

TOWN OF CLAYTON
CUSTOMER SERVICE POLICY

AUTHORITY

The enactment of these policies requires the approval of the Town Council. As fee schedules, rates and other specific policies are updated, it will be the responsibility of the Town Manager to make sure the policy manual is revised.

The Town Manager or his/her designee (The Customer Service Director) is authorized as the hearing or grievance officer for customers. He/She is authorized to hear concerns and complaints, settle disagreements and reconnect any customer disconnected for non-payment while the concern is investigated, if he/she deems necessary. Hearings are addressed on page 20.

All grievances must be heard and addressed by the hearing officer prior to an item appearing before the Town Council.

SCOPE

1. This policy is not meant to be all-inclusive but offers direction and guidance for the Town Manager and employees of the Town.
2. This policy has been adopted by the Town Council for all customers of the Town.
3. The intent of this policy is to provide the customer, the electrical and building trades, and the employees of the Town a helpful guide with uniform procedures for providing utility service. The Town desires to treat its citizens in a fair and indiscriminate manner while recognizing that each customer has distinct needs and requirements.
4. Employees of the Town have been empowered and well-trained to use this policy to deliver high quality service to customers. Employees are expected to deal with each decision with empathy and understanding, listening carefully to the needs and requirements of individual customers. Ultimately, the Town Manager accepts the responsibility as the final authority on this policy. However, every customer has the right to appeal that decision before the Town Council.

DEFINITIONS USED IN THIS POLICY

1. Employees - The employees of a Town, charged with the responsibility of delivering services to the citizens and customers while ensuring good business practices and considering the needs and wants of customers.
2. Town – Town of Clayton and its employees.
3. Town Council – Those officials elected to represent the citizens of the Town.

4. Good Credit – Good credit is defined as no more than two (2) delinquencies, no bad checks and no disconnections in the most recent 12-month period for residential customers and non-residential customers.
5. Utility – The Town of Clayton Electric and Public Works Departments.
6. Utility Service – Includes Electric, Water, Sewer and Sanitation.

APPLICATION OF THIS POLICY

1. This policy applies to every customer or applicant for utility service. Copies of this policy are available at the Town's offices.
2. This policy may be revised, amended, supplemented or otherwise changed from time to time by action of the Town Council. Customers are encouraged to seek answers to any questions by calling the Town offices.
3. As detailed in ordinances, the Town intends to adhere to all rules and regulations of the American National Standards Institute (ANSI) and the Institute of Electrical and Electronic Engineers (IEEE) entitled the "National Electrical Safety Code (NESC)" as amended. Further, all operations are prefaced upon safety for the public and employees alike. Safety guidelines are detailed in the North Carolina Association of Municipal Electrical Systems (NCAMES) safety manual as amended.
4. The Town is not responsible for any damage caused by turning on Town utility services.

CONFLICT

Provisions of a special contract or tariff between the Town and a customer will take precedence over these policies.

PART OF ALL CONTRACTS

These policies are part of all oral and written contracts for providing and receiving utility service from the Town.

NO PREJUDICE OF RIGHTS

Although the Town and its customers may not always exercise the rights specified in these policies or available to them by law, that does not prevent the Town or the customer from exercising those rights at another time.

UNIQUE RIGHTS AND RESPONSIBILITIES

The customer and the Town have unique rights and responsibilities toward utility service. These responsibilities, detailed fully throughout this publication, are summarized here.

CUSTOMER RESPONSIBILITY

1. To establish credit in one of these ways:
 - a. Acceptable credit references (from a National Credit Reporting Agency);
 - b. Proof of good credit (as defined on Page 2) with another utility;
 - c. Name a qualified person to guarantee payment of bills. Active customers with good credit (as defined on Page 2) may act as guarantor on one account only.
 - d. Pay a cash deposit; or
 - e. Other methods outlined in customer deposit section.
2. Allow utility department personnel access to property to set up and maintain service.
3. Pay bills by the due date shown on each monthly bill.
4. Inform the utility department if someone other than the account holder should be notified prior to disconnection for non-payment.
5. Notify the utility department if there is someone in the household who is either chronically or seriously ill, handicapped or on a life support system. Notification shall include verification in writing from a medical doctor and be updated in January and July of each year.
6. Notify the utility department of questions or complaints about service.
7. Be aware of Town-owned property at the customer's home/business and safeguard it.
8. Install, maintain and repair wiring in the home/business.
9. The Town provides utility service for the sole use and convenience of the premises under contract. The customer will ensure that utility service is not given or resold to a neighbor or tenant. Violation of this policy will be cause for immediate disconnection of service.

