

CITY OF KELOWNA

BYLAW NO. 8754

UTILITY BILLING CUSTOMER CARE BYLAW

WHEREAS the City of Kelowna operates various public utilities, including a water service system, an electrical service system, a sanitary sewer collection system, and a streetlight system;

AND WHEREAS the City has entered into a contract for the provision of billing and account services with respect to its various public utilities;

NOW THEREFORE, the Council of the City of Kelowna, in open meeting assembled, enacts as follows:

1. TITLE

- 1.1 This Bylaw shall be referred to as the "Utility Billing Customer Care Bylaw No. 8754".

2. INTERPRETATION

2.1 Headings

The headings given to sections, paragraphs, and sub-sections in this bylaw are for convenience of reference only. They do not form part of this bylaw and will not be used in the interpretation of this bylaw.

2.2 Severability

If any portion of this bylaw is for any reason held to be invalid by a decision of any court of competent jurisdiction, that portion may be severed and such decision shall not affect the validity of the remaining portions of this bylaw.

2.3 Definitions

In this bylaw:

City means the City of Kelowna or its authorized agent.

Customer means any person(s) in whose name(s) a **Customer Service Account** has been opened, or any person(s) referred to in section 6.2 of this bylaw.

Customer Care Services means the services to be performed by the **City** including but not limited to: metered billing services, unmetered billing services, accounts receivable, payment processing and revenue transfer, credit and collections, account management, customer service, customer contact, call centre, scheduling and service orders, application of rates and tariffs; interfaces and management reports and any other related or ancillary service.

Customer Service Account means an account for invoice or billing purposes, and under which **Customer Care Services** are provided, in relation to use or consumption of a **Utility Service** whether opened under the authority of this bylaw, or already open and in existence as of the date of adoption of this bylaw.

Meter means an apparatus or device installed by or on behalf of the **City** for the purpose of measuring the level or amount of use or consumption, or the amount of the measured commodity passing through it, of a **Utility Service** at a particular location or locations.

Utility Service means a public utility service or system operated by or on behalf of the **City**, including the provision of water, electricity, or sanitary sewer collection services.

3. CUSTOMER CARE SERVICES

- 3.1 The **City** may provide **Customer Care Services** directly to its **Customers**, or may enter into an agreement with a third party to provide some or all of those **Customer Care Services**.

4. APPLICATION FOR CUSTOMER SERVICE ACCOUNT

4.1 Applications

The owner or occupant of any premises making use, or intending to make use, of any **Utility Service** being operated by or for the **City** shall make application to the **City** for a **Customer Service Account**.

4.2 Rate Class/Billing Category

The **City** shall determine the appropriate rate class and/or billing category in accordance with applicable regulatory or other bylaws, in relation to each **Utility Service** being provided to each **Customer Service Account**.

4.3 Not Transferable

A **Customer Service Account** is specific to the **Customer** in whose name it is opened, and is not transferable to another person, without the **City's** explicit consent.

4.4 Previous Accounts Outstanding

No application shall be accepted from, and no **Customer Service Account** shall be opened or re-opened in the name of, any person until any outstanding balance on any existing or previous **Customer Service Account** is paid.

5. SECURITY DEPOSITS

5.1 Deposit Required

A refundable security deposit shall be charged to all **Customer Service Accounts** related to commercial or residential premises.

5.2 Payment of Deposit

- (1) In the case of a **Customer Service Account** being opened by a person who has not previously had a **Utility Service** terminated for the reasons outlined in section 10.1 of this bylaw, the security deposit shall be paid in full on or before the due date, as outlined in section 8.3 of this bylaw, for the first invoice in relation to the **Customer Service Account**, unless the **Customer** is able to demonstrate that severe financial hardship would result, in which case the security deposit may be paid in no more than three equal instalments over the first three invoice periods.
- (2) In the case of a **Customer Service Account** being opened by a person who has previously had a **Utility Service** terminated for the reasons outlined in section 10.1 of this bylaw, the security deposit, along with all other outstanding amounts owing as outlined in section 4.4 of this bylaw, shall be paid in full before the **Customer Service Account** is opened or re-opened, as the case may be.

5.3 Interest on Security Deposits

The **City** shall pay interest on any security deposit received, which shall be calculated using the annual "Security Deposit Interest Rate" set by the Residential Tenancy Office of the Province of British Columbia's Ministry of Public Safety and Solicitor General, on the following terms:

- (1) interest shall be calculated and credited on the first invoice or billing notice of each calendar year to all **Customer Service Accounts** for which a security deposit is held; and
- (2) if a **Customer Service Account** is being closed, interest still outstanding shall be calculated and credited on the final invoice or billing notice.

