

**City of Franklin**  
207 West Second Avenue  
Franklin, Virginia 23851  
757-562-8518  
Fax: 757-516-8481

**Administrative Policy - Utility Service**  
**Terms and Conditions of Service**

Date: December 12, 1994    *Revision Date: October 28, 2002*

|                                  |                                 |                             |
|----------------------------------|---------------------------------|-----------------------------|
| <b>Application for Service</b>   | <b>Deposits</b>                 | <b>Payments for Service</b> |
| <b>Discontinuance of Service</b> | <b>Reconnection of Services</b> |                             |

**I. APPLICATION FOR SERVICE**

**A.** Application for service is made in writing at the Utility Services Office. Application must be made in person and picture identification must be presented before an application can be approved. Upon completion of the written application the applicant is assigned a credit rating based on a credit history obtained from one of the following:

1. By reference to City utility records;
2. By information from credit rating agencies;
3. By written statements reflecting credit experience with previous utilities.

The credit rating determines if a security deposit is required. When a deposit is required the regulations below determine the amount of the deposit.

**B.** An application by an Applicant-tenant must reflect the full name(s), previous name(s) and aliases and social security number(s) of person(s) liable to property owner. The Applicant-tenant must present at time of application written evidence (lease) that permission has been granted by the owner to occupy the premises.

**C.** Service is denied when one of the conditions below applies:

1. The Applicant has a past due bill for a utility service in the City.
2. The Applicant is a prospective tenant but presents no written evidence that grants authority to occupy the property.

**D.** A \$20.00 administrative (meter) fee must be paid before services will be established. Cut-on services will be performed Monday to Friday during normal business hours. Request for service received after 11:59 a.m. will be performed the next business day.

## II. DEPOSITS

- A. The City may require the Applicant or Customer to deposit with it initially and from time to time as a guarantee of payment for utility services used, such amounts of cash as in the City's judgment secures it from loss. One half of the deposit must be paid before services will be installed. The balance of the deposit can be made in two equal installments due 30 and 60 days after the initial service begins. However, in the event of disconnection and reconnection pursuant to subsection D. of Section V below, the full deposit must be paid before service is reconnected. Deposits shall be as follows:

Residential – \$400.00 for dwelling with electric heat  
\$200.00 for all other dwellings

Commercial - Deposit based on two months' facilities estimated usage. When the customer can show that the circumstances have changed so that the consumption of electricity will be considerably more or less than the consumption of the most recent occupant, the Director of Finance or his/her designee shall establish a deposit for said facility utilizing information available.

- B. The City may require a Customer, on whose premises the City's meter, wires or other apparatus have in any manner been tampered with or damaged in such a way as to prevent a meter from recording the amount of utility service supplied, to deposit such reasonable amounts of cash as ensures payment for repairs in the event of future tampering or damage.
- C. Upon a customer's request the City shall return to the customer or apply as a credit on the customer's electric bill any deposit made by the customer when at least twelve months have elapsed after payment of the deposit and all of the following have occurred:
- (1) The Customer has paid all monthly bills within 10 days of the due date for at least 10 of the last 12 months;
  - (2) There has been no damage to the City's equipment on the customer's premises; and
  - (3) The Customer has not paid for electrical service with a check which was uncollectible.
- D. Simple interest is paid on deposits at an annual percentage rate determined by the City, provided such deposits remain with the City for a period longer than 90 days. The City pays accrued interest by credit to the Customer's account.
- E. When service is terminated by the Customer or the City, the Customer's deposit will be applied to any outstanding charges for electrical service or for any damages to City equipment, after which the deposit plus any accrued interest or the balance thereof will be paid to the Customer.

## III. PAYMENTS FOR SERVICE

- A. The supply of utility service by the City to the Customer is contingent upon payment of all charges due from the Customer.
- B. The City renders bills to the Customer on the first day of each month. Bills are due and payable upon presentation and become past due at the close of business on the 20th day of the month. The bill due date is shown on the bill and payment must be received by the 20th of the month to avoid a late penalty charge.

- C. A late payment charge of 1 1/2 percent per month, but not less than \$2.00, is imposed on all past due balances on the City's books, excluding local consumer utility taxes, on the 21<sup>st</sup> day of the month.
- D. Bills are payable at the Office of the Treasurer. Payments must be made without regard to any counterclaim.
- E. The City reserves the right to apply any payment or payments made by a Customer in whole or in part to any utility account due the City by the Customer.
- F. The Customer is charged a handling charge of \$35.00 for each check received by the City upon which the City is initially unable to collect.
- G. Payments made as a condition of the reconnection of utility service are made at the Treasurer's Office in cash or by credit card, money order, certified check or cashier's check. No personal checks will be accepted. Field representatives of the City are not required to accept payment for bills and may not do so unless specifically ordered to do so by the Director of Finance.
- H. When occasioned by temporary adverse circumstances, such as unemployment, extended illness, death in the family or abnormally high medical expenses, the City may defer payment of a past due account when so requested by the Customer. Each customer will be allowed only two extensions payments for such circumstances within a twelve-month period. To apply for an extension, a customer must come to the utility billing office in person. Extensions will only be granted during the last two and first two working days of the month. No extensions will be given for services already disconnected.