CUSTOMER'S RIGHTS

1. A customer has a right to request the deposit to be refunded if he/she establishes credit by other means, pays bills promptly for one year, or discontinues service from the Town.
2. The customer has a right to request, free of charge, historic billing and usage information.
3. If a utility department employee cannot find any reason for usage changes, the customer may request a meter test. A fee may be charged if the customer requests more than one test per 12-month period and if the meter is within accepted tolerances (plus or minus 2 percent). The customer has a right to results of this test.
4. The customer has a right to request a review of any complaint according to the grievance procedure.

TOWN RESPONSIBILITY

1. To refund the customers deposit if conditions are met.
2. To avoid disconnection for non-payment during extreme weather conditions.
3. To avoid disconnection, the day prior to a holiday or a weekend except when conditions in extension agreement are not met, or a returned check is not picked up within the required 48-hour period.
4. To provide and explain rate schedules, how meters are read, and other additional, reasonable information.
5. To respond to questions or complaints from customers. We may not agree with the complaint, but we pledge prompt, courteous and honest answers.
6. To provide historic billing and usage information when requested by the customer.
7. To provide energy usage and conservation information.

TOWN'S RIGHTS

1. To access the Town's utility facilities.
2. To receive notice of changes in address, status or utility service, or problems with utility service.
3. To receive timely payment for services delivered to a home/business.
4. The appropriate department of the town is allowed to take action in court regarding equipment tampering or financial delinquencies.

SECTION TWO

ESTABLISHING SERVICE

SECTION TWO -- ESTABLISHING SERVICE

OFFICE AND SERVICE HOURS

1. The Town's Customer Service Department is located downtown in the Clayton Town Hall. The Town Hall is open from 8:00 a.m. to 5:00 p.m., Monday through Friday. Routine and regular service work will be performed during these hours, Monday through Friday, except for holidays. Service work for unusual conditions may be arranged at other time upon request.
2. Emergency restoration work is performed 24 hours a day, seven days a week. Please call us at 553-4611 for emergency service. If after hours restoration work is performed to reconnect service to a customer who was disconnected due to nonpayment, then a \$50 reconnect fee will be charged.

REQUEST FOR SERVICE

1. Original application for service: Any customer requesting services will complete an application and agreement for services. The customer will show:
 - a. Photo Identification, supply a social security number (or Federal Tax ID number in the case of a business account);
 - b. Deed, deposit receipt, lease agreement or contract for sale; and
 - c. Sign the application.

The Town recognizes that an application for utility service by either a husband or wife will allow credit to be established for both the husband and wife. In all other situations, credit will be established for only the customer signing the application. In situations where utility service expenses on the same account are to be shared by two or more people (other than husband or wife), then the signatures and required application information for all persons desiring to have credit established with the Town shall be included on the original application for service. A separate application will be requested if more than one connection is requested.

2. Account Information Changes: Any changes of account information, mailing address, account name, etc. should be made in writing by the account-holder to prevent mistakes.
3. Non-residential Accounts: Accounts established for non-residential service will require a Federal Tax ID number, and a signature by an office of the corporation listed in the Articles. For a non-incorporated business, the account will be listed in the name of a responsible person (owner, manager, etc.). That person accepts the personal responsibility for payment of the account.
4. Temporary Services: A customer who has good credit (as defined on Page 2) will be allowed to connect up to three temporary services (not to exceed nine months in duration) in their name or their business name.
5. Service Requests for All Utilities: Any request for utility service, or a request to add another service connection by a customer will be handled as a request for all services applicable to the location. Applications and fees are shown in the accompanying fee schedule.
6. Account Service Charge: A customer may pay an initial account service charge to begin utility service.

7. Place of Application: Customers may request utility service at the Town Hall or at other locations that may be designated by the Clayton Town Council for customer convenience. The individual owner or occupant of the property must make application for utility service. Occupant will be determined to be the person named in the lease agreement, deed, deposit receipt, or contract for sale.
8. Time of Application: The Town will strive to meet customers' needs for connection of service. Normal connection will be made the same day as the request if request is made by 4:00 p.m.
9. Explanation of Policies: Customers can request a verbal explanation of the Town's policies and may obtain a written copy of the guidelines as well.
10. Service Requests for New Construction: The customer will need to meet the requirements explained in the Town of Clayton Electric Service Manual.
11. Welcome Packet: The Town may give each new customer a welcome packet that includes information about the utility, conservation tips and load management information.

PRIOR DEBTS

The Town may not furnish service to an applicant who is indebted to the Town for service previously furnished.

