

City of Caledonia

Utility Customer Policies and Procedures

City Hall Office Hours:

Monday – Friday,

8:00 a.m. – 5:00 p.m.

Phone: 507-725-3450

Fax: 507-725-5258

Effective: January 12, 2015

REQUEST FOR SERVICE

A customer requesting utility services must provide the following information to the City of Caledonia, by completing an application:

- Application for Utility Service
- A \$250.00 utility deposit is required for residential accounts for renters. Customers who have a landlord that has refused to enter into a Landlord/City Services Agreement will be required to pay a \$500.00 - \$750.00 deposit dependent upon the past historical usages. (See deposit section for more information and details on deposit requirements).
- A \$500.00 deposit is required for all commercial accounts. (See deposit section for more information and details on deposit requirements).
- Date service is to be started.
- Photo ID, if available.

No utility account will be established for any individual or business for which there exists a prior unpaid account balance for prior utility service.

All accounts shall be carried in the name of the owner who personally, or by his or her authorized agent, applied for such service. The owner or owner's agent shall complete a Services Agreement while the occupant/tenant shall fill out an application for service. The City retains the right to refuse utility service to any property that does not comply with the aforementioned provisions.

DEPOSITS

New and Disconnected Accounts

A utility service deposit is required for ALL accounts under the following circumstances:

- This is a new account and you are not the property owner.
- This is a new service address and you have had at least one late payment during the preceding 18 months at a different service address.
- You are requesting reconnection of utility service that has been disconnected at your service address.
- If necessary, new utility customers have the option to pay the utility deposit in no more than two equal installments.
- For those utility customers in which a disconnection has occurred, the deposit must be paid in full prior to reconnection.

Interest in Deposits

Interest on deposits shall accumulate interest at a rate required by State of Minnesota Statute 325E.02. By December 15 of each year, the Commissioner of the Minnesota Department is required to announce the interest rate for the next year.

Refund of Deposit/Interest

The deposit, plus interest, shall be reimbursed after the customer moves out or purchases a property.

For those accounts which have been disconnected, the deposit, plus interest, shall be retained thereafter until the utility service is terminated. The remaining balance, plus interest, shall be credited to any remaining balance with the excess refunded to the customer.

PAYMENT

Automatic Withdrawal Payments

The City of Caledonia offers all account holders the option of having their account balance automatically withdrawn from their checking or savings account. Account holders choosing this option must request and complete an application for the account that they wish to have the funds withdrawn from. Funds will be withdrawn on the 10th of the each month.

The account holder will be mailed a monthly statement indicating the account balance that will be withdrawn. Automatic payment may be discontinued by notifying City Hall. Payments returned for non-sufficient funds will be subject to a \$30.00 service fee. All conditions in the Non-Late Payment section will apply. Account holder will be removed involuntarily from the ACH program upon receipt of the second NSF ACH.

Overpayment or Underpayment

In the event that an account holder overpays their utility bill and is not delinquent, the overpaid amount will be applied as a credit against any unpaid account balance. If the credit will not be absorbed within two months, the account holder can request that a refund check be issued. If the account holder's account is closed prior to incurring any new charges, the overpayment will be refunded within 45 days.

Partial payments, although accepted, will not prevent disconnection of utility services unless other payment arrangements have been agreed upon by all parties involved.

CUSTOMER REQUESTED SERVICE TERMINATION

It is the account holder's responsibility to notify the City of Caledonia of the date of final service. A forwarding address must be provided. On the date specified by the account holder, a reading will be made and a final bill will be calculated. If the City is still holding a security deposit, then it will be applied to the final bill. A final bill for the outstanding balance or refund check will be sent to the account holder at the forwarding address given by the account holder within 45 days.

NONPAYMENT-LATE PAYMENT PENALTY – DISCONNECTION-RECONNECTION- FEES

Unpaid accounts shall be delinquent on the first day following the 10th day of each month and shall be assessed a penalty in the amount of five (5%) percent.

When an account becomes past due, the City of Caledonia shall mail a notice to the billing address shown in the utility's billing records, of the utility's intent to discontinue service if payment is not made. Such notice shall inform the account holder that the bill must be paid by the 15th of the following month or the electric and/or water service will be shut off.

Disconnection of utility service will happen on the first working day after the 15th of each month. If full payment is not received by that time, utility service will be shut off without further notice. Payment arrangements may only be made in extenuating circumstances and must be acceptable to the utility. Service will be restored only after the full amount due including any current charges, a reconnection charge and a utility service deposit has been paid. Discontinuance of service shall be release the account holder from his or her obligation for payment of bills or charges. Failure to comply with agreed upon payment arrangements will make the account immediately subject to the disconnect procedure that the payment arrangement avoided.

