

CHAPTER 3 RATES AND CHARGES, ABATEMENT, BILLING AND COLLECTION

A. RATES AND CHARGES

301.0 Water consumption charge

301.1 Effective January 1, 2015,** charges for the supply of metered water and the conveyance of sewage shall be determined and billed monthly, as follows:

<u>Meter Size</u>	<u>Minimum Gallons</u>	<u>Minimum Charge--Water</u>	<u>Minimum Charge--Sewer</u>	<u>Total Minimum Charge</u>
5/8"	0 - 1000	\$15.13	\$4.42	\$19.55
3/4"	0 – 2000	\$25.87	\$8.83	\$34.70
1"	0 – 5000	\$53.68	\$22.09	\$75.77
1 1/2"	0 – 10,000	\$107.36	\$44.17	\$151.53
2"	0 – 17,000	\$178.11	\$75.09	\$253.20
3"	0 – 40,000	\$385.46	\$176.69	\$562.15
4"	0 – 70,000	\$663.55	\$309.21	\$972.76
6"	0 – 175,000	\$1,548.94	\$773.03	\$2,321.97
8"	0 – 325,000	\$2,763.53	\$1,435.62	\$4,199.15
10" or larger	0 – 548,000	\$4,484.78	\$2,420.68	\$6,905.46

For every 1,000 gallons over the minimum, the rate will be the following:

<u>Account Classification</u>	<u>Water Allocation</u>	<u>Sewer Allocation</u>	<u>Total Combined Rate</u>
Residential Property*	\$5.66	\$3.92	\$9.58
Commercial Property	\$5.52	\$3.82	\$9.34
Industrial Property	\$5.05	\$3.50	\$8.55
Health or Education Property	\$8.18	\$5.66	\$13.84
Fire systems (use other than reported fire—Rule 304.9)	\$5.27	\$3.65	\$8.92

301.2 Determination of a Customer's account classification shall be made by the Authority based upon the Customer's preponderance of use. Any Customer dissatisfied with the determination may appeal to the Water Exoneration Hearing Board within 90 days of the Customer's first notice of the classification.

* Words with initial capital letters are defined in section 102.0 of these Rules and Regulations.

** New rates established and adopted by the Authority Board of Directors on October 11, 2013, by Agenda Item No. 102 of 2013.

301.3 Water Customers whose use is not metered shall be billed monthly at the following rates:

- .1 Unmetered single family Residential Customers shall be assessed a monthly charge of \$60.25;
- .2 Unmetered multi-unit Residential Customers shall be charged a multiple of the single unit rate, depending on the number of units. For example, 2 units x \$60.25 = \$120.50; 4 units x \$60.25 = \$241.00.
- .3 Unmetered Commercial and Industrial Customers shall be assessed a monthly charge of \$120.53.

302.0 Distribution Infrastructure System Charge (DISC)

302.1 Effective January 1, 2011, the Distribution Infrastructure System Charge (DISC) added to all customers' bills is 7 percent of the total water use and sewer conveyance charge.

303.0 Sewage treatment rates

303.1 The rates for Sewage treatment to sewer premises within the Authority's service area are established by ALCOSAN, and are paid by the Authority to ALCOSAN. Information on ALCOSAN's rates is available on its website.

303.2 Sewage treatment charges may be reflected on Authority invoices as ALCOSAN charges, basic service and sewage treatment.

304.0 Service charges Effective March 1, 2014, the following charges will be adjusted annually for increases in the annual Consumer Price Index for the Pittsburgh area most recently published by the Bureau of Labor Statistics or any successor organization prior to such anniversary. If the change in the Consumer Price Index is 0% or is a decrease, there will be no automatic adjustment.

