

1 RESOLUTION NO. 2019-2

2 A RESOLUTION OF THE BOARD OF PUBLIC UTILITIES OF THE CITY OF  
3 RIVERSIDE, CALIFORNIA (1) ADOPTING REVISED ELECTRIC RULE 6  
4 AND WATER RULE 6; (2) MAKING FINDINGS OF FACT; (3)  
5 RECOMMENDING CITY COUNCIL APPROVAL THEREOF; AND  
6 REPEALING BOARD RESOLUTION 2019-1

7 WHEREAS, the City of Riverside's ("City") Department of Public Utilities ("RPU") has  
8 submitted for action by the Board of Public Utilities ("Board") and the City Council, the  
9 proposed adoption and approval of revised Electric Rule 6 and Water Rule 6, as further  
10 explained herein; and

11 WHEREAS, Electric Rule 6 and Water Rule 6, both titled "Meter Investigations and  
12 Adjustments of Bills", provide rules for calculating the amount of overcharges and undercharges  
13 for electric and water service after the discovery of a billing error, which would then be refunded  
14 to (for overcharges) or recovered from (for undercharges) the customer; and

15 WHEREAS, Section A.4 of the current Electric and Water Rules 6 establishes limitations  
16 on such calculations at one year (overcharges), four billing periods (residential undercharges)  
17 and three years (non-residential undercharges); and

18 WHEREAS, the terms "month" and "billing period" are similar for discussion purposes,  
19 since all customers (with the exception of wind machines) are billed based on monthly billing  
20 periods, which typically are on a 30-day billing cycle; the term "billing period" is currently used  
21 in Electric and Water Rule 6 to define the period for residential undercharges; and the term  
22 "monthly billing period" is proposed to provide clarification and improved customer  
23 understanding; and

24 WHEREAS, RPU staff conducted a survey of electric and water utilities in California  
25 regarding their policies on the calculation of undercharges and overcharges. The policies of the  
26 utilities in the survey included differing time periods for such calculation, including variations if  
27 the date of the error was known or unknown. The results of the survey reflect that utility policies  
28 for undercharges vary by utility and are not consistent between overcharges and undercharges for  
residential and commercial customers; and

1  
2 WHEREAS, currently, the time period used by RPU for calculating overcharges is  
3 limited to one year and there are no proposed changes to the time period for overcharges;  
4 however, staff recommends changing the terminology from one year to 12 monthly billing  
5 periods to be consistent with the proposed terminology for undercharges; and

6 WHEREAS, reducing the time periods for undercharges for non-residential customers  
7 from three years to six monthly billing periods lessens the burden of repayment for non-  
8 residential customers; and

9 WHEREAS, a public hearing, notice of which was duly published in The Press-  
10 Enterprise on February 24, 2019 and March 3, 2019, in compliance with Government Code  
11 Sections 66018 and 6062a, was held on March 11, 2019 at 6:30 p.m. before the Board of Public  
12 Utilities to consider the revisions noted herein; and

13 WHEREAS, on March 11, 2019, the Board adopted Resolution 2019-1, approving the  
14 revisions to Electric Rule 6 and Water Rule 6 referenced herein; and

15 WHEREAS, on April 16, 2019, the City Council considered the proposed revisions to  
16 Electric Rule 6 and Water Rule 6 referenced herein and conceptually approved changes to  
17 Electric Rule 6 and Water Rule 6 which include reducing the time periods used to calculate  
18 billing of undercharges for non-residential accounts from three (3) years to six (6) monthly  
19 billing periods, changing the terminology of the time period used to calculate overcharges from  
20 one (1) year to twelve (12) monthly billing periods, and changing the period used to calculate  
21 billing of overcharges for fast meters to be consistent with the monthly billing period for general  
22 overcharges; and

23 WHEREAS, however, the City Council did not approve the portion of the proposed  
24 Electric Rule 6 and Water Rule 6 changes, which increased the undercharge calculation for  
25 residential customers from four (4) to six (6) monthly billing periods, and requested that the  
26 Board of Public Utilities reconsider making such a change so as to avoid unduly burdening  
27 residential customers; and  
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1 WHEREAS, the Board is charged by Section 1202(e) of the City Charter to establish and  
2 adopt the rates, rules, fees and charges for the Electric and Water Utilities, subject to the  
3 approval of the City Council; and

4 WHEREAS, the Board is in concurrence with not changing the portion of the proposed  
5 Electric Rule 6 and Water Rule 6 which sets the period for the undercharge calculation for  
6 residential customers at four (4) monthly billing periods so as to avoid unduly burdening  
7 residential customers; and

8 WHEREAS, the Board intends to establish and adopt the revised Electric and Water  
9 Rules 6, all in accordance with City Council conceptual approval and RPU staff  
10 recommendations;

11 NOW, THEREFORE, BE IT RESOLVED, based upon the foregoing facts, the staff  
12 report and other evidence submitted by RPU to the Board, by the Board of Public Utilities of the  
13 City of Riverside, California, as follows:

14 Section 1: The foregoing recitals are true and correct and are adopted and  
15 incorporated herein by reference as findings of fact of this Board.

