



POLICY TITLE: City of Hamilton Water Leak Adjustment Policy

POSITION RESPONSIBLE FOR TASK: Senior Financial Analyst, Policy and Projects

POLICY NO: PP-0005

LAST REVISION DATE: 9/6/1997

EFFECTIVE DATE: 12/12/2007

MANAGER REVIEWED: Mike Zegarac

TO BE REVIEWED: 11/1/2012

MAINTENANCE RESPONSIBILITY: Policy and Projects Section

I GENERAL

The City of Hamilton’s Water Leak Adjustment Policy (“Policy”) provides residential and non-residential customers who utilize City water services financial assistance in regard to the repair of water leaks on private property, excluding any water leaks in the water service pipe. A “water service pipe” is defined as the pipe on the private property which conveys potable water from a City watermain to the inside of the building on the property. The Policy affords an opportunity for customers to request adjustments to water and wastewater use charges where such leak has been repaired by completing the *Water Leak Adjustment Request Form*.

II BACKGROUND

In 1997, the former Regional Municipality of Hamilton-Wentworth (“Region”) approved a policy called the “Plumbing Relief Policy” to address abnormally high water bills resulting from plumbing failures. Previous to the approval of this policy, the Region did not have a policy for staff to address those instances when a metered water customer receives an abnormally high bill as a result of a plumbing failure. Though the customer is responsible to repair leaks on service plumbing, it was recognized that a high water/wastewater bill resulting from an unintentional water leak can present financial hardship to a customer.

The Plumbing Relief Policy has been replaced with this Water Leak Adjustment Policy to continue to provide the opportunity to educate the consumer about the impact of water leaks while ensuring the financial impact of the increased water consumption is capped at a reasonable level.

III POLICY

PURPOSE

To provide an opportunity for customers to request adjustments to water and wastewater use charges where a Leak has been repaired in the water system on the customer's side of the water meter in a reasonable timeframe.

DEFINITIONS

Horizon: Horizon Utilities Corporation.

Leak: An unintentional water loss caused by broken and/or malfunctioning plumbing fixtures and/or pipes within a residence or building. A leak occurs when there is a failure of the plumbing system to do what it was designed to do.

Unoccupied: An unoccupied dwelling and/or building is a dwelling and/or building in which occupants are absent from the property for a time period of sixty (60) consecutive calendar days or more, due to such matters as an extended vacation or prolonged illness.

Vacant: Regardless of the presence of furnishings, a vacant dwelling and/or building means the occupants have moved out with no intent to return. A newly constructed dwelling and/or building is also considered to be vacant after it is completed and before the occupants move in. A dwelling and/or building is also vacant when the occupants move out and before any new occupant moves in.

REQUIREMENTS

- An adjustment may occur only after all leaks have been repaired and verified with an actual meter read by the City's agent, currently Horizon Utilities Corporation. Obtaining a third meter reading may be necessary, within a minimum of two weeks, to verify whether Leaks have been repaired and usage has returned to normal.
- Reasonable efforts to locate the Leak and initiate repairs must be taken by or on behalf of the customer within 120 calendar days after of the initial notification of increased water usage provided to the customer by Horizon. Notification may include, but is not limited to, a written notice delivered to the owner or occupant or a courtesy phone call. Exceptions may be considered for extraordinary circumstances.
- The customer must complete in full the *Water Leak Adjustment Request Form* and provide documentation of repairs made prior to being approved for an adjustment within 120 calendar days after the date of final repair(s).

- There is no extension of the due date or the time for paying water and/or wastewater bills because of a pending adjustment request. Customers are advised to pay the entire amount due with the normal payment period or enter into payment arrangements for the excessive amount in order to remain in good standing on all current billings. Reimbursements will only occur when an adjustment request is granted.

WATER/WASTEWATER BILLING ADJUSTMENT

Leak adjustments are discretionary and will only be granted as follows:

- Each metered service shall only be allowed one adjustment during a 12 consecutive month period following a prior water/wastewater billing adjustment.
- Adjustments will only for a maximum adjustment period of 240 calendar days (120 calendar days prior and 120 calendar days after the initial notification of the increased water usage provided to the customer by Horizon.
- Water usage MUST EXCEED 2 TIMES (200%) the AVERAGE of the similar period from the previous year. If no history is available, meter readings will be obtained to project normal usage. If projection is not possible, class averages will be used to determine normal usage for the adjustment calculation.
- Adjustments for large commercial, industrial and institutional customers will be capped at \$5,000 (maximum combined water and wastewater adjustment) indexed by the approved annual water rate percentage increase approved by City Council. There is no adjustment cap for residential and small commercial customers.
- No adjustments will be granted where:
 - a) usage above the customer's average monthly consumption is due to seasonal usage such as watering of sod, gardening, filling swimming pools or whirlpools, washing vehicles, etc. as this describes water services knowingly used by the customer;
 - b) water loss is due to theft, vandalism or construction damage as the responsibility to resolve these issues lies with the customer;
 - c) Leak was caused by a third party from whom the customer is able to recover their costs;

- d) dwelling and/or building is Unoccupied and/or Vacant for 60 calendar days or more. Customers have the responsibility to arrange for a competent person to enter their dwelling regularly to monitor the dwelling's condition eg. ensure that heating has been maintained. For extended absences, customers should consider shutting off the water supply (except where water is used for heating) and draining all the pipes and appliances.

The following example illustrates how the adjustment is calculated based on rates in effect as of January 1, 2007:

For this example, the normal monthly average water consumption is 30 cubic metres per month.

	Water Consumption	Dollar Amount
1 Water Bill	350 c.m.	\$ 319.55
2 Wastewater Bill *		319.55
Total water and wastewater bill		<u>\$ 639.10</u>
3 Prior 12 month average	30 c.m.	\$ 27.39
4 Customer responsibility (12 month average * 2)	60 c.m.	\$ 54.78
5 Consumption eligible for adjustment [1 - 3]	290 c.m.	\$ 264.77
Wastewater adjustment *		<u>264.77</u>
Total water and wastewater bill adjustment		<u>\$ 529.54</u>

* Wastewater surcharge = 100% of water consumption