Whenever a disconnection occurs, a \$100.00 reconnect fee will be imposed. Electric utility reconnects will only take place during the Light Department working hours of 7:00 a.m. and 3:00 p.m. Monday through Friday. The City reserves twenty-four (24) hours to reconnect the service from the time the account is made current. This means that if an account is paid in full on a Friday after 3:00 p.m., the soonest the reconnect will take place is the following Monday since reconnects will only take place during Light Department working hours. The only exception to this policy is for those utility customers in which a current documented medical emergency exists or where medical equipment is requiring electricity necessary to sustain life is in use, provided that the utility service receives from a medical doctor written certification, or initial certification that disconnection of service will impair or threaten the health or safety of a resident of the customer's household.

When residents/landlords wish to have electric and/or water meters removed from buildings that are no longer requiring the service there will be a \$50.00 disconnection charge and a \$50.00 reconnection charge. Council passed these fee's on December 10, 2012.

RETURNED PAYMENTS

If a customer makes payment by a check or ACH which is subsequently returned for non-sufficient funds (NSF) or account closed, that customer's account will be considered delinquent. The customer's account will be assessed a \$30.00 service fee and the five (5%) percent delinquent account penalty.

If the City of Caledonia receives more than two (2) NSF notices or account closed checks form a customer within a twelve (12) month period, that customer may be required to make future payments in cash, by money order or certified funds. The customer may also be required to provide a utility service deposit. If the NSF payment is received to avoid disconnection, disconnection may occur the following business day without additional notice.

ACCOUNT ADJUSTMENTS

No account adjustments will be made unless approved by the Caledonia City Council, or the City Clerk-Administrator acting as the City Council's designee. Any such request must be made in writing and signed by the account holder or someone with legal authority to act in the account holder's behalf. The request must include a short and plain statement of the relief that the account holder is requesting.

COLLECITON OF DELINQUENT ACCOUNTS

When all administrative efforts at collecting a delinquent account have been exhausted, alternative collection methods will be used, including disconnection of service, collection agency assignment, garnishment of wages or any other legal action. In addition, the unpaid charges may be imposed as lien against the property to which the utility service was rendered. The remedies described herein are not meant to be exclusive and the City of Caledonia may use any alternative method of collecting delinquent charges that is available under the laws of the State of Minnesota.

DATA PRIVAY ACT

The utility is prevented by Minnesota law to notify any party other than the account holder, including landlords of proposed disconnection or any other account data unless the landlord is the account holder for the service address or a release of information by the account holder is provided to the utility.

APPLICATION FOR UTILITY SERVICE

CITY OF CALEDONIA, MN

I (we) hereby make application for Utility Service (Water, Sanitary Sewer and Electric) to the City of Caledonia and agree:

- To accept, comply and be legally bound by such policies, rules, regulations and rates as may be adopted by the City Council or are required by law or government regulation.
- That I (we) am/are at least 18 years of age and all information provided is complete and correct.
- To immediately notify the City of any changes to this information.
- To be responsible for the utility accounts from the connect date to the time I (we) notify the City to disconnect or discontinue service.
- I (we) understand that each person, 18 years of age and older who is an occupant of this residential household, is jointly and severally liable for payment of all utility account deposits and charges.
- I (we) understand that harboring another party who has an unpaid balance owing to the City will subject this household unit to disconnection of the electric meter, shut-off of water service, and the like.
- I (we) understand that preparing a fraudulent Application may result in payment of an additional security deposit or disconnection of utility service.

Service Address: _____

Household telephone # _____ Mobile # _____

Previous utility provider: _____

	<u>Occupant #1</u>	<u>#2</u>	<u>#3</u>
Name	_____	_____	_____
Social Security #	_____	_____	_____
Emergency/Work Phone	_____	_____	_____

() Own () Rent: If renting or leasing or purchase contract, property Owner's Name, Address and Phone Number.

Signatures of each Applicant/Occupant for service:

Print Name	Signature	Date
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Print Name	Signature	Date
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Print Name	Signature	Date
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(If more space is required, please use back of form.)

FOR CITY CLERK'S OFFICE USE ONLY

NOTICE OF INDIVIDUAL VACATING HOUSEHOLD UNIT OR NOTICE TO DISCONTINUE SERVICE

Individual's Name	Staff Initials	Date
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Individual's Name	Staff Initials	Date
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Individual's Name	Staff Initials	Date
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