304.1 Effective March 1, 2015, the Authority will apply the following miscellaneous charges and fees:

.1	Certified mailing	\$ 11.28
.2	History retrieval	\$ 15.23
.3	Final bill	\$ 20.30
.4	Administrative charge Processing of backflow device tests Business Use Properties	\$ 25.38
.5	Returned check fee	\$ 30.45
.6	Collection activity fee Termination activity fee	\$ 76.13
.7	Restoration fee	\$ 25.38
.8	Same day restoration fee	\$ 45.68
.9	Late fee, backflow device tests Business Use Properties	\$ 60.90

304.2	Dye test application processing fees:	
.1	Evidence of Compliance Statement	\$ 25.38
.2	Temporary Evidence of Compliance Statement	\$ 25.38
.3	Visual inspection	\$ 76.13
.4	Duplicate dye testing certificate	\$ 25.38

304.3 Except as provided in section 509.6 of these Rules and Regulations, the fees for a Meter test will be as follows:

.1	Residential Meter (5/8 inch – 1 inch) test	\$70.04
.2	Large Meter (1-1/2 inch – 6 inch) test:	\$139.06
.3	Meters larger than 6 inches will be tested at the Authority's cost.	
.4	Fire service meters will be tested at the Authority's cost.	

304.4 Water service tap fees during normal business hours:

1 inch	\$177.63
1-½ inch	\$329.88
4 inch tap	\$1,106.35
6 inch tap	\$1,314.43
8 inch tap	\$1,349.95
10 inch tap	\$1,415.93
12 inch tap	\$1,481.90

Fees are double the listed amounts for work performed outside normal business hours.

304.5 Valve operations during normal business hours:

4 inch to 12 inch diameter Water Mains	\$1,233.23
16 inch to 24 inch diameter Water Mains	\$2,009.70
30 inch to 48 inch diameter Water Mains	\$3,283.53

Fees are double the listed amounts for work performed outside normal business hours.

305.0 Meters, hydrants, fire systems

305.0 Meters and Remote Reading Devices. New Meters and associated Remote Reading Devices are supplied and installed by the Authority. A list of charges for the Meters, the Remote Reading Devices, and their installation is available on the Authority's website, www.pgh2o.com or by calling 412.255.2443. Meters and Remote Reading Devices will be provided without any price markup, and the charge for Meters and Remote Reading Devices are subject to increase annually, as the cost of this equipment to the Authority increases. Installation costs will be adjusted annually for increases in the annual Consumer Price Index for the Pittsburgh area most recently published by the Bureau of Labor Statistics or any successor organization prior to such anniversary. If the change in the Consumer Price Index is 0% or is a decrease, there will be no automatic adjustment.

305.2 Hydrants:

- .1 No charge will be made for the use of hydrants or water to fight fires.
- .2 No charge will be made for the use of hydrants under or pursuant to a contract with the Authority or the City.
- .3 For all other uses of hydrants, there is a minimum charge of \$500.00 for each day of use.

305.3 Fire systems:

- .1 No charge shall be made for the use of water to fight fires. Customers whose fire systems have been activated to fight a fire should notify the Authority to assure that the associated water use will not be billed.
- .2 All water used through fire systems except during fires shall be charged at metered rates. The minimum charge for each month shall be as follows:

<u>Line Size</u>	<u>Meter Size</u>	<u>Minimum Charge</u>
2 inch	1 inch or less	\$19.22
3 inch	1-1/2 to 3 inch	\$55.67
4 inch	4 inch	\$122.13
6 inch or greater	6 inch or greater	\$355.08

306.0 New Development

- 306.1 The Authority's Procedures Manual for Developers addresses charges and fees applicable to new Development.

B. ABATEMENT, BILLING AND PAYMENT, EXONERATION

320.0 Abatement of charges and fees

320.1 When Premises are completely vacant, the Customer has provided the Authority with a Vacancy Affidavit, and the water supply has been shut off at the Curb Stop or Corporation Stop, no minimum charges will be assessed during the period of vacancy. Upon restoration of the water service to the Premises, or upon detection of water usage, applicable charges will be assessed.

321.0 Meter reading, estimated billing

321.1 When a Premises has been equipped with a Meter, but an accurate Meter reading cannot be obtained for reasons other than the conditions described in section 509.9 of these Rules and Regulations, the quantity of water used will be estimated for billing purposes. Estimated usage will be based upon actual Meter readings from prior cycles or by such other fair and reasonable methods as may be established by the Authority. Any necessary corrections shall be made in the next bill following an actual Meter reading.