CUSTOMER DEPOSITS

1. Need for a Deposit: Town employees are charged with the responsibility of prudent management of the Town's finances. A deposit for utility services is collected as security that all bills will be paid in full by their due date. Employees realize that most customers pay their bill in full and on time, however, we seek to protect the good-paying customers from the detriment of uncollectible accounts by other customers. Ideally, only those customers who "earn" the right to pay a deposit would be required to secure their accounts. Since the Town's employees cannot know in advance which customers will pay promptly and which ones will not, reasonable and uniformly applied deposits may be necessary. A service security deposit will be collected before any service is connected when it is determined that a deposit may be needed to assure payment of the customer bill. Options to the customer deposit have also been created.
2. Determining the Deposit: In determining the need for a security deposit, and in fixing the amount of the deposit, Town employees will give careful consideration to these factors:
 - a. Customer's ownership or right to occupy the premises to be served;
 - b. Type of service requested;
 - c. Risk involved in a new business enterprise;
 - d. Reputation of the involved premises;
 - e. Overall credit rating of the customer
 - f. Utility credit rating of the customer with the Town or another electric utility;
 - g. History of connects, disconnects and reconnects at the involved premises or for the involved customer, (For residential and non-residential customers), a 12-month history of service with the municipal utility;
 - h. Any other factor which bears on the customer's financial responsibility; and
 - i. Guarantor agreement

3. Residential Customer Deposit Alternatives: Any person who must pay a deposit for residential utility service may:
 - a. Pay an initial cash deposit. (See fee schedule)
 - b. Supply a letter of credit demonstrating good credit (as defined on Page 2) with another electric utility.
 - c. Have a guarantee signed by a current Town customer who has good credit (as defined on Page 2) with the Town. The guarantor will be responsible for an amount up to the amount of the deposit, if the customer does not pay his/her bill.
 - d. Acceptable credit references from a National Credit Reporting Agency.

4. Non-Residential Customer Deposit Alternatives: Any person who must pay a deposit for non-residential utility service may:
 - a. Pay an initial cash deposit. (The standard is up to two (2) months average bill)
 - b. Supply a surety bond equal to the amount specified as the deposit, valid for a two-year period and written by an insurance company authorized to do business in North Carolina. The Town, upon review of the account, may request the surety bond be extended until termination of service.
 - c. Provide a letter of credit with the account in the name of the owner of a sole proprietorship during the most recent 12-month period. The letter of credit must be for a non-residential account of a similar nature from another electric utility showing good credit.
 - d. Purchase a jointly-owned certificate of deposit for the amount of the deposit, held by the Town, with interest paid by a local financial institution directly to the customer.

5. Future Deposits: Any customer whose service is involuntarily terminated for either non-payment, meter tampering, or other reasons may be required to pay a deposit, or add an additional deposit, as specified in the above paragraphs, prior to reconnection of service. This includes all customer accounts. The future deposit may be at a higher level based upon experience with the account, but it may not exceed two-months average bill of the estimated yearly charge for that account. *Any customer required to post a deposit under the provisions of this paragraph shall forfeit any right for refund of the deposit in advance of closing-out the account. (Amended January 16, 2001)*

6. Floating Deposits: A builder who is constructing concurrent establishments may be allowed to pay only one deposit for several service locations.

7. Interest Accrued on Deposits: Any interest accrued on deposits made after the adoption of this policy will be used for an emergency assistance fund for the needy in the community as approved by the Town Council.

REFUNDING OF DEPOSITS

1. Prompt Refund: A deposit will be credited to the customer's account when good credit is exhibited or upon disconnection of service. After the deposit is applied, all outstanding balances on the final bill will be the responsibility of the customer and must be paid within ninety (90) days or they will be turned over for collection. (Amended February 15, 1999)

2. Residential and Non-Residential Accounts: The Town will credit the customer's deposit to the outstanding account balance when good credit is exhibited or upon disconnection of service. The customer may request a deposit refund when good credit has been established. (Amended February 15, 1999) *An account is not considered to have good credit unless and until it has not appeared on the cut-off list for at least twelve consecutive months. (Amended January 16, 2001)*

3. Account in Arrears: The deposit will not be refunded if the customer has another account with a past due balance. The remaining credit on the account will be transferred to another account with a balance.

ELECTRICAL RATES

1. The Town currently offers residential and non-residential rate schedules. Please see the rate schedule to find the best rate for a class of service. (Refer to rate schedule)
2. The Town's rates are set by the Town Council and are designed to be fair, reasonable, just, uniform and nondiscriminatory. Setting rates locally offers rate regulation that is responsive to the customers of the system.
3. Where the customer qualifies for two or more rates, the choice of rates lies with the customer.
4. New and potential non-residential customers are encouraged to provide the Town utility department with the load characteristics of their facility. The Town may require special conditions and contracts for electric service based upon necessary investment in electric plant.
5. The Town's goal is to provide the best possible electric service to all customers at a rate which is competitive as possible with other energy providers.
6. Complete rate schedules are available to customers upon request.

TAXES

Billings of the Town will include all applicable taxes, listed as a separate line item on the bill.