16 Section 2: On the basis of the RPU staff analyses, data and reports, the foregoing  
17 recitals and the other evidence submitted by RPU to the Board, the Board hereby finds and  
18 determines that the proposed revisions to Electric and Water Rules 6 are exempt from the  
19 provisions of the California Environmental Quality Act (Pub. Res. Code Section 21000 et seq.)  
20 under Public Resources Code section 21080(b) (8), as the proposed revisions to the existing rules  
21 are for the purpose of (A) meeting operating expenses, including employee wage rates and fringe  
22 benefits, (B) purchasing or leasing supplies, equipment, or materials, (C) meeting financial  
23 reserve needs and requirements, (D) obtaining funds for capital projects necessary to maintain  
24 service within existing service areas, and/or or (E) obtaining funds necessary to maintain those  
25 intracity transfers as are authorized by City Charter.

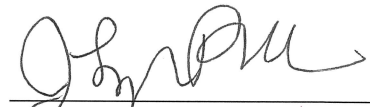
26 Section 3: The proposed revisions to Electric and Water Rules 6 are exempt from the  
27 voter approval requirements of Proposition 26, as adopted by voters on November 2, 2010,  
28 because the rates are imposed for a specific government service provided directly to the

1 ratepayer that is not provided to those not charged and which does not exceed the reasonable  
2 costs to the local government of providing the service.

3 Section 4: The proposed revisions to Electric and Water Rules 6, attached hereto as  
4 Exhibit A and incorporated herein by reference, are hereby adopted and established under and  
5 pursuant to Section 1202(e) of the Charter of the City of Riverside, California, are recommended  
6 for approval by the City Council of the City of Riverside, California, and shall become effective  
7 upon date of approval by the City Council of the City of Riverside, California.

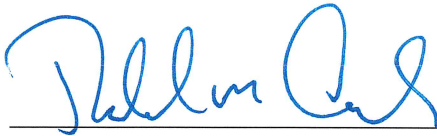
8 Section 5: Repeal Board Resolution 2019-1.

9 ADOPTED by the Board of Public Utilities of the City of Riverside, signed by its  
10 Chairman and attested by its Secretary this 13th day of May 2019.

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14 Jo Lynne Russo-Pereyra  
15 Chair of the Board of Public Utilities,  
16 City of Riverside, California

17 Attest:

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19 Todd M. Corbin  
20 Secretary of the Board of Public Utilities  
21 City of Riverside, California  
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2 I, Todd Corbin, Secretary of the Board of Public Utilities of the City of Riverside,  
3 California, hereby certify that the foregoing Resolution was duly and regularly introduced and  
4 adopted by the Board of Public Utilities of said City at its meeting held on the 13<sup>th</sup> day of May,  
5 2019, to wit:

6 Ayes: Russo-Pereyra, Sanchez-Monville, Crohn, Miramontes, O'Farrell,  
7 Ocegüera, and Walcker.

8 Noes: Austin

9 Absent: Hernandez

10 Abstain: None

11 IN WITNESS WHEREOF, I have hereunto set my hand this 13<sup>th</sup> day of May  
12 2019.

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16 Todd M. Corbin  
17 Secretary to the Board of Public Utilities  
18 City of Riverside, California  
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EXHIBIT A

Electric and Water Rules 6  
(Effective upon Date of Approval by City Council)

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## **ELECTRIC RULE 6**

### **METER INVESTIGATIONS AND ADJUSTMENTS OF BILLS**

#### **A. GENERAL**

1. Whenever the correctness of any bill for electric service is questioned, the Utility shall investigate it. The Customer has five days after receiving the bill to question its correctness. After that period the bill is considered payable as rendered.
2. In cases where there are inaccuracies of recording of kilowatt hours, or bills reflecting clerical or meter errors, or in disputed cases where electric consumption, dates, or other provisions are subject to exact determination, proper adjustments in the billing shall be authorized by the Director or his/her authorized agent.
3. In cases where electric consumption, dates, or other factors required for application of rate schedules or other provisions are not subject to exact determination or are in question, or in disputed cases relative to service or rate application, the Utility shall establish such factors by tests, analysis, and investigations to determine the proper basis for making an adjustment, if any. The Customer may appeal all adjustments as described in Rule No. 21.
4. In all cases above, the following limitations shall apply:
  - a. Overcharges shall not be recomputed and credited to any account for a period in excess of twelve monthly billing periods prior to the discovery of an error, or the date the bill was questioned, whichever occurs earlier.
  - b. Undercharges shall not be recomputed and billed to residential accounts for a length of time exceeding four monthly billing periods prior to the discovery of an error.
  - c. Undercharges shall not be recomputed and billed to non-residential accounts for a period in excess of six monthly billing periods prior to the discovery of an error.
  - d. Any change in rate schedules pursuant to Section E shall be made prospectively in accordance with Section E.2.