5.4 Exceptions

Despite section 5.1 of this bylaw, a security deposit shall not be charged if one or more of the following circumstances applies:

- (1) The **Customer Service Account** was open and active as of the date of coming into force of this bylaw; or
- (2) The application for the **Customer Service Account** is accompanied by a "Security Deposit Waiver", as outlined in Schedule A which is attached to, and is part of, this bylaw, signed by the registered owner(s), or authorized signatory(s), of the property on which the premises to which the **Utility Service** relates is located, acknowledging the potential for unpaid amounts to be deemed to be taxes in arrears, under section 8.6 of this bylaw; or
- (3) The application for the **Customer Service Account** is made in relation to **Utility Services** to be provided to premises which:
 - (a) qualify for mandatory exemption from payment of local government property taxes under the *Local Government Act* or other applicable legislation; or

- (b) qualify for permissive exemption from payment of local government property taxes under the *Local Government Act* or other applicable legislation and have been exempted by the **City** for the current year; or

- (4) The amount of the calculated security deposit is less than \$25.00.

5.5 Previous Discontinuance

Despite section 5.4 of this bylaw, a security deposit shall be charged to all **Customer Service Accounts** where the **Customer** has previously had **Utility Service** to any premises discontinued pursuant to section 10.1 of this bylaw or any other applicable bylaw.

5.6 Amount of Deposit

The amount of the security deposit referred to in section 5.1 or 5.5 of this bylaw shall be equal to:

- (1) the total amount of the user rate (based on consumption or estimated consumption) charged, for the two months in the previous twelve months, during which the consumption was the highest for the premises to which the **Utility Service** and the **Customer Service Account** relates; or
- (2) where no **Utility Service** has been provided to the premises in the past, or where the size, capacity or type of **Utility Service** has previously been different than what is being applied for (for example, but not exclusively, where a premises was previously used as a laundromat but is in future to be used as a clothing store), or where no **Customer Service Account** has existed, the total amount of the estimated user rate charged, for the two consecutive months, in the previous twelve months, during which the consumption would have been the highest, for a similar premises being used in a similar manner.

5.7 Letter of Credit

If the security deposit is calculated to be greater than \$1,000.00, a Letter of Credit, which shall be renewed annually for the period that the security deposit is required, may be provided in place of cash payment.

5.8 Refund of Deposit

A security deposit, plus any outstanding interest calculated pursuant to section 5.3(2) of this bylaw, shall be refunded by crediting the amount of the deposit to the **Customer Service Account** for which it was paid, if:

- (1) in the case of a **Customer Service Account** relating to **Utility Service** to a residential premises, within the period of twelve months from the date the security deposit was paid, the **Customer Service Account** is, and has been for the entire period, in good standing with no outstanding amounts owing or penalties applied; or

- (2) in the case of a **Customer Service Account** relating to **Utility Service** to a commercial premises, within the period of three years from the date the security deposit was paid, the **Customer Service Account** is, and has been for the entire period, in good standing with no outstanding amounts owing or penalties applied; or
- (3) the **Customer Service Account** is closed entirely and is not transferred under the same **Customer** to another premises within the **City**.

6. RESPONSIBILITY FOR PAYMENT

6.1 Customer Service Account

A **Customer** shall be responsible for payment of the applicable deposits, user rates, fees, or other charges, as set out by this or any other applicable bylaw, charged to his/her **Customer Service Account**.

6.2 No Customer Service Account

The owner or occupant of any premises making use of any **Utility Service** being operated by the **City**, but in relation to which, for whatever reason, no **Customer Service Account** exists, shall be responsible for payment of deposits, user rates, fees, or other charges equal to those that would have been applicable if **Customer Service Account** had been open and in existence.

7. METER READING

7.1 Determining Consumption

The level or amount of use or consumption of a **Utility Service** at any premise for which a **Meter** has been installed, shall be determined by the **City** through reading the **Meter**, and no person shall prevent any authorized **City** representative from accessing or reading any such **Meter**.

7.2 Date of Reading

A **Meter** may be read on any date during a billing period, however, as nearly as possible, the **City** shall endeavour to read **Meters** on the same date in each billing period.

7.3 Reading by Customer

The **City** may require a **Customer**, where there may be temporary or long term difficulty in the **City** reading a **Meter(s)** whether due to physically restricted access or otherwise, to read the **Meter(s)** and supply the readings to the **City** in accordance with instructions, and on specific forms, provided for this purpose.

