



## PROPOSED CHANGES TO TIME PERIODS USED TO CALCULATE OVERCHARGES AND UNDERCHARGES FOR CUSTOMERS IN ELECTRIC AND WATER RULES 6

### Public Utilities Department

Board of Public Utilities  
May 13, 2019

RiversidePublicUtilities.com



## ELECTRIC & WATER RULES 6

1. Meter Investigations and Adjustment of Bills
  - A. Metering of consumption or billing inaccuracies
  - B. Rules for calculating overcharges and undercharges
2. "Overcharges":
  - A. Over collection of costs for electricity and water consumption
3. "Undercharges":
  - A. Electricity or water consumption without cost of service recovery
  - B. If not recovered, other customers must bear the cost

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2

## BACKGROUND

1. Electric and Water Rules 6 establish limitations for calculating adjustments after discovery of a billing error:

Period of Calculation	RPU Policy for Overcharges		RPU Policy for Undercharges	
	Residential	Commercial	Residential	Commercial
4 Months (Billing Periods)			RPU	
1 Year	RPU	RPU		
3 Years				RPU

## BACKGROUND (Con't)

2. On May 4, 2010, the City Council approved changes to Electric and Water Rules 6
  - A. Reduced period of overcharges from 3 years to 1 year
  - B. Consistent with the Riverside Municipal Code
    - i. All claims for money damages must be presented to the City within 1 year
  - C. Inconsistencies with undercharges
    - i. 3 year time period for non-residential accounts
    - ii. 4 month (billing period) time period for residential accounts

## CHANGES

1. Undercharges for Non-Residential Accounts
  - A. Reduce time period from 3 years to 6 monthly billing periods
2. Terminology for Overcharges
  - A. Replace 1 year with 12 monthly billing periods
3. Overcharges for Fast Meters – Section C.2
  - A. Replace with reference to section A-4 general overcharges
    - I. Consistent with time period for all other overcharges
    - II. Consistent with Riverside Municipal Code

## CITY COUNCIL

On April 16, 2019, the City Council:

1. Conceptually approved
  - A. Reducing time periods used to calculate billing of undercharges for nonresidential accounts from 3 years to 6 monthly billing periods
  - B. Changing terminology of time period used to calculate overcharges from 1 year to 12 monthly billing periods
  - C. Changing period used to calculate billing of overcharges for fast meters to be consistent with monthly billing period for general overcharges

## CITY COUNCIL (Con't)

2. Approved application of change in nonresidential undercharge calculation to appeals filed by Fusion Sign and Design and Microflex Film Corporation
3. Requested Board reconsider increase of undercharge calculation for residential customers from 4 months to 6 months

## RECOMMENDATIONS

That the Board of Public Utilities:

1. Adopt a resolution establishing the changes to Electric Rule 6 and Water Rule 6 that include reducing the time periods used to calculate billing of undercharges for non-residential accounts from three (3) years to six (6) monthly billing periods, change the terminology of the time period used to calculate overcharges from one (1) year to twelve (12) monthly billing periods, and changing the period used to calculate billing of overcharges for fast meters to be consistent with the monthly billing period for general overcharges; and
2. Recommend that the City Council adopt a resolution approving the same changes as described in recommendation 1 to Electric Rule 6 and Water Rule 6.