## **B. METER INVESTIGATIONS**

### **1. Meter Verification Read**

Whenever the accuracy of an electric meter reading is questioned, the Customer may request that the meter be re-read. Upon such request, the Utility shall re-read the meter. The Customer may witness the read, or have a representative present. No charge will be made for this reading except under the following conditions: If a Customer requests an additional special read within 1 year of receiving a free meter re-read, a service charge may be assessed. If the original meter reading is found to be in error, the service charge will be removed.

If the re-read is the result of an access problem, refer to Rule No. 13, UTILITY'S RIGHT OF ACCESS.

### **2. Meter Test**

Whenever the accuracy of an electric meter is questioned, the Customer may request that the meter be examined and tested by the Utility. Upon such request, the Utility shall examine and test the meter. The Customer may witness the tests, or have a representative present. No charge will be made for this test except under the following conditions: If a Customer requests an additional test (or tests) within 1 year of receiving a free meter test, a deposit will be required prior to receiving a test.

If the meter is found to register over 2% more than actually passes through it under conditions of normal operation, another meter shall be substituted and the deposit refunded to the Customer. If no error factor is found, or if an error factor is found, but is less than 2% the deposit shall be retained.

### **3. Misdirected Service or Wiring Alterations**

If the Utility finds the electrical wiring has been altered by the Owner/Customer, Owner's agent, or tenant at the Premises to re-direct electricity service which causes electrical consumption to be registered on meters(s) other than the meter provided by the Utility for the Premises, the Utility is not responsible for correction of electrical wiring or adjustment to metered consumption.



## **C. ADJUSTMENT OF BILLS FOR METER ERROR**

### **1. Mis-read or Estimated Read**

When an electric meter is found to have been mis-read or estimated incorrectly, the Utility shall correct the reading and adjust the Customer's account. A corrected bill for the last billing period involved in the correction may be sent.

### **2. Fast Meters:**

When an electric meter is found to be more than 2% fast, the Utility shall credit to the Customer the overcharge based on the corrected meter readings for the period in which the meter was in use, in accordance with section A-4.

### **3. Slow Meters:**

When a meter is found to register more than 2% slow, the Utility may render a bill in accordance with section A-4 for electricity consumed but not charged for in bills previously rendered.

### **4. Non-Registering Meters:**

If a previously properly registering meter fails to register during any period, the Customer shall be charged with an average consumption as shown by the meter when in use and registering correctly during a corresponding season. If no corresponding seasonal history is available, the Utility shall estimate consumption based on actual usage after the meter has been replaced, using seasonal variations. Additional adjustment may be made after Customer provides acceptable verbal or written proof to the satisfaction of the Utility. Undercharges shall be computed in accordance with section A-4.

### **5. Mismarked Meters:**

If the Utility finds within 12 months from new meter installation date, the new installation of the electric meter canister was mismarked by the Owner or owner's contractor, and the consumption on the bill is incorrect due to the wrong meter being billed to the occupant, the Utility may adjust the bill based on actual consumption as registered on the correct meter as prescribed in section A-4. Any excess that cannot be billed to the occupant shall be billed to the Owner.

**D. DIVERSION**

The collection limitation provisions of this Rule shall not apply to situations where it is determined that Diversion is involved.

**E. APPLICABLE RATE SCHEDULE**

**1. Applicable Rate Schedule**

For Customers applying for service at an existing service address, the Utility will assign the electric rate schedule based on the characteristics of the service address. The Utility will presume that any electric rate previously assigned to that service address is the appropriate schedule, unless Customer requests a review for another applicable rate schedule, rate, or optional provision. In certain situations when a Customer does not qualify for an electric rate previously assigned to that service address, the Utility will assign the applicable rate to the Customer. The Utility assumes no responsibility for advising the Customer of lower optional rates under existing schedules available as a result of the Customer's changes to the characteristics of the service address.

**2. Change of Rate Schedule**

A change to the applicable rate schedule may be made if the Utility determines that the Customer no longer qualifies for the assigned rate schedule. Subject to meter availability, the change will become effective for service rendered after the next regular meter reading following verification and approval by the Utility of such eligibility.

