

Chapter 4: REDUCTION DUE TO CUSTOMER LEAK

2.04.010 Reduction in Water Charges Due to Customer Leak.

A. A property owner (single family, multi-family and commercial) who experiences a leak may request a reduction in water charges. The reduction shall be for no more than two billing periods, and shall not be granted until the customer presents proof that the leak has been repaired or must document why there is no receipt. A property owner shall be permitted one leak reductions within a two (2) year period.

B. The reduction in water charges shall be calculated as follows (with an example calculated on Table 2.04 and included below in the brackets):

1. It must first be determined that a customer's actual metered consumption is high. [Assume for illustration that the actual metered bimonthly consumption is 31 ccf, which would result in a usage charge of \$158.70 to the customer if no leak reduction is given.]

2. The customer's historic average usage is then determined from the records of the district. [Also assume for illustration that the average bimonthly usage is 12 ccf, and average bimonthly usage charge is \$45.00.]

3. The "excess usage" as a result of the leak is then calculated by subtracting the customer's average usage from the actual usage recorded on the meter. [$31 - 12 = 19$ ccf.]

4. The wholesale cost of the excess usage is then calculated by multiplying the cost of water, at the time of the leak, not at time of adjustment, from Seattle Public Utilities, using the northwest subregional system wheeling rate, including any surcharges, times the amount of excess usage. [$\$1.67 \times 19 = \31.73 .]

5. The customer's adjusted usage cost for the billing period of the leak is then calculated by subtracting the average usage cost and the cost of excess water (SPU) from the billed usage cost. That total is then multiplied by 6% {The City Franchise Fee or Right of Way Charge (ROW)} and added to the adjusted amount. [$\$158.70 - \$45.00 + \$31.73 = \$81.97 + \$4.92$ (row) = \$86.89]. This will be the amount credited to the customer, for the requested billing period. While the remainder of the customer's billing will be owed. {Thus, the adjusted usage charge will be \$71.81, which is $\$158.70 - \$86.89 = \$71.81$).

C. The district manager shall periodically report to the board of commissioners the claims the district manager has received and shall state the adjustments the district manager has made in response to the claims. (Res. 2020.08.24)



Date

Table 2.04 Leak Adjustment Computation

Customer Name: Customer No: Cycle:
 Service Address: Region/City: Shoreline

Leak Adjustment: \$ 81.97 Fee: \$ 86.89 ROW \$ 4.92
code: LEAK code: ROW

consumption from prior years same period as leak

	Year	CCF	Month	Actual Usage Billed		Avg Usage		SPU Cost for Water		Adjusted Usage Cost		
				CCF	Amount	CCF	Amount	CCF	Amount	Water	City Franchise Fee	
Year 1	2019	15										
Year 2	2018	15										
Year 3	2017	7										
TOTAL		<u>37</u>										
				<i>copy from actual bill</i>		<i>Compute bill by using average CCF and NCWD water rate WITHOUT Row</i>		<i>Balance of actual CCF less average CCF multiply by SPU whole sale rate</i>				
Average		<u>12</u>		31	\$158.70	12	\$ 45.00	19	\$ 31.73	\$ 81.97	\$ 4.92	\$ 86.89

	Year	CCF	Month	Actual Usage Billed		Avg Usage		SPU Cost for Water		Adjusted Usage Cost		
				CCF	Amount	CCF	Amount	CCF	Amount	Water	City Franchise Fee	
Year 1	2018	0										
Year 2	2017	0										
Year 3	2016	0										
TOTAL		<u>0</u>										
Average		<u>0</u>				0		0	\$ -	\$ -	\$ -	

Prepared By Reference #

RECAP	LKAD	\$81.97
	City Franchise Fee	\$4.92
Accounts Rec'ble		\$86.89

Usage	2020-Rate	Usage	2019-Rate
56.45%	\$ 2.54	43.55%	\$ 3.12
56.45%	\$ 3.99	43.55%	\$ 3.12
56.45%	\$ 5.45	43.55%	\$ 4.79
56.45%	\$ 6.90	43.55%	\$ 6.45
<u>0</u>	<u>\$ -</u>	<u>0</u>	<u>\$ -</u>

\$ - Actual Usage Billed

% is dependent on the billing cycle

Usage	2020-Rate	Usage	2019-Rate
56.45%	2.54	43.55%	\$ 3.12
56.45%	\$ 3.99	43.55%	\$ 3.12
56.45%	\$ 5.45	43.55%	\$ 4.79
56.45%	\$ 6.90	43.55%	\$ 6.45
<u>0</u>	<u>\$ -</u>	<u>0</u>	<u>\$ -</u>

\$ - Avg Usage