

Truckee Meadows Water Authority

RULE 4

PAYMENT FOR THE DELIVERY OF WATER

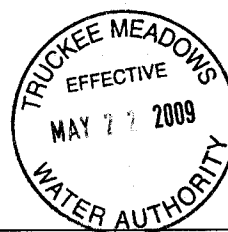
A. Rendering of Bills

1. Bills for Delivery of Water

Each bill for delivery of water issued by the Authority is based on the applicable Rate Schedule(s). Each Meter will be considered separately and the readings of two or more Meters will not be combined except as required by the Authority for operational necessity. Each bill for delivery of water includes, but is not limited to:

- a. Any previous balance.
- b. The amount due for delivery of water provided during the current Billing Period, with the date upon which this amount is due.
- c. Any late charge.
- d. The monthly Customer Charge.
- e. Any other authorized fee, charge, or tax.
- f. Any unregulated charge.
- g. The total of the preceding amounts.
- h. Prior Meter reading and Meter read date.
- i. Current Meter reading and Meter read date.
- j. The quantity of water consumed.
- k. The next date the Meter will be read.
- l. For Unmetered Service, the period of time for which the Flat Rate Charge is rendered.
- m. The telephone number and address of the business office of the Authority where a Customer may obtain information concerning his bill or the delivery of water to him.

Added:03/23/01 Amended: 05/15/03; 10/01/03



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2. Estimated Bills

- a. If the Authority is unable, because of circumstances beyond its control, to read the Meter of a Customer on the date scheduled, the Authority may bill the Customer based upon his estimated usage for the Billing Period.

Circumstances beyond the Authority's control include but are not limited to: severe weather, the presence of an animal on the Service Property of the Customer which prevents an employee of the Authority from reading the Meter without risk of injury, remote service locations, difficult or no access to the Meter, or any other circumstance which makes it unreasonably difficult to read the Meter.

- b. The following factors may be considered in calculating a bill based upon estimated usage:

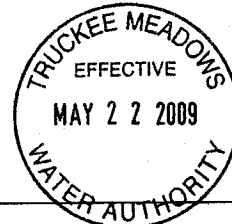
- (1) The usage for this Customer at the same Premise for the same month last year.
- (2) The usage for this Customer at the same Premise for the prior month.
- (3) The highest usage on this Meter for the past 12 months.
- (4) Average estimated usage for the Service Classification.

- c. If, for reasons beyond its control, the Authority is unable to read the Customer's Meter on the scheduled reading date, the Authority may bill Customer for estimated consumption during the Billing Period, subject to adjustment at the time the Meter is next read.

- d. After the issuance of the third consecutive bill where such bills were based upon estimated usage, the Authority can notify the Customer to correct the specific circumstance which is impeding the Authority's right of access and making it unreasonably difficult to read the Meter. If the Authority determines that the circumstance impeding the Authority's right of access can be reasonably remedied by the time the Meter is next read, and the Customer fails to correct such circumstance by this time, the Authority may terminate the Customer's delivery of water.

- e. In circumstances where usage has been underestimated, the Authority will allow the Customer to pay off the difference between actual usage and estimated usage over a time period equivalent to the time period when the under-estimate occurred, if requested by the Customer.

Added: 03/23/01 Amended: 05/15/03 ; 10/01/03



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3. Proration of Bills. The monthly charges applicable to opening periods, closing bills, and bills rendered for periods corresponding to less than twenty seven (27) Days or more than thirty three (33) Days for monthly Billing Periods will be computed as follows: The amount of the charge will be prorated on the basis of the ratio of the number of Days in the period to thirty (30) Days -- the average Billing Period. Charges based on the measured quantity of usage shall then be added to such prorated amounts.

B. Payment of Bills

Payment of bills for delivery of water may be made to the Authority by any one of the following methods:

- a. Depositing payment with the U.S. Postal Service for delivery to the Authority by first class mail.
- b. Making payment at the business office of the Authority.
- c. Making payment to any agent authorized by the Authority to accept payment.
- d. Making payment directly from a bank account via the Authority's electronic funds transfer program.