BILLING INFORMATION FOR CYCLE "1" CUSTOMER

1. Bills are mailed out on or about the 24th day of the month.
2. A bill is payable upon receipt and is considered past due if payment is not received in the Town Hall by 5:00 p.m. on the due date. A 5% penalty will be assessed on the current billing or account balance whichever is less. When the due date falls on a weekend or holiday, the next working day will be considered as the due date.
3. Service is scheduled to be discontinued if payment is not received by 8:00 a.m. 10 days after the bill is due. The fee/past due balance must be paid before service is reconnected.
4. A fee will be charged to all customers who request service to be reconnected after disconnection for nonpayment according to the fee schedule. The fee must be paid by noon the following day to retain service.
5. A fee, as outlined in the Meter Tampering Section of the policy, will be charged to any customer who reconnects his/her own meter.
6. Customers who think a bill is in error or otherwise have reason to protest termination of utility service may contact the Customer Service Director for an informal hearing at the Town Hall between 8:00 a.m. and 5:00 p.m., Monday through Friday or telephone (919) 553-5866.

BILLING INFORMATION FOR CYCLE “2” CUSTOMER

1. Bills are mailed out on or about the 31st day of the month
2. A bill is payable upon receipt and is considered past due if payment is not received in the Town Hall by 5:00 p.m. on the due date. A 5% penalty will be assessed on the current billing or account balance whichever is less. When the due date falls on a weekend or holiday, the next working day will be considered as the due date.
3. Service is schedule to be discontinued if payment is not received by 8:00 a.m. 10 days after the bill is due. The fee/past due balance must be paid before service is reconnected.
4. A fee will be charged to all customers who request service to be reconnected after disconnection for nonpayment according to the fee schedule. The fee must be paid by noon the following day to retain service.
5. A fee, as outlined in the Meter Tampering Section of the policy, will be charged to any customer who reconnects his/her own meter.
6. Customers who think a bill is in error or otherwise have reason to protest termination of utility service may contact the Customer Service Director for an informal hearing at the Town Hall between 8:00 a.m. and 5:00 p.m., Monday through Friday or telephone (919) 553-5866.

BILLING INFORMATION FOR CYCLE “3” CUSTOMER

1. Bills are mailed out on or about the 7th day of the month.
2. A bill is payable upon receipt and is considered past due if payment is not received in the Town Hall by 5:00 p.m. on the due date. A 5% penalty will be assessed on the current billing or account balance whichever is less. When the due date falls on a weekend or holiday, the next working day will be considered as the due date.
3. Service is schedule to be discontinued if payment is not received by 8:00 a.m. 10 days after the bill is due. The fee/past due balance must be paid before service is reconnected.
4. A fee will be charged to all customers who request service to be reconnected after disconnection for nonpayment according to the fee schedule. The fee must be paid by noon the following day to retain service.
5. A fee, as outlined in the Meter Tampering Section of the policy, will be charged to any customer who reconnects his/her own meter.
6. Customers who think a bill is in error or otherwise have reason to protest termination of utility service may contact the Customer Service Director for an informal hearing at the Town Hall between 8:00 a.m. and 5:00 p.m., Monday through Friday or telephone (919) 553-5866.

BILLING INFORMATION FOR CYCLE “4” CUSTOMER

1. Bills are mailed out on or about the 14th day of the month.
2. A bill is payable upon receipt and is considered past due if payment is not received in the Town Hall by 5:00 p.m. on the due date. A 5% penalty will be assessed on the current billing or account balance whichever is less. When the due date falls on a weekend or holiday, the next working day will be considered as the due date.

3. Service is scheduled to be discontinued if payment is not received by 8:00 a.m. 10 days after the bill is due. The fee/past due balance must be paid before service is reconnected.
4. A fee will be charged to all customers who request service to be reconnected after disconnection for nonpayment according to the fee schedule. The fee must be paid by noon the following day to retain service.
5. A fee, as outlined in the Meter Tampering Section of the policy, will be charged to any customer who reconnects his/her own meter.
6. Customers who think a bill is in error or otherwise have reason to protest termination of utility service may contact the Customer Service Director for an informal hearing at the Town Hall between 8:00 a.m. and 5:00 p.m., Monday through Friday or telephone (919) 553-5866.

BILLING ADJUSTMENTS

If the Town has inadvertently overcharged or underbilled a customer for utility service, the Town will promptly notify the customer and set up a payment process.

