

City of Lowell
Water and Sewer Customer Account, Billing and Administrative Policies

Subject: Billing Adjustments for Errors

The intent of this policy is to outline the process for identifying and correcting customer billing errors or metering errors in accordance with the City of Lowell Code of Ordinances for water and sewer service charges (Article I, Section 25-135—Water Service Charges and Article I, Section 25-156 –Sewer Service Charges). Per the ordinance, no free service shall be furnished by the system to the City or any person, public or private, or to any public agency or instrumentality. Billing and enforcement regulations apply (See Article I, Section 25-136—Water, and Article I, Section 25-158—Sewer).

Definition of a billing or meter error: For purposes of this section, the term billing or meter error means:

- (a.) A reflection on or with a periodic water and/or sewer billing statement that is a result of inaccurate information (i.e. computational or similar error of an accounting nature, result of a defective meter, or result of meter reading error).
- (b.) A reflection on or with a periodic water and/or sewer billing statement that is a result of a water or sewer commodity not delivered to the customer.
- (c.) A reflection on or with a periodic water and/or sewer billing statement for which the customer requests additional clarification, including documentary evidence.

Applicability: To adjust customer's bills when an error was made due to a billing or metering error.

Purpose: To ensure that the City of Lowell has properly charged customers for their use of water and/or sewer services.

Customer Written Notice: If a water or sewer customer of the City of Lowell, within sixty (60) days (or approximately two billing cycles) after having received a billing statement believes their billing is in error, the customer shall provide to the City of Lowell a written notice stating an error has been identified. The written notice shall identify the name and account number, indicate the customer's belief that the statement contains a billing or meter error and the amount of such billing error or inaccuracy. The customer shall set forth the reason (to the extent possible) that the billing statement contains a billing or meter error.

Acknowledgement: The City shall acknowledge receipt of customer written notices in writing to the customer within 30 days of receipt.

Investigation: The City shall investigate the customer's statement and document the research conducted.

Correction / Adjustment: Pending the results of the investigation, the City shall follow the policy described below.


Policy:

- A. Overcharges - In the event City of Lowell overcharges a customer due to a billing or metering error, the utility shall refund or credit the amount of the overcharge. The utility is not required to adjust, refund, or credit an overcharge for more than three (3) years immediately preceding discovery of the error. Any refunds for greater than three (3) years require Lowell City Council approval. Customer receiving reimbursement shall be credit with 5% APR interest, commencing on the 60th day following payment. A utility is not required to adjust, refund, or credit an overcharge plus 5% APR interest for more than the three (3) years immediately preceding discovery of the billing error, unless the customer is able to establish an earlier date for commencement of the error.

- B. Undercharges – In the event the City of Lowell undercharges a customer due to a billing or meter error, the City may back bill the customer for the amount of the undercharge during the twelve (12) month period immediately preceding discovery of the error, and the City shall offer the customer reasonable payment arrangements for the amount of the back billing up to 1.5 times the period of time the undercharges took place. (typically not to exceed 18 months). The City shall take into account the customer’s financial circumstances when setting payment amounts and terms.

- C. Meter tampering / Fraud - In cases that involve meter tampering or fraud, the City may back bill the customer for the total amount of the charges resulting under these conditions regardless of the time period the condition existed.

Note: In some cases, the adjusted amount can be clearly identified and quantified, while in other cases the error can only be estimated. All efforts will be made to ensure either billings or refunds are as accurate as possible.

Adopted:  1-10-24
Reviewed and Revised: _____