

Phone: (530) 474-5120

# Policy for Discontinuation of Residential Service for Nonpayment

The written notice of payment delinquency and impending discontinuation shall be mailed to the customer of the residence to which residential service is provided. If the customer's address is not the address of the property to which residential service is provided, the notice also shall be sent to the address of the property to which residential service is provided, addressed to "Occupant." The notice shall include, but is not limited to, all of the following information in a clear and legible format:

- 1. The customer's name and address
- 2. The amount of the delinquency.
- 3. The date by which payment or arrangement for payment is required in order to avoid discontinuation of residential service, which shall be 60 days from the date that the bill became delinquent unless extended by the Administrative Services Director or designee.
- 4. A description of the process to apply for an extension of time to pay the delinquent charges.
- 5. A description of the procedure to petition for bill review and appeal.
- 6. A description of the procedure by which the customer may request a deferred, reduced, or alternative payment schedule, including an amortization of the delinquent residential service charges.

## **Good Faith Noticing Requirements**

- A. If LPMW is unable to make contact with the customer or adult occupying the residence by telephone, and written notice is returned through the mail as undeliverable, LPMW shall make a good faith effort to visit the residence and leave, or make other arrangements for placement in a conspicuous place of, a notice of imminent disconnection of residential water service for nonpayment and LPMW policy for discontinuation of residential water service for nonpayment.
- B. If the customer seeks review or appeal of their bill, the customer shall contact LPMW before the payment due date and LPMW will investigate. If the investigation does not result in a resolution acceptable to the customer, the customer may seek review by the Administrative Services Director and subsequently may appeal to LPMW. LPMW shall not discontinue residential water service while the appeal is pending.

#### **Prohibition Against Discontinuing Residential Water Service**

- A. LPMW shall not discontinue residential water service for nonpayment if all of the following conditions are met:
  - 1. The customer, or tenant of the customer, submits to LPMW the certification of a primary care provider, as that term is defined in subparagraph (A) of paragraph (1) of subdivision (b) of Section 14088 of the Welfare and Institutions Code, that discontinuation of residential water service will be life threatening to, or pose a serious threat to the health and safety of, a resident of the premises where residential water service is provided.

- 2. The customer demonstrates that he or she is financially unable to pay for residential water service within LPMW normal billing cycle. The customer shall be deemed financially unable to pay for residential water service within LPMW normal billing cycle if any member of the customer's household is a current recipient of CalWOKS, CalFresh, general assistance, Medi-Cal, Supplemental Security Income/State Supplementary Payment Program, or California Special Supplemental Nutrition Program for Women, Infants, and Children, or the customer declares that the household's annual income is less than 200 percent of the federal poverty level.
- 3. The customer is willing to enter into an amortization agreement, alternative payment schedule, or a plan for deferred or reduced payment with respect to all delinquent charges.
- B. If the conditions listed above in subsection A. are all met, LPMW shall offer the customer one or more of the following options at LPMW's choice:
  - 1. Amortization of the unpaid balance.
  - 2. Participation in an alternative payment schedule.
  - 3. A partial or full reduction of the unpaid balance financed without additional charges to other ratepayers.
  - 4. Temporary deferral of payment.
- C. The Administrative Services Director or designee is authorized to determine which of the payment options described in paragraph B (Prohibition Against Discontinuing Residential Water Service) the customer undertakes and may set the parameters of that payment option provided that the repayment of any remaining outstanding balance occurs within 12 months, and further provided that the Administrative Services Director may only approve a partial or full reduction of the unpaid balance if that reduction can be funded with other revenues that the LPMW Council has approved and transferred into the Water Enterprise Fund budget explicitly for the purpose of allowing such reductions.
- D. Residential water service may be discontinued no sooner than 7 business days after LPMW posts a final notice of intent to disconnect service in a prominent and conspicuous location at then property under either of the following circumstances:
  - 1. The customer fails to comply with an amortization agreement, an alternative payment schedule, or a deferral or reduction in payment plan for delinquent charges for 60 days or more.
  - 2. While undertaking an amortization agreement, an alternative payment schedule, or a deferral or reduction in payment plan for delinquent charges, the customer does not pay his or her current residential water service charges for 60 days or more.

### **Restoration of Water Service**

- A. If LPMW discontinues residential water service for nonpayment, it shall provide the customer with information on how to restore residential water service. For a residential customer who demonstrates to LPMW that the household income is below 200 percent of the federal poverty line, LPMW shall do both of the following:
  - 1. Set a reconnection service fee for reconnection during normal operating hours in an amount that does not exceed fifty (\$50), or the actual cost of reconnection if it is less. For the reconnection of residential water service during nonoperational hours., LPMW

- shall set a reconnection of service fee that does not exceed one hundred fifty dollars (\$150), or the actual cost of reconnection during nonoperational hours if it is less. The maximum amount of \$50 for reconnection during operational hours and \$150 during nonoperational hours.
- 2. Waive interest charges on delinquent bills once every 12 months.
- B. LPMW shall deem a residential customer to have a household income below 200 percent of the federal poverty line cycle if any member of the customer's household is a current recipient of CalWOKS, CalFresh, general assistance, Medi-Cal, Supplemental Security Income/State Supplementary Payment Program, or California Special Supplemental Nutrition Program for Women, Infants, and Children, or the customer declares that the household's annual income is less than 200 percent of the federal poverty level.

### **Reporting Requirements**

LPMW shall annually report the number of discontinuations of residential water service for inability to pay on LPMW/s website and to the State Water Resources Control Board.

#### **Limitations of this Policy**

Nothing in this policy restricts, limits or otherwise impairs LPMW's ability to terminate service to a customer for reasons other than those explicitly stated in this policy, including, but not limited to, unauthorized actions of the customer.