1. Should the mistake be in the customer's favor, the Town will refund the excess amount to the customer or credit the customer's account with that amount. If the time frame of the mistake can be determined, the Town should credit the account for that entire interval, as long as it is not more than three years. If the time frame of the problem cannot be determined, the Town should refund the excess amount charged during the previous 12 months. If the exact amount of excess charge cannot be determined, the Town should estimate the amount due. If an overcharged customer owes a past due balance to the Town, the Town may deduct that past due amount from any refund or credit due.
2. If the Town has inadvertently undercharged a customer for utility service, the Town will collect the amount due. If the time frame of the mistake can be determined, the Town will collect for that entire interval, as long as it is not more than three years. If the time frame of the mistake cannot be determined, the Town will collect the amount undercharged during the past 12 months. If the exact amount of the undercharge cannot be determined, the Town will estimate the amount due.
3. If an undercharge has occurred because of meter tampering, the Town can ask for the overdue amount in a lump sum.
4. If an overcharged customer owes the Town on another account, the Town may apply the credit to the other account.
5. The Town of Clayton may make adjustment to water/sewer customer charges in the event of seasonal filling of swimming pools. Adjustments shall be made in accordance with the following policy.
 - a. Adjustments shall be authorized a maximum of one time per year.
 - b. The customer shall be responsible for notifying the Customer Service Department to report a pool has been or shall be filled during a particular billing cycle.
 - c. No adjustment shall be made for water consumption.
 - d. An adjustment may be made for sewer consumption. The sewer charge for a billing cycle during which a pool was filled shall be calculated based on the previous six month actual usage for the account.
 - e. An administrative fee of \$5.00 shall be added to the bill for costs associated with calculation and adjustment to the utility bill. (Adopted May 18, 1998)

LEAKS AND WATER LINE BREAKS – SEWER ADJUSTMENT

The customer who is requesting the adjustment shall provide the Town documentation that in fact a leak did exist, that the leak was sufficient in size to use the excessive amount of water, and that the leak has been repaired. Upon receipt of this documentation, the Town shall determine the customer's average monthly usage of water and sewer. The customer shall pay for the average monthly usage at the normal water and sewer rates. Also, the customer shall pay for all additional gallons of water over the average at the same rate that the Town purchases water from Johnston County. All sewer charges over the average shall be released. Depending on the size of the water bill after the above adjustments, the Customer Service Director may allow the customer additional time to pay the water and sewer portion of the bill. Without documentation, no water and/or sewer adjustments due to leaks shall be made.

DROP BOX FOR PAYING AFTER HOURS

For customer convenience, a drop box is attached to the front of Town Hall located at 231 E. Second Street. For added security, please do not deposit cash in the after hours depository. Payments put in the box after 2 p.m. will be considered next-day payments.

EXTENSIONS OF TIME FOR PAYMENT OF BILLS

1. Customer Request: All requests must be made by the person (or their authorized, legal representative) in whose name the account is opened.
2. The customer requesting the extension must come into the Customer Service Office and request the extension including completion and execution of a customer extension form prior to the scheduled cutoff date.
3. Maximum: Maximum extension will be two (2) working days from the cutoff date.
4. Valid Reason: The customer will be required to give a valid reason as to why the extension is needed. *A valid reason for requesting an extension should relate to an unforeseeable hardship or emergency.* (Amended February 19, 2001)
5. Agreement: By executing a customer extension form, the customer agrees that if payment is not made by the specified time, service will be disconnected without further notice. *A twenty-five dollar administrative fee will be charged to the account for processing an extension.* (Amended February 19, 2001)
6. Approval of Extension: An extension is a privilege and will be granted based on customer need and circumstances. An extension will not be guaranteed and may be denied for excessive abuse. No more than two (2) extensions shall be granted within a 12-month period.

THE TOWN'S RESPONSE TO RETURNED CHECKS

1. The Town will accept only cash; certified check or money order from any customer having two (2) returned checks within any one-year period.
 - a. Upon receipt of the first returned check, the customer will be informed of and given a copy of the written policy.

- b. Upon receipt of the second returned check, the customer will be advised that all bills must be paid in cash and will be given another copy of the written policy.
 - c. Only cash payments, certified checks or money orders will be accepted for the next year.
 - d. After the one-year period ends, if another returned check is received, all future bills must be paid in cash.
- 2. Returned checks shall be picked up within 48 hours of notice from the Town. If the returned check is not picked up with payment in full including the returned check fee, service shall be disconnected without further notice.
 - 3. In the event a new customer posts a utility account deposit by personal or corporate check and the check is returned to the Town for insufficient funds, then the account shall be subject to immediate disconnection without benefit of prior notification. A notation of this provision shall be included on the customer service agreement signed by the customer at the time of account activation. (Adopted July 20, 1998)
 - 4. A sealed door hanger or written memo will be provided on the day the check is received.
 - 5. As allowed by the State of North Carolina, a charge is added to the customer's bill because of each returned check, (See fee schedule)

SECTION THREE

SERVICE OPTIONS

SECTION THREE -- SERVICE OPTIONS

DIFFICULTY IN PAYING BILL

1. The following organizations may be able to offer assistance to customers who are having difficulty in paying their bill.