C. Credit for Over Payment of Bills

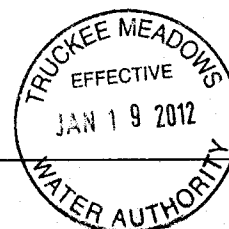
Any credit balance resulting from a Customer's over payment of a bill may be applied by the Authority to the Customer's bill(s) for subsequent month(s). Any credit balance which remains on the Customer's account following the discontinuance or termination of the delivery of water will be refunded to the Customer.

D. Due Date

A bill for delivery of water is due and payable beginning on its date of issuance. Each bill is deemed issued by the Authority once the total charges due for a Billing Period are posted to the Customer's account(s). Bills will be delivered to Customers by first class mail or by electronic notification of the bill via the Internet. All bills must be paid within fifteen (15) Days of their issuance, and any bill not paid by such date will be deemed past due. Payment of a bill is timely if the payment is received not more than four (4) Days after the past due date.

1. If payment in full has not been received on any outstanding balances and all notices have been issued pursuant to Rule 3, the Customer's Service(s) is eligible for Termination of Delivery of Water pursuant to Rule 3.

Added: 03/23/01 Amended: 05/15/03; 10/01/03; 03/01/05; 01/19/12



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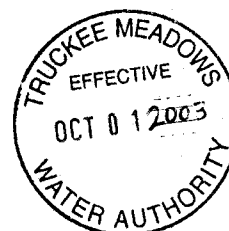
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D. Equal Payment Plan

An equal payment plan is available upon request by RMWS Customers who have received delivery of water at the same address for a minimum of twelve (12) consecutive months and have Satisfactory Credit. This plan enables equal monthly payment amounts of the Customer's estimated annual water bill.

1. The equal payment plan provides for twelve (12) equal payments of the Customer's estimated annual water bill based upon their prior twelve (12) month's usage. Monthly equal payment amounts will begin the first full month of billing following the Customer request to be placed on the program. After twelve (12) consecutive months on the equal payment plan, there will be an adjustment from the Customer's total payments under the equal payment plan to actual billing. At that time, a new monthly equal payment amount will be computed and any debit or credit balance will be spread over the new equal payment plan year.
2. The plan is a voluntary program and will be in effect only for eligible Customers who elect to participate.
3. The equal payment plan allows for prepayment of the monthly equal payment amount at Customer's request.
4. Participation in the equal payment plan may be discontinued by the Customer at any time during the plan year. Upon termination, any debit balance in the Customer's account will be due and payable. Any credit balance will be applied by the Authority to the Customer's billing for the subsequent month.
5. The equal payment plan will be automatically cancelled when two (2) equal payment bills become past due.
6. The monthly equal payment amount is the average of the Customer's previous twelve (12) month's Customer Charge, commodity charge and other charges, as defined in the RMWS Rate Schedule.
7. The monthly equal payment amount may be adjusted during the year for changes in rates due to Authority approved rate increases or decreases.
8. The monthly equal payment amount may be adjusted during the last six months of the plan year whenever the consumption pattern changes will result in an overpayment or under collection of \$100.00 or more by the end of the plan year.

Added: 10/01/03 Amended:



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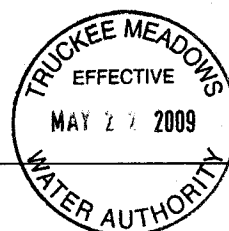
E. Adjustments of Bills for Errors

