 hours, or
  - The Property is unoccupied because the most recent occupants have moved out with no intention of returning, or it is a newly

constructed Property, and the initial occupants have not yet moved in.

Staff shall carry out the calculation of a Credit as follows:

- Calculate the typical, average water consumption for the period of the excess water consumption, from the previous 12 water meter readings for the Property, or, if such historical records are not available, from estimates based on what meter readings are available and comparisons with similar Properties;
- Deduct that typical, average water consumption for the period of the excess water consumption, from the actual water consumption for the period;
- Calculate the fees and charges for that quantity of excess water consumption and sewage discharge using the ordinary applicable fees and charges up to a maximum of three billing cycles; and
- Finalize those calculated fees and charges, to a maximum of \$5,000.00, as the amount of the Credit.

Staff shall deny a Credit to any Account Holder who has:

- Been convicted of any offence under the Customer Accounts By-law;
- Previously received a Credit in respect of the same Property for a leak during the shorter period of:
  - The period from April 1, 2018 to the date of the application, or
  - The period of 10 years before the date of the application;
- During the one year period prior to the abnormal water use, failed to respond to a request by City staff for access to the Property's water meter;
- Engaged in or taken advantage of fraudulent or misleading behavior relating to the Credit program, such as tampering with a meter or supplying misinformation; staff may also proceed with any other applicable remedies, such as those available under the Customer Accounts By-law;
- Failed to notify the City of the Leak within 5 business days after being advised (such as by an unusually high water bill, or high water notification) of the abnormal water use;
- If requested by City staff, failed to provide satisfactory documentation of the Account Holder's status as residential, institutional or not-for-profit;
- Failed to make reasonable efforts to locate and repair the Leak within 10 calendar days after being advised (such as by an unusually high water bill) of the abnormal water use;
- Failed to repair the Leak and provide proof of the repair, including photographs and invoices and receipts from a licensed plumber or manufacturer;
- Failed to repair the Leak using, means consistent with Ontario Build Code and water efficient technology, where applicable; or
- Failed to permit Water Services staff access to the Property, to ensure that the Leak has been repaired, within two weeks after a request for such access.