Agency	Phone Number
Johnston County Dept. of Social Services	989-5641
Clayton Area Ministries	553-5654

2. We encourage each customer to seek assistance with paying their electric bills prior to disconnection.

OPTIONS IN BILLING PAYMENTS

To better serve the needs of customers, the Town offers alternative payment methods. They are described below. To begin any of these options, please call a Customer Service Representative.

- Budget Payment Plan
- Bank Drafts

BUDGET PAYMENT PLAN

This plan is to offer customers a utility payment option that allows them to pay a flat amount per month for utility service. This amount will be determined by taking the prior twelve (12) months usage and dividing by eleven (11). The twelfth month will be a "catch up" month to account for any variations in usage, rate changes, or credit balances. If there is a credit, it will be applied to the customer's twelfth-month billing. If the credit does not completely cover the estimated billing for the next month, the customer will be responsible for the difference. If the credit exceeds the estimate of the customer's twelfth-month billing, the difference will be refunded to the customer.

Due dates will remain the same as the normal billing cycle and all penalty and cutoff policies will remain in effect. In the event of nonpayment disconnection, the customer will be required to bring their account to a zero balance and will no longer be eligible for the plan.

No penalties will accrue, regardless of account balance if payment is received by the due date.

Any customer, who has had any delinquencies or bad checks, in the previous twelve months, will not be eligible for this plan.

The Town reserves the right to request a payment adjustment conference with the customer between anniversary dates if it appears that the amount billed and the amount paid will vary by a substantial amount.

This plan will be available two times per year; with the four cycles billed in April and with the four cycles billed in October being the starting points to run through the twelve months that follow. (Amended November 20, 1989)

BANK DRAFTS PLAN

1. Bank Drafts offer customers the option of having their bank accounts drafted on a set date of the month. This relieves the customer from having the possibility of lost or late payments and saves a trip to the Town Hall or the cost of an envelope and stamp.
2. The draft date will be five (5) calendar days before the due date. This will allow the customer time to verify or question his/her bill.
3. The customer will be required to supply the Town with a Bank Draft application and a voided check for the purpose of drafting.
4. Only good credit customers (as defined on page 2) will be eligible for this program.
5. Any draft returned by the bank because of insufficient funds or a closed account will be treated as a returned check, and the customer will be released from the bank draft program.

MEDICAL ALERT PROGRAM

1. The customer has the responsibility of notifying the Town if there is someone in their household who is either:
 - a. Chronically or seriously ill; or
 - b. On a life support system (heart/lung, respirator, etc.).
2. The customer must provide a letter or certification from a doctor or hospital advising of the above condition. These letters will be reviewed and brought up-to-date in January and July of each year. A customer who complies with these notification procedures will have a medical alert seal placed on his/her meter to designate his/her household as containing a chronically ill or life support customer.
3. The customer has the responsibility to carefully handle his/her account so that service will not be interrupted for failure to pay. With the medical alert designation, the Town will make every effort to make personal contact with the customer before service is terminated.
4. The Town will exercise all diligence in keeping the power flowing to a life support patient. However, due to conditions beyond the control of the Town and its employees (storm damage, loss of generation, etc.), electric power cannot be guaranteed 100 percent of the time. Each customer listed with the Medical Alert Program should have a back-up plan for movement of the life support patient if the Town is unable to restore power in a length of time that is acceptable.

LOAD MANAGEMENT

1. Load Management controls are available for installation by the Town for control of hot water heaters and air conditioning system.
2. Water heaters will be load managed on a year-round basis with residential customers receiving a credit of \$3.00 per month on their utility accounts. (Amended June 21, 1999)
3. Air conditioning units will be load managed during the months of June, July, August and September. During these months, residential customers will receive credits of \$4.00 per month on their utility accounts. (Amended June 21, 1999)

4. Heat Strips will be load managed during the months of December, January, February and March. During these months, residential customers will receive credits of \$10.00 per month on their utility accounts. (Amended June, 21, 1999)

Note: Heat strip control is dependent upon temperature conditions. Heat strips will only be controlled when the outside temperature falls below thirty-two degrees Fahrenheit. Credit on the monthly bill is dependent upon outside temperature falling to or below the threshold and related activation of heat strip controls.

5. All electric utility customers of the Town of Clayton are eligible for this program if the requirements set forth in the load management criteria, as in practice, are met. (Amended November 20, 1989)

SECTION FOUR

DISCONTINUING SERVICE

SECTION FOUR -- DISCONTINUING SERVICE

TRANSFER OF SERVICE

Customers may transfer service from one location to another as long as any current bills are not past due. The remaining amount owed and any fees will be transferred to the new account.

If the customer has an account that is past due, he or she must pay the past due amount before the account will be transferred.