1. **Determinate Billing Period.** When it is found that an error or omission exists in billing and such error or omission is due to causes, the date of which can be reliably established, and except as otherwise provided in Section E.3 of this Rule, the Customer shall receive a refund or credit for the overcharge, or shall pay Authority for the undercharge for a period not to exceed the preceding twelve (12) months computed from the established date on which the error or omission commenced.
2. **Indeterminate Billing Period.** When it is found that an error or omission exists in billing and such error or omission is due to causes, the date of which cannot be reliably established, and except as otherwise provided in Section E.3 of this Rule, the Customer shall receive a refund or credit for the overcharge or shall pay Authority for the undercharge for a period not to exceed the preceding twelve (12) months.
3. **Unauthorized Use.** When it is found that an error or omission exists in billing and such error or omission is due to fraud, actions with intent to evade or defeat payment or accurate meter readings, unmetered or unauthorized use of Authority water or Facilities resulting from actions by other than an authorized Authority employee, billings for undercharge shall be computed back to the date on which the unauthorized use commenced and shall be subject to the charges in Authority's Rate Schedule SC for each occurrence.
4. **Calculation of Billing Adjustments.** Corrected bills based upon circumstances in Sections E.1 through E.3 shall be calculated based on: a) Customer's prior use; b) Customer's subsequent use correctly Metered; c) Authority's experience with other Customers of the same Service Classification, and d) the general characteristics of Customer's operations.
5. **Limitations to Authority's Responsibilities for Refunds.** In no case is the Authority required to make any refund or credit to a Customer for billing errors that predate June 11, 2001.

F. Disputed Bills

1. If a Customer disputes any Authority bill for the delivery of water, the Authority shall promptly investigate the matter and report its determination to the Customer including the Customer's right to file a dispute pursuant to Rule 8. If the Customer so requests, the report must be made in writing.
2. If the Customer is not satisfied with the determination made by the Authority, he may file a complaint pursuant to Rule 8.

Added: 10/01/03 Amended: 03/01/08; 05/21/09



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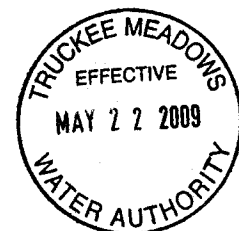
3. If a complaint is filed, the Customer may be required by the Authority to pay any disputed amount to the Authority pending resolution of the complaint.

G. Testing of Meters

The Authority may test or have a contractor perform an independent test to determine the accuracy of its Meters. The Authority may replace the Meter to be tested with another Meter in order to conduct the test. The replacement Meter will remain at the Service Property.

1. Request for Tests by Customer

- a. A Customer may, on notice of not less than one week, request the Authority to test the Meter used to measure the Customer's water consumption.
- b. No charge will be made for performing the test once during any thirty six (36) month period. The Authority may charge the Customer a service charge as set forth in Schedule SC for any additional test conducted during the period.
- c. The Customer may be present at the time a test is conducted.
- d. If a Meter is tested at the request of a Customer, the Authority shall, within a reasonable time after the test, provide the Customer with a written report of the Meter test results.
- e. The Authority will prepare and maintain a record of the results of each test conducted pursuant to this Section. The record will include:
 - (1) The name and address of the Customer.
 - (2) The Meter number.
 - (3) The type of Meter.
 - (4) The type of test.
 - (5) The date on which the test was conducted.
 - (6) The results of the test.
 - (7) A description of any action taken as a result of the test.



Added: 10/01/03 Amended: 05/21/09

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2. Adjustment of Bills for Meter Error

a. If a Meter is tested and found to be inaccurate by more than two percent (2%), the bill for service of any Customer affected must be adjusted pursuant to this Rule.

b. If the tested Meter is:

(1) Under-recording

The adjustment for under-recorded usage of water consumption will be made only for the period of the most recent three (3) months of usage.

(2) Over-recording

The adjustment for over-recorded usage of water consumption will be made only for the period of the most recent six (6) months of usage.

(3) Not Functioning

The Authority shall bill the Customer for the estimate of consumption not registered for either the period the Meter was in use at such Customer's Premise(s), or the preceding three (3) months, whichever is shorter.



Added: 10/01/03 Amended: 05/21/09