

**POLICY ON SEWER USE CHARGE ADJUSTMENTS
RESULTING FROM WATER LEAKS**

Revised: May 2, 2024

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1. Purpose

This Policy has been developed to define the criteria by which the Northeast Ohio Regional Sewer District (NEORS D or District) may adjust sewer charges billed to a customer due to a water leak ("Leak") that has occurred after the customer's water meter.

2. Background

Decisions to grant an adjustment of sewer charges resulting from a water leak are considered on a case-by-case basis in accordance with this policy.

a. Definition of Leak.

For purposes of this Policy, a Leak is a hole, crack, or other failure in the plumbing system, including any attachments such as hoses.

b. Notice of Leak.

The date that a customer knew or should have known that a Leak existed will be determined based on the facts of the situation; however, the customer will be deemed to have known or to have been put on notice of a Leak as of the date a leak notification letter was sent to the address on record for the account or the date the first bill showing excessive usage was issued. This applies regardless of whether the customer actually read the leak notification letter or the bill, because the customer is responsible for maintaining updated contact information on their account and for monitoring their bills.

c. Excess Use Calculation.

Excess use will be calculated with the most representative data of usage of the system, as determined by the District.

3. Approval of an Adjustment

If the District, the District's Billing Agent, or the water provider was notified of the Leak within 6 months of when the customer knew or should have known that a Leak existed, and the District's investigation substantiates the occurrence of the Leak and confirms that one of the Scenarios in Table I below applies, then the District shall approve requests as shown in Table I below. The District may approve requests in cases where, during the 6-month period referenced above, the customer did not contact the District, the District's Billing Agent, or the water provider, but can show evidence that the customer made reasonable and continuous efforts, in the sole

opinion of the District, to identify and make permanent repairs to abate the Leak.

However, the Chief Executive Officer reserves the right to deny any adjustment request in the case of fraud, meter tampering, or other facts which otherwise make an adjustment inappropriate.

Table 1: Scenarios and Credit Amounts for Approval of Water Leak Adjustment Requests

Scenario		Credit
1	None of the leaked water returned to the sanitary or combined sewer.	100% of excess usage
2	The water utility failed to honor a customer's request to turn off the water to a premise, prior to the occurrence of a Leak.	100% of excess usage
3	Fault or failure of the water utility's equipment or plumbing.	100% of excess usage
4	A quantifiable volume of leaked water did not return to the sanitary or combined sewer.	100% of quantifiable volume
5	The leaked water did return to the sanitary or combined sewer; however, the Leak was underground, undetectable, unknown to the account owner, and reasonable effort was made find and repair the Leak once discovered.	100% for the first three billing periods. *
6	An unknown volume of leaked water entered the sanitary or combined sewer system. The Leak occurred without damage to building materials or contents, but there is evidence provided that some water did not enter the system.	10% of excess usage
7	An unknown volume of leaked water entered the sanitary or combined sewer system. The Leak occurred inside a building where one floor was affected. An unknown volume of leaked water absorbed into the building materials or contents, necessitating the removal of the building materials and/or contents.	
	Examples	A. Leak occurred in a basement.
		B. Leak occurred on the 1 st floor of a building with no basement.
8	An unknown volume of leaked water entered the sanitary or combined sewer system. The Leak occurred inside a building where two floors were affected. An unknown volume of water absorbed into the building materials or contents, necessitating the removal of the building materials and/or contents.	
	Examples	A. Leak occurred on the 1 st floor of a building. The leaked water caused damage to both the 1 st floor and the basement below.
		B. Leak occurred on the 2 nd floor of a building. The leaked water caused damage to both the 2 nd floor and 1 st floor, and the building does not have a basement.

9	An unknown volume of leaked water entered the sanitary or combined sewer system. The Leak occurred inside a building where three or more floors are affected, and an unknown volume of leaked water absorbed into the building materials or contents, necessitating the removal of the building materials and/or contents.		50% of excess usage
	Examples	A. Leak occurred on the 2 nd floor of a building. The leaked water caused damage to the 2 nd floor, the 1 st floor, and the basement below.	
		B. Leak occurred on the 3 rd floor of a building. The leaked water caused damage to the 3 rd floor, the 2 nd floor, and the 1 st floor, and the building does not have a basement.	
		C. Leak occurred on the 3 rd or higher floor of a building. The leaked water caused damage to 3 or more floors.	
*Additional billing periods may be considered as long as reasonable, continuous effort was made to repair the Leak, and any delay associated with such repairs were not caused by the account owner or their representative(s).			