CLOSING A UTILITY ACCOUNT

After an account has been closed by either customer request or policy of the town, all funds, including deposits, refunds, load management, and overcharge credits will be used against amounts owed the town on the closed account first. Remaining funds will then be used against any amounts owed on any other accounts the customer may have with Town. When those accounts have been cleared, a check for the remaining money will be issued to the customer for any net credit.

FORCED CLOSING OF A UTILITY ACCOUNT

1. Two months after termination of utility service due to nonpayment, the account will be closed. All fees and credits are then added to the balance and a "final" bill will be issued to the customer. Any balance owed to the Town will remain in active suspense until the balance is paid.
2. All legal means of collection for an account in arrears will be taken whether the account is in "closed" status or not.

TERMINATION OF SERVICE

1. Requesting Discontinuance of Service: Any customer requesting discontinuance of service will inform the Town's employee of the location, date service is to be disconnected and the forwarding mail address for the final bill.
2. Disconnection Scheduling: Disconnection from the Town's utility system will be performed the same day if the request is received prior to noon. A request received after noon may be fulfilled the next working day.
3. Final Bill: A customer's final bill will be processed and mailed along with the regular cycle billing.

CUSTOMER'S RIGHTS PRIOR TO DISCONTINUANCE OF SERVICE

1. Reasonable Opportunity: The Town will discontinue utility service to customers for nonpayment only after giving the customer a reasonable opportunity to question the accuracy of the bill. Reasonable opportunity is defined as the period of time from the issuance of the bill until the date of potential disconnection.
2. Disputed Bill: If a customer disputes the accuracy of his/her bill, he/she has the right to a hearing at which he/she may be represented in person or by another person of his/her choosing who may present, orally or in writing, his/her complaint and contentions.
3. Exceptions: Under special circumstances, the Town may choose not to interrupt service during extreme weather or when the meter has been sealed with a medical alert tag about whom the Town has prior written knowledge.
4. No Disconnection: Disconnection for nonpayment will not be the day prior to a holiday or a weekend, except when conditions in extension agreements have not been met or a returned check is not picked up within the required 48-hour period.
5. Hearing: The Town will discontinue utility service for nonpayment of bill only after notice has been given and the customer has had the opportunity to be heard on disputed bills. Any customer desiring a hearing may contact the Customer Service Director or his/her designee at the Town Hall, 231 E second Street, Telephone (919) 553-5866. Hearings may be scheduled between 8:00 a.m. and 5:00 p.m., Monday through Friday. This person has the authority to settle the issue and reconnect any disconnected account while the matter is investigated.

The customer may be represented in person and/or by counsel or other person of his/her choosing at this hearing. The complaint may be presented orally or in writing.

The customer will be notified in a timely manner of the results of any investigation regarding a hearing and of any resulting determination regarding adjustment or cutoff. All grievances must be heard and addressed by the Customer Service Director prior to an item appearing before the Town Council.

CUSTOMER'S RIGHTS REGARDING DISCONNECTION

1. If a customer disputes the accuracy of a bill, that customer has a right to a hearing as detailed under the section of this policy titled "CUSTOMER'S RIGHTS PRIOR TO DISCONTINUANCE OF SERVICE".

INVOLUNTARY DISCONTINUANCE OF SERVICE

1. The Town may discontinue utility service for any one of the following reasons:
 - a. Failure of the customer to pay bills for utility service as required in the Billing Information Section of this policy;
 - b. Failure of the customer to pay deposits as required or to increase deposits as required in the Customer Deposits Section of this policy;
 - c. Upon discovery of meter tampering including bypassing the meter or altering its function;
 - d. Failure of the customer to permit Town employees access to their meters and/or load management switches at all reasonable hours. Locked gates, loose dogs, parking cars over meters, etc. are violations of Town policy;
 - e. Use of power for unlawful reasons; and
 - f. Discovery of a condition which is determined to be hazardous or unsafe.
2. Federal laws regarding bankruptcy require that the Town not alter, refuse or disconnect service based solely on the basis of the beginning of bankruptcy proceedings or on the customer's failure to pay for prebankruptcy service, when a petition for bankruptcy has been filed. However, the Town may terminate a bankrupt debtor's service if it is not provided assurance of payment (a deposit or other security) for future services within 20 days after the date of the order for relief. If the debtor gives adequate assurance of future payment for services, the Town may not terminate the debtor's electric service for prepetition debts.
3. Upon request, the Town will take extra measures to insure that handicapped, elderly or seriously ill customers receive their bills, have them explained to them, and are notified of any problems with payment.
4. Partial Payments: Partial payments are accepted on an account, however, a partial payment does not waive an involuntary discontinuance of service. A partial payment is first applied to the oldest charges equally to all utilities.
5. *Accounts subject to involuntary discontinuance shall be assessed a twenty-five dollar administrative fee for processing and working the disconnect. (Amended February 19, 2001)*

DISCONNECTION DURING EXTREME WEATHER

The Town will not exercise its right to disconnect service for nonpayment of any bill when the safety and well being of a customer may be at stake. For that reason, disconnection for nonpayment may not be conducted on an extremely cold winter day or extremely hot summer day, taking into consideration temperature, precipitation and other weather conditions.

