

## DISCONNECTION POLICY

Sec. 1. The Company shall provide an opportunity for customers who cannot pay their charges, in full or in part, to continue receiving service through such options as deferred or reduced payments or alternative payment schedules. In addition, the Company shall provide a formal mechanism for a customer to contest or appeal a bill.

Sec. 2. (a) The Company shall not discontinue residential service for nonpayment until a payment by a customer has been delinquent for at least 60 days.

(b) No less than seven business days before discontinuation of residential service for nonpayment, the Company shall contact the customer named on the account by telephone or written notice.

(i) If The Company contacts the customer named on the account by telephone, it shall offer to provide in writing to the customer The Company's policy on discontinuation of residential service for nonpayment. The Company shall offer to discuss options to avert discontinuation of residential service for nonpayment, including, but not limited to, alternative payment schedules, deferred payments, minimum payments, procedures for requesting amortization of the unpaid balance, and petition for bill review and appeal.

(ii) If The Company contacts the customer named on the account by written notice, the written notice of payment delinquency and impending discontinuation shall be mailed to the customer of the residence to which the 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:

(A) The customer's name and address.

(B) The amount of the delinquency.

(C) The date by which payment or arrangement for payment is required in order to avoid discontinuation of residential service.

(D) A description of the process to apply for an extension of time to pay the delinquent charges.

(E) A description of the procedure to petition for bill review and appeal.

(F) 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, consistent with the written policies.

(c) If the Company is unable to make contact with the customer or an adult occupying the residence by telephone, and written notice is returned through the mail as undeliverable, The Company 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 discontinuation of residential service for nonpayment and the Company's policy for discontinuation of residential service for nonpayment.

(d) All written notices shall be provided in English, the languages listed in Section 1632 of the Civil Code, and any other language spoken by 10 percent or more of the customers in the Company's service area.

Sec. 3 If an adult at the residence appeals the water bill to Office Manager or any other administrative or legal body to which such an appeal may be lawfully taken, the Company shall not discontinue residential service while the appeal is pending.

Sec. 4. (a) The Company shall not discontinue residential service for nonpayment if all of the following conditions are met:

- (i) The customer, or a tenant of the customer, submits to the General Manager the certification of a primary care provider, as defined in Welfare and Institutions Code section 14088 (b)(1)(A), that discontinuation of residential service will be life threatening to, or pose a serious threat to the health and safety of, a resident of the premises where residential service is provided.
- (ii) The customer demonstrates that he or she is financially unable to pay for residential service within the Company's normal billing cycle. The

customer shall be deemed financially unable to pay for residential service within the Company's normal billing cycle if any member of the customer's household is a current recipient of CalWORKs, 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.

- (iii) The customer is willing to enter into an amortization agreement, alternative payment schedule, or a plan for deferred or reduced payment, consistent with the Company policies.

(b)(1) If the conditions listed in subdivision (a) are met, the Company shall offer the customer one or more of the following options:

- (A) Amortization of the unpaid balance.
- (B) Participation in an alternative payment schedule.
- (C) A partial or full reduction of the unpaid balance financed without additional charges to other ratepayers.
- (D) Temporary deferral of payment.

(2) The Company may choose which of the payment options described in paragraph (1) the customer undertakes and may set the parameters of that payment option. Ordinarily, the repayment option offered should result in repayment of any remaining outstanding balance within 12 months. The Company may grant a longer repayment period if it finds the longer period is necessary to avoid undue hardship to the customer based on the circumstances of the individual case.

(c) Residential service may be discontinued no sooner than 5 business days after the Company posts a final notice of intent to disconnect service in a prominent and conspicuous location at the property under either of the following circumstances:

- (i) 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.
- (ii) 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 service charges for 60 days or more.

Sec. 5. If the Company discontinues residential service for nonpayment, it shall provide the customer with information on how to restore residential service.

Sec. 6. (a) If a residential customer demonstrates a household income below 200 percent of the federal poverty line, the Company shall do both of the following:

(i) Set a reconnection of service fee for reconnection during normal operating hours at fifty dollars (\$50), but not to exceed the actual cost of reconnection if it is less. Reconnection fees shall be subject to an annual adjustment for changes in the Consumer Price Index beginning January 1, 2021. For the reconnection of residential service during nonoperational hours, the Company shall set a reconnection of service fee at one hundred fifty dollars (\$150), but not to exceed the actual cost of reconnection if it is less. Reconnection fees shall be subject to an annual adjustment for changes in the Consumer Price Index beginning January 1, 2021.

(ii) Waive interest charges on delinquent bills once every 12 months.

(b) The Company shall deem a residential customer to have a household income below 200 percent of the federal poverty line if any member of the household is a current recipient of CalWORKs, 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.

Sec. 7. (a) If the Company furnishes individually metered residential service to residential occupants of a detached single-family dwelling, a multiunit residential structure, mobilehome park, or permanent residential structure in a labor camp, and the owner, manager, or operator of the dwelling, structure, or park is the customer of record, the Company shall make every good faith effort to inform the residential occupants, by means of written notice, when the account is

in arrears that service will be terminated at least 10 days prior to the termination. The written notice shall further inform the residential occupants that they have the right to become customers, to whom the service will then be billed, without being required to pay any amount which may be due on the delinquent account.

(b) The Company is not required to make service available to the residential occupants unless each residential occupant agrees to the terms and conditions of service and meets the requirements of law and the Company's rules and regulations. However, if one or more of the residential occupants are willing and able to assume responsibility for the subsequent charges to the account to the satisfaction of the Company, or if there is a physical means legally available to the Company of selectively terminating service to those residential occupants who have not met the requirements of the Company's rules and regulations, The Company shall make service available to those residential occupants who have met those requirements.

(c) If prior service for a period of time is a condition for establishing credit with the Company, residence and proof of prompt payment of rent or other credit obligation acceptable to the Company for that period of time is a satisfactory equivalent.

(d) In the case of a detached single-family dwelling, the Company may do any of the following:

- (i) Give notice of termination at least seven days prior to the proposed termination.
- (ii) In order for the amount due on the delinquent account to be waived, require an occupant who becomes a customer to verify that the delinquent account customer of record is or was the landlord, manager, or agent of the dwelling. Verification may include, but is not limited to, a lease or rental agreement, rent receipts, a government document indicating that the occupant is renting the property, or information disclosed pursuant to Civil Code section 1962.

Sec. 8. The Company shall report the number of annual discontinuations of residential service for inability to pay on the Company's website and to the Board. The Board shall post the reported information on the Company website

Sec. 9. This policy does not apply to the termination of a service connection by the Company due to an unauthorized action by a customer.