321.2 All Meters or Remote Reading Devices shall be read at least once per year.

322.0 Billing and payment, interest, liens

322.1 All bills are due and payable on their stated due dates.

322.2 If current water and sewer bills are not paid in full by their due dates, interest of .0083 percent per month will be applied to the outstanding balance.

322.3 Unpaid water and sewer charges are a lien on the property.

323.0 Payment arrangements

323.1 The Authority's Customer Service employees are empowered to enter into payment arrangements with Customers whose accounts are not more than 90 days in arrears. Such agreements will apportion the amount in arrears over a period of time, adding an amount to the sums billed for current service. Eligibility and the amount of the payments shall be determined by factors such as:

- .1 the Customer's payment history;
- .2 the amount and duration of the account's arrearage; and
- .3 classification of property—Residential, Commercial, Industrial, or Health or Education.

323.2 A Customer who enters into a payment arrangement and thereafter complies with the terms of that arrangement will not be subject to termination of service or collection proceedings.

324.0 Appeal of charges; Exoneration Hearing Board

324.1 A Customer who believes that the Authority has improperly collected, computed, or billed water consumption or other charges may appeal in writing to the Water Exoneration Hearing Board, 1200 Penn Avenue, Pittsburgh, PA 15222 or via e-mail to info@pgh2o.com within three months of the invoice date of the amount in dispute. Receipt of the Customer's appeal will be acknowledged by a notice sent by first class mail.

- .1 Where the appeal relates to a Meter reading, Customer Service will determine if the invoice was based on actual Meter readings. Where the Customer Service department determines that the Meter reading is an accurate reflection of the Customer's usage, Customer Service will inform the Customer of that finding and of the Customer's right to appeal that determination to the Water Exoneration Hearing Board via first class mail.
- .2 Where the appeal relates to an issue other than high actual Meter readings, the Customer Service department may, in appropriate circumstances, offer an adjustment of the billed amount. Such adjustments may not exceed 25 percent for a Commercial account and 50 percent for a Residential account. Customer Service will inform the Customer of its determination, and of any offered adjustment. The Customer may accept the adjustment, or may submit further information in support of its appeal. If the Customer chooses to submit further information, Customer Service will evaluate the submitted information and, if appropriate, make a further adjustment of the amount billed. The Customer Service department will inform the Customer of its decision in writing. The Customer may then either accept the modification or appeal the decision to the Exoneration Hearing Board.
- .3 The Authority's Customer Service department may adjust the amounts invoiced to Premises under the same circumstances that the Exoneration Hearing Board may recommend exoneration. See sections 324.3 and 324.4 below.

324.2 Except as provided below, all requests for exoneration must be made within three months of the date of the invoice containing the charge or assessment for which exoneration is claimed. All requests for exoneration must be in writing and directed to the Water Exoneration Hearing Board, Penn Liberty Plaza I, 1200 Penn Avenue, Pittsburgh, Pennsylvania 15222.

- .1 Should the request for exoneration follow an appeal made to the Authority's Customer Service department, the exoneration request will be considered timely if made within 30 days of the Customer Service department's final decision on the request. The deadline for filing an exoneration request under these circumstances will be noted on the Customer Service department's written decision.

324.3 The Water Exoneration Hearing Board may recommend exoneration in any of the following circumstances:

- .1 Where an error has been made in the calculation of the invoice.
- .2 Where a change in the physical character of the billed Premises has been made by removal or partial or total destruction of improvements.
- .3 Where there has been a change in water usage, with fixtures removed and water uses discontinued, exoneration will be recommended from the date of the approval of the contract covering the revised water use. So long as fixtures are on the premises, no water usage exoneration will be recommended.

- .4 Where there has been an underground leak, and the Customer had neither actual or constructive notice of the leak. In these circumstances, the recommended exoneration will be based on the gallonage over and above the normal use for the particular account, not to exceed 50 percent of the gallonage over and above normal usage, which shall be established by the average number of gallons used in the 12 months preceding the apparent beginning of the underground leak.