#### **IV. DISCONTINUANCE OF A UTILITY SERVICE**

- A. The City reserves the right to discontinue a utility service to a Customer at any time without notice upon the occurrence of any one or more of the following events:
  1. Whenever the City has reasonable cause to believe that the Customer is receiving a utility service without paying therefore, or its meters, wires, or other apparatus have in any manner been tampered with, damaged, or appear to be damaged, in such a way as to prevent the meter from recording the amount of utility service supplied to the Customer.
  2. Whenever, in the opinion of the City, the condition of the Customer's wiring, equipment, appliance or appurtenance is either unsafe or unsuitable for receiving utility service, or when the Customer's use of a utility service or equipment interferes with or may be detrimental to the supply of a utility service by the City to any other Customer.
  3. Where electricity is being furnished over a line which is not owned or leased by the City and such line, in the opinion of the City, is either not in a safe and suitable condition or is inadequate to receive electricity.
  4. Whenever the Customer has denied a City representative access to the City's meter, wires or other apparatus installed on the Customer's premises.
  5. Whenever, in the opinion of the City, it is necessary to prevent fraud upon the City.

- B.** The City reserves the right to discontinue furnishing a utility service to a Customer, after 10 days' notice by mail, upon the occurrence of either one or both of the following events:
  - 1. Nonpayment of a past due bill, regardless of any amount of money on deposit with the City.
  - 2. Failure to comply with the City's ordinances, administrative policies or terms and conditions of any agreements governing the provision of utility service to Customers
- C.** The City reserves the right to discontinue furnishing a utility service to a Customer whenever requested or ordered to do so by a public authority having legal authority to do so.
- D.** The City reserves the right to discontinue furnishing a utility service under any of the above conditions irrespective of any claims a Customer has pending against the City, or any amounts of money on the Customer has on deposit with the City.
- E.** Notice of discontinuance is considered given to a Customer when copy of such notice is posted in the U. S. mail addressed to the Customer's last post office address shown on the records of the City.
- F.** Whenever the supply of a utility service is discontinued in accordance with this policy, the City is not liable for any damages, direct or indirect, that may result from such discontinuance.
- G.** Utility service disconnections are made Mondays through Thursdays during normal business hours unless such a weekday precedes a City holiday.

**V. RECONNECTION OF A UTILITY SERVICE**

- A.** When a utility service is discontinued for any of the reasons stated in Section IV above, the City has a reasonable period of time in which to reconnect the Customer's service after the conditions causing discontinuance have been corrected.
- B.** When a utility service is discontinued for nonpayment of either a past due utility bill or a past due deposit payment, the entire past due amount must be paid in full before a utility service is restored. No personal checks will be accepted.
- C.** A security deposit is required before a utility service is restored when one or both of the following conditions apply:
  - 1. A Customer has been disconnected for nonpayment of a utility bill twice during the previous twelve months.
  - 2. A Customer has had (3) checks returned for insufficient funds during the previous twelve months.
- D.** When, in the City's opinion, its meter, wires or other apparatus have been tampered with or reconnected without authority in order to obtain utility service without paying therefor, the City will conduct an investigation to determine whether utility service was obtained improperly and, if so, the amount of same. If it is determined that utility service was obtained improperly, the City will only reconnect the utility service on the following conditions:
  - 1. The Customer must pay all delinquent utility bills;
  - 2. The Customer must pay to the City an amount estimated by the City to be sufficient to cover the utility service used but not recorded by a meter and not previously paid for;

3. The Customer must pay a \$100.00 investigation fee for the investigation of whether and how the Customer obtained utility service without payment therefore and the amount thereof;
4. If unpaid at the time of reconnection, the Customer must pay the deposit in full; and
5. The Customer must make or pay for any changes in wiring or equipment that the City feels necessary for the protection of its utility system.

**E.** When a utility service has been discontinued by the City at the request or order of any public authority having authority to do so, the Customer's service is not reconnected until authorization to do so has been obtained from said public authority.

**F.** A minimum \$50.00 administrative fee shall be due by the Customer immediately when cut-off orders have been issued for failure to pay in full a utility bill. This fee is payable even if the service is not actually disconnected at the time the overdue bill is paid. If not paid, service shall be cut off and not turned on again until the past due bill and the administrative fee is paid. Administrative fees for service restoration will be charged according to the time of restoration as set forth below:

Monday through Friday, 8:30 a.m. to 5:00 p.m. (except holidays), fifty dollars (\$50.00).

Monday through Thursday, after 5:00 p.m. until 9:00 p. m. (except holidays), seventy-five dollars (\$75.00).

Monday through Friday, after 9:01 p.m. until 8:30 a.m. of the following day, one hundred dollars (\$100.00). However, reconnection during these time periods shall be for circumstances involving a customer's substantiated medical condition or safety issues only.

After 5:00 p.m. Friday until 8:30 a.m. Monday and during all City holidays, one hundred dollars (\$100.00). However, reconnection shall only occur between the hours of 8:30 A.M. and 5:00 P.M. on Saturdays, Sundays, and Holidays except for circumstances involving a Customer's substantiated medical conditions or safety issues only.