7.4 Estimates

If a **Meter** at a particular location is not able to be read with reasonable accuracy by the **City** or the **Customer**, or the **City** has not required the **Customer** to supply the reading, for whatever reason, or if no **Meter** has been installed, the **City** may estimate the level or amount of use or consumption of the pertinent **Utility Service** over the applicable period.

7.5 Re-reading

If a **Customer** has reason to believe a **Meter** at the location to which the **Customer Service Account** relates is not functioning correctly, or has not been read accurately, he/she may request that the **Meter** be tested, or re-read, as the case may be. Any determination by the **City** as to the functioning of the **Meter**, the accuracy of the reading, or any reasonable adjustment to be made to the **Customer Service Account**, shall be final.

8. **BILLING**

8.1 Frequency

Invoices shall be rendered monthly for the applicable deposits, user rates (whether based on level or amount of use or consumption, or on a flat rate), fees, or other charges, owing in relation to **Customer Service Accounts**, and set out in this or any other applicable bylaw.

8.2 Non-Delivery of Invoice

The **City** is not responsible for non-delivery of any invoice or billing notice.

8.3 Payment Due

Payment shall be due and payable within fifteen (15) days of the billing date shown on the invoice, provided that when that fifteenth day falls on a Saturday, Sunday or a statutory holiday, payment shall be due and payable on the next succeeding day not a Saturday, Sunday, or statutory holiday.

8.4 Penalty Charge

A penalty of ten percent (10%) shall be charged on any amount of the current balance shown on the previous invoice, which was not paid by the payment date noted on that previous invoice. The penalty shall be added to current charges on the present invoice, and the previous amount unpaid shall remain outstanding and shall be shown as an arrears balance on the present invoice.

8.5 Payment Applied to Oldest Outstanding Charge

All payments or credits received or given in relation to amounts owing on a **Customer Service Account** shall be applied in reverse date order from the oldest outstanding charge to the newest charge.

8.6 Deemed Taxes in Arrears

Any amounts due and payable in accordance with this bylaw, and remaining unpaid after December 31st of any year, shall be deemed to be taxes in arrears on the property in relation to which the **Utility Service** has been provided, and shall be subject to the same interest and penalties, and be recoverable in the same manner, as property taxes as provided for in the *Local Government Act*.

9. BILLING ERRORS

9.1 Error Found

Where an error is found to have been made in the amount invoiced or billed to a **Customer Service Account**, the amount either under-billed or over-billed shall be debited from or credited to the **Customer Service Account** and shown on the next invoice, subject to any arrangements made pursuant to section 9.3 of this bylaw.

9.2 Estimated Amount

Where the exact amount of under-billing or over-billing cannot be determined, the **City** may make a reasonable and fair estimate of the amount, using its own records or those of the **Customer**, and in keeping with amounts billed to other **Customers** in similar premises, being used in a similar manner, over the same time period.

9.3 City's Cause

Where an amount has been under-billed, and where the error can reasonably be said to have been the fault of the **City's**, the **City** may offer the **Customer** reasonable terms of repayment, which may be over a period of several months, and may be interest and penalty free.

9.4 Other Cause

Where an error of under-billing is found to have been made in the amount invoiced or billed to a **Customer Service Account**, and that error is a result of unauthorized use of a **Utility Service**, or can reasonably be said to be a result of fraud, theft, tampering with a **Meter** or other equipment, or any other similar act, the **Customer** shall be responsible for the amount of the under-billing, plus any direct administrative costs incurred by the **City** in investigating the circumstances, plus interest and penalties at the rate normally charged on unpaid accounts receivable by the **City**.

10. TERMINATION OF SERVICE/CLOSURE OF ACCOUNTS

10.1 Termination by City

The **City** may terminate **Utility Service**, without further notice, where an amount has been invoiced and is due and payable, and remains unpaid as of the payment due date as set out in section 8.3 of this bylaw.

10.2 Request for Termination from Customer

A **Customer** wishing to close his/her **Customer Service Account** shall give the **City** a minimum of twenty four hours' notice of the date on which the **Customer Service Account** is to be closed. Where such notice is not provided, the **Customer** shall be responsible for payment of any amounts attributed to use or consumption of the **Utility Service** for the period between the date that notice was received by the **City**, and the earlier of the date service was terminated or twenty four hours following such notice.

No **Customer Service Account** shall be closed, whether or not related **Utility Service** has been terminated, until all outstanding amounts owing have been paid.