- 324.4 Where property has been acquired by the Commonwealth of Pennsylvania, the City of Pittsburgh, the School District of the City of Pittsburgh, the Urban Redevelopment Authority of Pittsburgh, or other government agency for street, school, or other development purposes, the Water Exoneration Hearing Board will recommend exoneration of 100 percent of the water consumption, sewer system maintenance, and distribution infrastructure system charges for such property under the following circumstances:
 - .1 The property is vacant; and
 - .2 the government agency has certified to the Authority, in writing, that the property is vacant and scheduled for demolition.
 - .3 No exoneration will be recommended in the absence of the notice and certification to the Authority.

- 324.5 No exonerations will be recommended or granted by the Authority for water lost, stolen or otherwise wasted through the Meter.

- 324.6 The Authority Board of Directors will consider the recommendations of the Water Exoneration Hearing Board and issue exonerations for circumstances falling within sections 324.3 and 324.4 and as it otherwise deems appropriate.
 - .1 Exonerations, when issued by the Board, shall be received in payment of Authority invoices for their face value provided they are offered within two years of the issuance of the exoneration.
 - .2 If the invoice covering charges later exonerated has been paid prior to the issuance of the exoneration, the Authority may direct the issuance of a refund check in payment of the exoneration.

- 324.7 The Water Exoneration Hearing Board's recommendations for exoneration of sewage treatment fees are directed to the ALCOSAN Board of Directors, and the discretion whether to exonerate such fees and in what amount rests with that body.

C. COLLECTION OF DELINQUENT ACCOUNTS

325.0 Collection of delinquent accounts

- 325.1 Any account with charges more than 10 days past due will be sent a reminder notice, which shall contain:
- .1 the Customer's account number;
 - .2 the total amount due;
 - .3 a request to pay immediately;
 - .4 the address of the service location that is delinquent;
 - .5 a warning that failure to pay will lead to legal steps being taken against the Customer and may result in termination of water service;
 - .6 notification that unpaid water and sewer charges are a lien against the Customer's property; and
 - .7 a statement that payment plans may be available and a contact telephone number and/or e-mail address for further information.
- 325.2 If any water and/or sewer bill remains unpaid 40 days after the invoice has been delivered, the Authority will initiate collection activity and serve a notice of termination on the Customer, following the procedures set forth in sections 209 through 211 of these Rules and Regulations for Residential Customers and section 238 of these Rules and Regulations for Business Customers.
- 325.3 Unpaid water and/or sewer bills more than 90 days in arrears are referred to Jordan Tax Service, LLC for collection.
- 325.4 Notice of collection required by 53 Pa. S. § 7106 shall be provided to the delinquent Customer as required by that statute. Fees and costs of collection, as set forth in section 326 below, shall accrue for all collection efforts undertaken more than 30 days following the date of the notice, or more than 10 days following any second notice required by 53 Pa. S. § 7016. If not paid by the Customer, the fees and costs of collection shall be added to and become part of the delinquent claims in the collection proceeding.

326.0 Collection expenses and fees

326.1 Servicing charges: effective September 12, 2008, the following servicing charges, expenses, and fees are adopted and approved as reasonable and recoverable whether or not enforcement proceedings have been initiated. These fees and charges will be payable by the delinquent Customer and added to the delinquency claim, and must be paid in full before the discharge and satisfaction of any delinquent claim.

Expense	Amount
Out-of-pocket expenses, including but not limited to the expense of title searches, investigators, and process servers	actual cost
Preparation and issuance of a no-lien letter	\$25.00
Postage expense	actual cost
Servicing expense related to collection of delinquent claims, which shall accrue on the first day of the month for the entire month or partial month. Gross collections, for the purpose of calculation, shall include the face amount of the delinquency, together with interest and lien costs for each delinquent claim collected. Lien costs are charges for the filing, satisfaction, revival, amendment, and transfer of delinquent claims. Gross collections do not include any record costs, attorney fees, or out-of-pocket expenses related to the collection of delinquent claims.	15% of gross collections

- .1 Liability for servicing expenses, out-of-pocket expenses, and postage expenses authorized in this section accrue immediately upon the effective date for all delinquent claims due in 2008 and prior years originally billed more than 90 days from the effective date.
- .2 Liability for servicing expenses, out-of-pocket expenses and postage expenses authorized in this section shall accrue on the 91st day from the initial billing date for all unpaid delinquent claims for calendar years 2008 and thereafter not paid-in-full within 90 days of the initial billing for the delinquent claim.
- .3 Liability for expenses authorized by this section shall be retroactive to the date of each delinquent invoice.

