

Utility Customer Service Leak Adjustment Policy

PRESENTED TO THE CITY COUNCIL ON
AUGUST 21, 2023

Utility Customer Service Leak Adjustment Policy

Utility Customer Service Team

- Greater than 20,000+ phone calls
- Greater than 40,000+ total touchpoints per year
- Abandoned call ration of 0.96% (99% calls answered)
- Speed to answer time less than 6 seconds
- First call resolution rate of 98%
- Collection rate 99% for 2022-2023
- Customer satisfaction rating of 95%+ and feedback
- Customer Service focused at all times



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History of Leak Adjustment Policy

Before 2015

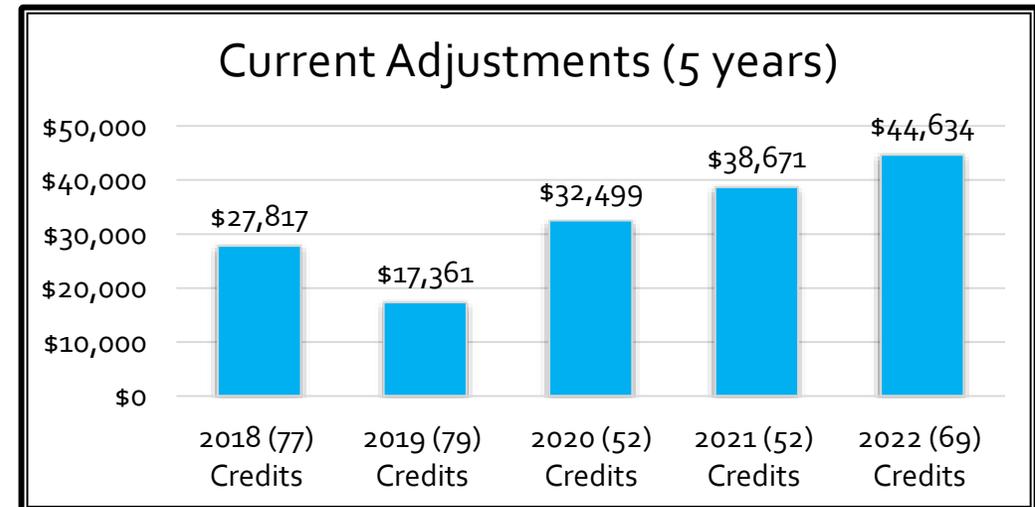
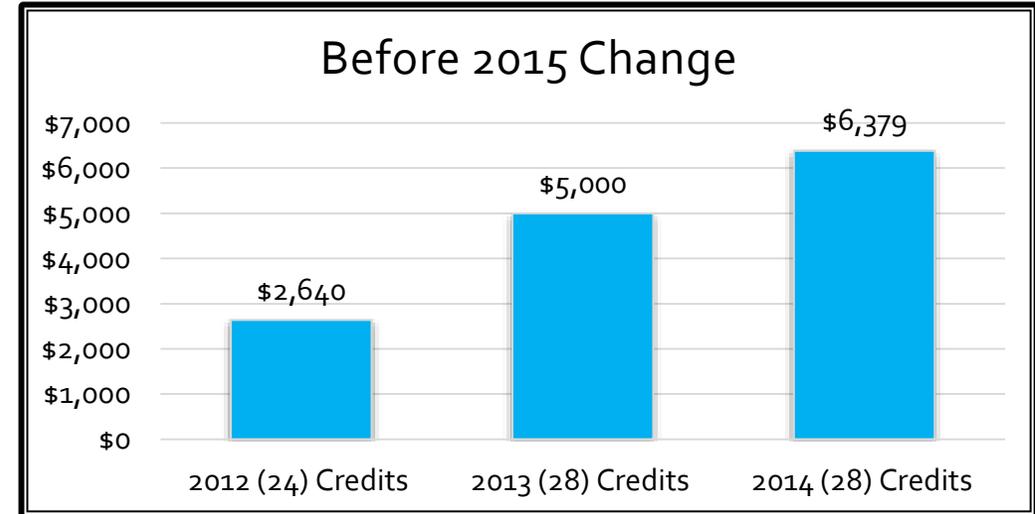
- One adjustment per the life of the account
- Open to residential and commercial
- Customer pays wholesale water cost for leak
- Average 13,200 accounts during 2012-2014
- Average \$175 per credit during 2012-2014

After 2015

- One adjustment every 10 years
- Open to residential and commercial
- Forgiven dollar amount over 12 month average
- Average 15,700 accounts during 2018-2022
- Average \$489 per credit during 2018-2022