4. Approval – One-Time Only Adjustment (with Affidavit)

If a Leak or water loss occurs and the District, the District's Billing Agent, or the water provider was notified of the Leak or water loss within 6 months of when the customer knew or should have known that it existed, the customer will be eligible for a one-time adjustment as outlined below. Additionally, the District may approve requests in cases where, during the 6-month period referenced above, the customer did not contact the District, the District's Billing Agent, or the water provider, but can show evidence that the customer made reasonable and continuous efforts, in the sole opinion of the District, to identify and make permanent repairs to abate the Leak as follows:

Table 2: Scenarios for One-Time Adjustments

Scenario		Credit
1	An accidental usage, other than a Leak, where the water does not return to the sanitary or combined sewer. (E.g. Outside water spigot not turned off)	100% of excess usage
2	The customer claims that lost or leaked water did not enter the sanitary or combined sewer, there is a lack of evidence to substantiate the customer's claim, and the District's investigation cannot verify the customer's claim.	100% of excess usage

3	Multiple water Leaks occur at the same premise at the same time, at least one of the Leaks would otherwise meet the conditions for approval of an adjustment, at least one of the Leaks would otherwise meet the conditions for denial of an adjustment, the volume of each leak cannot be determined, and the customer's plumber has provided an estimated volume for each Leak.	100% of estimated excess usage meeting the conditions for approval of an adjustment
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Upon this determination, the customer will be asked to submit an affidavit attesting that the water use was accidental and that none of the leaked/lost water entered the sanitary or combined sewer. The District will record the customer affidavit on a one-time adjustment tracking form and in the District's customer service database. No further adjustments will be granted to any account unless the criteria of a scenario in Table 1 are satisfied.

5. Denial of an Adjustment

If the District, the District's Billing Agent, or the water provider was not notified of the leak within 6 months of when the customer knew or should have known that a leak existed and did not provide evidence that the customer made reasonable and continuous efforts, in the sole opinion of the District, to identify and make permanent repairs to abate the Leak; or if the District's investigation determines the Leak met any of the scenarios in Table 3, the District will deny the request.

Table 3: Scenarios for Denial of Water Leak Adjustment Requests

Scenario		
1	The water Leak is still occurring.	
2	The customer failed or refused to allow an inspection of the repair(s).	
3	There is not sufficient evidence that a water Leak occurred. **	
	Examples	A. No repairs were made.
		B. There was no increase in water consumption.
4	The leaked water returned to the sanitary or combined sewer. **	
	Examples	A. The result of an interior or exterior plumbing or appurtenance failure.
		B. The result of robbery, vandalism, or the actions of a disgruntled tenant.

** Unless covered in Approval or One-Time Adjustment above.

6. Effective Date

This policy shall become effective May 2, 2024 and shall be applicable to any Leak adjustment requests pending before or after such date. All requests for Leak adjustments for which a final determination has been made by the District will remain unchanged.

APPROVED BY:



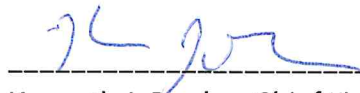
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Date: 5/13/24



Eric J. Luckage, Chief Legal Officer

Date: 05/07/2024



Kenneth J. Duplay, Chief Financial Officer

Date: 05/13/24



James D. Bunsey, Chief Operating Officer

Date: 5/13/24



Constance T. Haqq, Chief Administrative Officer

Date: 5-13-24

Policy on Sewer Use Charge Adjustments Resulting from Water Leaks

Change Log

Date	Section	Revision
04/19/21	All	Original policy draft
5/24	All	Formatting
5/24	4.	Added Scenario 3 to Table 2
5/24	4.a.	Changed to Section 5.
5/24	5.	Changed to Section 6.
5/24	6.	Updated the Effective Date
5/24	All	Added new scenario to Table 2 for multiple Leaks where one Leak subject to adjustment and one leak is not. Removed 2 year look-back period for eligibility for Leak adjustment. Added exception to 6 month notification for customers taking active steps to remedy Leaks. Added “water provider” to instances citing the District or its Billing Agent.