If a customer's bill remains unpaid on the next business day, the disconnection for nonpayment may then occur. This delay in disconnection for nonpayment will not preclude the Town from disconnection at a future date and does not change the customer's liability for payment of all bills and fees.

RECONNECTION

When it becomes necessary for the Town to discontinue services for any of the reasons listed above, service will be restored after payment of: (1) all past due bills due the Town including additional fees and charges required by this policy; (2) any deposit as required; and (3) any material and labor cost incurred by the Town according to the current fee schedule.

After hours reconnection may be available if the customer agrees that he or she will pay the past due amount and any additional fees on the next business day.

SECTION FIVE

METERING GUIDELINE

SECTION FIVE -- METERING GUIDELINES

METER READING

1. The Town's meters will be read by Town employees according to the Town's schedule. Reading dates will vary slightly from month to month due to weekends, holidays, weather conditions, and other factors. Monthly billing periods will be assumed to be 30 days, but may range from 27 to 33 days.
2. The Town's well-trained meter readers use modern meter reading equipment and techniques. If meter reading corrections are necessary, the Town will make the adjustments and a new bill may be rendered upon request. A credit due to a customer from a meter reading error will be posted to the customer's account or a check may be written to the customer if requested.

THE TOWN'S RESPONSE TO METER AND LOAD MANAGEMENT SWITCH TAMPERING

1. Tampering with a meter or bypassing a meter is the same as stealing. The large majority of good paying customers who would be financially burdened with paying for the stolen services requires the aggressive enforcement of this policy. The Town will call for prosecution of cases of meter tampering, electric or water theft and fraud to the fullest extent of the law.
2. Load management devices are considered by this policy to be the same as meters. Any damage to these devices will be paid by the customer.
3. A service charge representing the Town's cost for the investigation and processing of a meter tampering case will be billed to the customer who benefited from the tampering.
4. Any customer may contest these additional service charges by calling upon the Customer Service Director for a hearing. A hearing will be scheduled before the Customer Service Director at any time between the hours of 8:00 a.m. and 5:00 p.m. on Monday through Friday except on holidays.
5. Should any Town personnel find an electric meter with the seal cut or removed, whether during utility disconnection or normal meter reading cycles, a charge of \$100 will be added to the customer's account, which will be subject to any utility payment policies of the Town. (Amended May 18, 1998)

Exceptions to the above may be made by the Customer Service Director based on the following criteria:

- a. The account is up-to-date and in good standing.
- b. For the billing period during which the seal was removed, no substantial decrease on consumption was noted.
- c. The customer files an incident report with the Police Department.

(Amended October 22, 1998)

Should a customer discover and report their seal cut, no charge will be levied.

Any person with three or more incidences of a cut seal, whether voluntarily reported or through Town discovery, will face permanent discontinuance of service with the Town.

North Carolina General Statutes 14-159.1 and 14-151.1 prohibits tampering with electric meters:

"It shall be unlawful for any unauthorized person to alter, tamper with or bypass a meter which has been installed for the purpose of measuring the use of electricity, gas or water or knowingly to use electricity, gas or water passing through any such tampering meter or use electricity, gas or water bypassing a meter provided by an electric, gas or water supplier for the purpose of measuring and registering the quantity of electricity, gas or water consumed. Any meter or service entrance facility found to have been altered, tampered with, or bypassed in a manner that would cause such meter to inaccurately measure and register the electricity, gas or water consumed or which would cause the electricity, gas or water to be diverted from the recording apparatus of the meter shall be the prima facie evidence of intent to violate and of the violation of this section by the person in whose name such meter is installed, or the person or persons so using or receiving the benefits of such unmetered, unregistered or diverted electricity, gas or water. It is unlawful for any unauthorized person to alter bypass, interfere with, or cut off any load management device, equipment, or system which has been installed by the electricity supplier for the purpose of limiting the use of electricity at peak-load periods, provided, however, if there has been a written request to remove the load management device, equipment or system to the electric supplier and the electric supplier has not removed the device within two working days, there shall be no violation of this section."

6. Should any Town personnel detect an electric meter service that has been tampered with, a charge of \$100.00 will be added to the customer's account in addition to any use, reconnection, repair or other applicable fees.
7. Should any Town personnel detect a water meter service that has been tampered with, a charge of \$100.00 will be added to the customer's account in addition to any use, reconnection, repair cost or other applicable fees.