*numbers *do not* include Covid-19 or Winter Storm Uri relief adjustments

*rate changes between 2015-2022 *do not* significantly impact these amounts



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Considerations

- Even as 2022 was the highest dollar amount credited, it represents 0.38% of water revenue
- UCS averages 4 leak adjustment requests per month and rarely sees repeats (though policy is clearly communicated)
- Currently UCS does not overly scrutinize eligibility requirements and always works with customers on payment options
- Current policy can be modified in any way including frequency, requirements or calculations

Current Leak Adjustment Policy

City	Frequency	Requirements	Calculation
Burleson	Once every 10 years	<ul style="list-style-type: none">- Evidence of repair (service/parts receipt or shutoff documentation)- All dates or evidence of repair must coincide with dates of high usage- Residential and commercial are both eligible	<ul style="list-style-type: none">- Forgiveness given above a calculated 12 month average (not including leak)

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City	Frequency	Requirements	Calculation
Cedar Hill	Once every 12 months	<ul style="list-style-type: none"> - Evidence of repair required - Leak must be non-visible (e.g., slab leak), visible leaks not eligible (e.g., running toilets, faucets) - Approval process may take up to 2 months 	1/2 largest bill's excess usage over customer's normal usage (e.g., normal monthly usage is 10,000 gallons, with leak of 20,000 gallons, the adjustment will be for amount equivalent to 5,000 gallons)
Cleburne	Once per calendar year	<ul style="list-style-type: none"> - Evidence of repair required - Only water is eligible, not sewer 	Adjustment = 40% of difference based on 3-year average from time of fix Usage compared to previous year if < 3 years at residence
Coppell	Once every 24 months	<ul style="list-style-type: none"> - Application and documentation from plumber required - 12 months of consumption required - Usage caused by leak must be greater than 12-month average - If usage is not greater than 12-month average, no leak adjustment will be granted 	<p>Usage over the 12-month average will be charged as follows:</p> <ul style="list-style-type: none"> - 50% of the remaining usage will be charged at the most current adopted water and sewer rates - 50% of the usage will be charged at the most current rate paid by the City of Coppell to Dallas Water Utilities for the volume rate
Fort Worth	Once every 12 months	<ul style="list-style-type: none"> - Evidence of repair required - Application within 60 days of repair - Up to 2 billing periods may receive adjustment 	Adjustment = 50% of excess usage above average based on preceding 6 months or previous year's relevant use.
Hurst	Once every 12 months	<ul style="list-style-type: none"> - Evidence of repair required - Customer responsible for bill during approval process 	Amount of difference is refunded but based on what the City pays to Fort Worth for the cost of water, not what the resident pays City of Hurst
Keller	Once every 24 months	<ul style="list-style-type: none"> - Evidence of repair required - Non-residential allowed 1 adjustment in a 60 month period - Monthly consumption must be 3x higher than the meter's normal monthly usage 	The calculation is based on previous average consumption and sold to the customer at the base rate.
Mansfield	Once every 24 months	<ul style="list-style-type: none"> - Evidence of repair required - If resident has < 6 months usage, city average used 	Refund full amount of difference based on 6-month average usage
North Richland Hills	Once every 12 months	<ul style="list-style-type: none"> - Evidence of repair required - Bill must exceed 2x average usage from previous 12 months or same time last year - Only hidden leaks are eligible 	<p>If current account has less than 12 months of usage history, most recent 12 months for the property used</p> <p>If property does not have 12 months history available, city average used.</p> <p>Adjustments cover 50% of high usage above the average</p>
The Colony	Once every 12 months	<ul style="list-style-type: none"> - Evidence of repair required - Request must be submitted within 90 days of billing date - Consumption must show over 15,000 gallons during billing period 	Reduce usage over 15,000 gallons to the lowest rate tier. Calculate difference in rate tiers for the leak credit

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Staff Recommendation

City	Frequency	Requirements	Calculation
Burleson	Once every 24 months	<ul style="list-style-type: none">- Evidence of repair (service/parts receipt or shutoff documentation)- All dates or evidence of repair must coincide with dates of high usage- Residential and commercial are both eligible- Must apply within 90 days of the repair	<ul style="list-style-type: none">- Forgiveness given above 12 month average (not including leak) if there is not 12 months history, utilize available history or city average- Adjustments cover 50% of high usage above the average

Additional Options

- Set a hard cap on credit amount (ex. “up to \$500”)
- Require eligibility only if usage rises to two times 12 month average
- Any other options desired

Next Steps

- Receive feedback and direction from city council (**tonight**)
- Bring back ordinance changing the leak adjustment policy (**if changes are made**)
- Requires two readings for update

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Discussion and/or Questions?