11. CITY RESPONSIBILITY

11.1 Defects or Interruptions

The **City** operates its **Utility Services** as efficiently as reasonably possible, but does not guarantee the constancy of the quality of the **Utility Service** nor continuous, uninterrupted service. A defect or interruption in the supply of a **Utility Service** shall not constitute a breach of any legal duty of the **City**.

11.2 City Not Responsible

The **City** shall not be responsible for any loss, injury, death or damage due to interruption, failure or defect in **Utility Service** arising from any cause or causes whatsoever. The **City** will endeavour to restore interrupted **Utility Service** or to rectify defective **Utility Service** with reasonable diligence.

12. LIABILITY

12.1 Liability for Utility Service Works

Nothing contained in this bylaw shall be deemed or construed to relieve any person owning, operating, constructing or installing any **Utility Service** works from any liability for damages to any person injured by the construction or operation of same, nor shall the **City** be deemed to have assumed any liability by reason of any inspection of the **Utility Service** works.

12.2 Failure to Supply

In case the supply of a **Utility Service** shall fail, whether from natural causes or accident in any way, or causes outside the reasonable control of the **City** (in which causes labour disputes may be included), the **City** shall not be liable for damage by reason of such failure, whether the same arises from the negligence of any person in the employ of the **City**, or from any other cause whatsoever, nor shall the **City** be liable in any event for damage to person or property arising, accruing or resulting from the use of a **Utility Service** from the **City**.

13. OFFENCE AND PENALTIES

- 13.1 Every person who violates a provision of this bylaw commits an offence and is liable on summary conviction to a penalty not exceeding ten thousand dollars (\$10,000.00) and costs of prosecution. The penalties imposed under this section supplement and are not a substitute for any other remedy to an infraction of this bylaw.

14. EFFECTIVE DATE

- 14.1 This bylaw will come into full force and be binding on all persons as of the date of adoption.

Read a first, second, and third time by the Municipal Council this 25th day of February, 2002.

Adopted by the Municipal Council of the City of Kelowna this

Mayor

City Clerk

BYLAW 8754 - SCHEDULE "A"

Security Deposit Waiver

Customer Service Account No.: _____

To be Completed by City/Authorized Agent

Customer Name: _____

To be Completed by City/Authorized Agent

Service Location: _____

To be Completed by City/Authorized Agent

Pursuant to the *Local Government Act*, any fees or charges in connection with this account remaining unpaid by December 31st of any year shall be deemed to be taxes in arrears on the property in relation to which the utility service has been provided, and shall be subject to the same interest and penalties, and be recoverable in the same manner, as property taxes as provided for in the *Act*.

I/We, the undersigned, being the registered owner(s) of the property, in connection with which the above noted customer service account has been set up, acknowledge that any fees or charges in connection with the account that remain unpaid by December 31st of any year shall be deemed to be taxes in arrears and shall be billed on the property taxes for the above service location as such.

1)

Owner #1 Name - Please Print Legibly

Owner # 1 – Signature

Owner #1 Telephone No.

Mailing Address Please Print Legibly (No. Street)

City

Province

Postal Code

2)

Owner #2 Name - Please Print Legibly

Owner # 2 – Signature

Owner #2 Telephone No.

Mailing Address Please Print Legibly (No. Street)

City

Province

Postal Code

3)

Owner #3 Name - Please Print Legibly

Owner # 3 – Signature

Owner #3 Telephone No.

Mailing Address Please Print Legibly (No. Street)

City

Province

Postal Code

If more than three owners, please attach separate sheet.

The information provided on this form may be verified at any time by the City of Kelowna.

Where the signature(s) of the registered owner(s) of the property, in connection with which the above noted customer service account has been set up, are NOT supplied or cannot be verified, the applicant for service shall be required to provide a security deposit in the amount of:

To be completed by City/Authorized Agent

A security deposit, plus any outstanding interest, shall be credited to the customer service account to which it applies: either twelve months for residential premises, (or three years for commercial premises), following the date of payment of the security deposit provided that the account has remained in good standing for the entire period, or upon closure of the account. If at any time following the refund of a security deposit, an account is no longer in good standing, the above requirements regarding provision of a security deposit shall again apply.

NOTE: Personal information collected on this form is collected for the purpose of processing this application and for administration and enforcement of the Utility Billing Customer Care Bylaw No. 8754. The information is collected under the authority of Freedom of Information Bylaw No. 7603 and the Local Government Act. If you have any questions about this collection, please contact the Revenue Supervisor, City of Kelowna, (250) 862-3339.