## **WATER RULE 6**

### **METER INVESTIGATIONS AND ADJUSTMENTS OF BILLS**

#### **A. GENERAL**

1. Whenever the corrections of any bill for water service is questioned, the Utility shall investigate it. The Customer has five days after receiving a bill to question its correctness. After that period the bill is considered payable as rendered.
2. In cases where there are inaccuracies of recording of water use, or bills reflecting clerical or meter errors, or in disputed cases where water consumption, dates, or other provisions are subject to exact determination, proper adjustments in the billing shall be authorized by the Director or his/her authorized agent.
3. In cases where consumption, dates or other factors required for application of rate schedules or other provisions are not subject to exact determination or are in question, or in disputed cases relative to service or rate application, the Utility shall establish such factors by tests, analysis, and investigations to determine the proper basis for making an adjustment, if any. The Customer may appeal all adjustments as described in Rule No. 17.
4. In all cases above, the following limitations shall apply:
  - a. Overcharges shall not be recomputed and credited to any account for a period in excess of twelve monthly billing periods prior to the discovery of an error, or the date the bill was questioned, whichever occurs earlier.
  - b. Undercharges shall not be recomputed and billed to residential accounts for a length of time exceeding four monthly billing periods prior to the discovery of an error.
  - c. Undercharges shall not be recomputed and billed to non-residential accounts for a period in excess of six monthly billing periods prior to the discovery of an error.
  - d. Any change in rate schedules pursuant to Section E shall be made prospectively in accordance with Section E.2.

## **B. METER INVESTIGATIONS**

### **1. Meter Verification Read**

Whenever the accuracy of a water meter is questioned, the Customer may request that the meter be re-read. Upon such request, the Utility shall re-read the meter. The Customer may witness the re-read, or have a representative present. No charge will be made for this re-reading except under the following conditions: If a Customer requests an additional special read within one year of receiving a free meter re-read, a service charge may be assessed. If the original meter reading is found to be in error, the service charge will be removed.

If the re-read is the result of an access problem, refer to Rule No. 20.

### **2. Meter Test**

Whenever the accuracy of a water meter is questioned, the Customer may request that the meter be examined and tested by the Utility. Upon such request, the Utility shall examine and test the meter. The Customer may witness the tests, or have a representative present. No charge will be made for this test except under the following conditions: If a Customer requests an additional test (or tests) within one year of receiving a free meter test, a deposit will be required prior to receiving a test.

If the meter is found to register over 2% more than actually passes through it under conditions of normal operation, another meter shall be substituted and the deposit refunded to the Customer. If no error factor is found, or if an error factor is found, but it is less than 2%, the deposit shall be retained.

## **C. ADJUSTMENT OF BILLS FOR METER ERROR**

### **1. Mis-Read or Estimated Reads**

When a water meter is found to have been mis-read or estimated incorrectly, the Utility shall correct the reading and adjust the Customer's account. A corrected bill for the last billing period involved in the correction may be sent.

**2. Fast Meters**

When a water meter is found to be more than 2% fast, the Utility shall credit to the Customer the overcharge based on the corrected meter readings for the period in which the meter was in use, in accordance with section A-4.

**3. Slow Meters**

When a meter is found to register more than 2% slow, the Utility may render a bill in accordance with section A-4 for water consumed but not charged by bills previously rendered.

**4. Non-Registering Meters**

If a previously properly registering meter fails to register during any period, the Customer shall be charged with an average consumption as shown by the meter when in use and registering correctly during a corresponding season. If no corresponding seasonal history is available, the Utility shall estimate consumption based on actual usage after the meter has been replaced, using seasonal variations. Additional adjustment may be made after Customer provides acceptable verbal or written proof to the satisfaction of the Utility. Undercharges shall be computed in accordance with section A-4.

**D. DIVERSION**

The collection limitation provisions of this Rule shall not apply to situations where it is determined that Diversion is involved as noted in Rule No. 19.

**E. APPLICABLE RATE SCHEDULE**

**1. Applicable Rate Schedule**

For Customers applying for service at an existing service address, the Utility will assign a water rate schedule based on the characteristics of the service address. The Utility will presume that any water rate previously assigned to that service address is the appropriate schedule, unless the Customer requests a review for another applicable rate schedule, rate, or optional provision. In certain situations when a Customer does not qualify for a water rate previously assigned to that service address, the Utility will assign the applicable rate to the Customer. The Utility assumes no responsibility for advising the Customer of lower optional rates

under existing schedules available as a result of the Customer's changes to the characteristics of the service address.

## **2. Change of Rate Schedule**

A change to the applicable rate schedule may be made if the Utility determines that the Customer no longer qualifies for the assigned rate schedule. The change will become effective for service rendered after the next regular meter reading following verification and approval by the Utility of such eligibility.