326.2 Enforcement expenses: in any enforcement proceeding, the following shall constitute reasonable expenses, necessary for the initiation and prosecution of legal proceedings:

Expense	Amount
Title search	actual cost, not to exceed \$250
Each bring-down or update of title search in connection with entry of judgment, issuance of execution, listing for sale, or other action	\$50
Out-of-pocket expenses including but not limited to postage, non-Sheriff's service of process, investigation of whereabouts of interested parties	actual cost

326.3 Flat rate fees, enforcement matters: effective September 12, 2008, the following schedule of attorney fees is adopted and approved as reasonable fees for all matters described, which fees shall be awarded to the Authority, its agents, counsel, or assigns in each action initiated for the collection of delinquent accounts. The property Owner's or Customer's obligation to pay the full amount of the flat fee for each phase of each action shall accrue on the initiation of any aspect of each phase. The full amount of each flat fee for each prior phase of the proceeding shall carry over and be due on a cumulative basis, together with the flat fee for each subsequent phase initiated.

Activity	Flat Fee
Preparation and filing of claim	\$150
Preparation and service of writ of scire facias or complaint in assumpsit, sheriff's direction for service, notice pursuant to Pa. R. Civ. P. 237.1, and preparation and filing of praecipe to settle and discontinue the action	\$450
Where there are federal judgments, federal mortgages, or other federal interests of record, notice, service, and presentation of appropriate motions	\$200
Preparation, filing, monitoring, and conclusion of amicable <i>scire facias</i> or consent judgment, including negotiation, preparation, and filing of pleading, acceptance of service, installment payment, and/or forbearance agreement and satisfaction	\$400
Entry of judgment, including preparation and filing of praecipe to enter judgment, notices of judgment, affidavit of non-military status, and praecipe to satisfy judgment	\$225
All documents necessary for execution of judgment, including preparation of praecipe for writ of execution, Sheriff's documents, preparation and service of notices of Sheriff's sale, garnishments, personal property sales, staying writ of execution, and attendance at one' Sheriff's sale.	\$700
Each continuance of Sheriff's sale at the request of the defendant	\$100
Judicial sales pursuant to 53 Pa. S.A. § 7281, including preparation and service of documents, court appearances, attendance at sale and proposed schedule of distribution of proceeds of sale	\$700
Preparation of installment payment agreement	\$150
Preparation, filing, and presentation of motions, other than alternative service motions, including but not limited to motions to reassess damages, motions to amend caption, motions to continue the Sheriff's sale or other execution	\$200

326.4 Hourly rate fees, enforcement matters: Effective September 12, 2008, the following schedule of attorney fees is adopted and approved as reasonable fees for all matters described, which fees shall be awarded to the Authority, its agents, counsel, or assigns in each contested matters, and in all other matters not addressed in section 313.2 above, undertaken in connection with the collection of delinquent accounts. Hourly rate matters include, but are not limited to, any matters where any defense, objection, motion, petition, or appearance is entered at any phase of any proceeding by or on behalf of any defendant or other interested party.

Person	Hourly Fee
Senior attorney (practicing law for 10 years or more)	\$185
Junior attorney (practicing law for fewer than 10 years)	\$160
Paralegals	\$100
Law clerks	\$65

.1 All time shall be recorded and charged in units of 0.1 of an hour.

326.5 In no event shall the Authority's right to charge and collect reasonable attorney fees pursuant to sections 326.3 and 326.4 be impaired by the fact that any delinquent claim may also include an attorney commission of 5 percent for delinquent claims filed prior to December 19, 1990. Any attorney fees assessed and collected under this or any prior regulations or resolutions shall be in addition to any 5 percent commission previously included in any delinquent claim or judgment.