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**ORDINANCE NO.**

**AN ORDINANCE AMENDING CITY CODE CHAPTER 15-9 REGARDING  
UTILITY DEFERRED PAYMENT AGREEMENTS AND RESTORATION OF  
UTILITY SERVICE.**

**BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:**

**PART 1.** City Code Section 15-9-144 (*Deferred Payment Agreement*) is repealed and a new City Code Section 15-9-144 is added to read:

**§ 15-9-144 DEFERRED PAYMENT AGREEMENTS.**

- (A) The director shall adopt rules for collections and deferred payment agreements on utility accounts consistent with this section.
- (B) Before the director may adopt or amend a rule under this section, the director shall present the proposed rule to the Electric Utility Commission, Water and Wastewater Commission, and Resource Management Commission, as appropriate, for consideration and recommendation to the City Council, and the City Council will approve, modify, or disapprove the proposed rule.
- (C) Upon request, the utility shall offer a deferred payment agreement to a customer with a past-due account or whose utility service has been disconnected in accordance with the rules adopted under this section.
- (D) A deferred payment agreement shall allow a residential customer to make reasonable and equal monthly payments toward past due balances.
  - (1) The rules adopted under this section shall provide a process by which the utility and customer can determine a fair and equitable monthly installment amount for the past due balance in relation to the customer's monthly income and financial circumstances.
  - (2) A repayment period of 24 months shall be presumed to be reasonable, but a different period may be used based upon the customer's monthly income and financial circumstances.

(3) Except as provided by Section 15-9-112(D), the first equal installment under a deferred payment agreement shall be due as a down payment.

(E) The utility shall provide a customer who enters into a deferred payment agreement with information about programs available to the customer regarding energy efficiency, conservation, and bill payment assistance.

(F) The utility shall renegotiate a deferred payment agreement if the customer has demonstrated an effort to comply with the agreement for a reasonable period of time and can demonstrate a bona fide need for payment relief.

(G) A deferred payment agreement shall provide for reconnection of service upon payment of the appropriate deposit and fees under Section 15-9-112 and shall amortize the customer's past due balance in accordance with subsection (D).

(H) The rules adopted under this section shall provide a process for granting temporary payment deferment and fee waivers in areas affected by a public emergency or calamity.

**PART 2.** City Code Section 15-9-112 (*Restoration of Service*) is amended to read:

(A) The City shall restore disconnected service within a reasonable time, if the customer pays the full balance of the customer's utility account or enters into a deferred payment agreement and delivers proof of payment and a request for reconnection to customer care.

(B) If the City has disconnected service because of utility service diversion, unlawful use of service, or damage to City utility equipment, before the City restores utility service, the City may require the customer to pay:

(1) the estimated cost of electricity, water, reclaimed water, or wastewater services not recorded on a meter; and

(2) utility diversion charges.

(C) Before the City restores disconnected utility service, the City shall:

(1) require a customer to provide credit security on the customer's utility account as prescribed by Section 15-9-54 (*Credit Security Required*); and

(2) charge a customer applicable fees.

1           (D) If a residential customer participates in or meets the qualifications for the  
2           utility's customer assistance program, the City shall restore disconnected  
3           utility service if the customer enters into a deferred payment agreement,  
4           which shall not require a reconnection fee, down payment, or pre-payment  
5           of a deposit.

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7   **PART 3.**   City Code Section 15-9-106 (*Notice of Service Disconnection*) is amended to  
8   read:

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10   (A)   Except as provided in Subsection (B), the City shall notify a customer if the City  
11   intends to disconnect the customer's utility service.

12   (B)   The City is not required to provide notice of service disconnection to a person  
13   whose service is being disconnected under Section 15-9-105 (*Termination Request by*  
14   *Non-City Utility*).

15   (C)   Notice under this section:

16       (1)   may be delivered by mail, hand delivery, electronic transmission, or telephone,  
17       either by pre-recorded message or in person;

18       (2)   shall be available in both English and Spanish; and

19       (3)   shall include:

20       (a)   the reason for the proposed disconnection;

21       (b)   if applicable, notice of the customer's right to a hearing before service is  
22       disconnected, including that the customer must request a hearing in writing on or before  
23       the due date of the notice, and of the customer's right to request a deferred payment  
24       agreement;

25       (c)   the date of the proposed disconnection, excluding a holiday or weekend; and

26       (d)   if in writing, prominent notice that the document is a disconnection notice.

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28   **PART 4.**   Except as modified by this ordinance, the current policies of the utility  
29   concerning collections and deferred payment agreements shall remain in effect until  
30   superseded by the rules adopted under Section 15-9-144.  
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**PART 5.** This ordinance takes effect on \_\_\_\_\_, 2013.

**PASSED AND APPROVED**

\_\_\_\_\_, 2013      §  
   §  
   §  
\_\_\_\_\_, 2013      §  
   Lee Leffingwell  
   Mayor

**APPROVED:** \_\_\_\_\_ **ATTEST:** \_\_\_\_\_  
                         Karen M. Kennard                           Jannette S. Goodall  
                         City Attorney                           City Clerk