Minutes – Executive Policy Committee – June 7, 2017

Report – Standing Policy Committee on Water and Waste, Riverbank Management and the Environment – May 29, 2017

Item No. 1 Water Leak Credit Policy and H2O Help to Others Program

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

The Executive Policy Committee concurred in the recommendation of the Standing Policy Committee on Water and Waste, Riverbank Management and the Environment and submitted the following to Council:

1. That the existing Adjustment Policy for High Bills for Water and Sewer Services be replaced with the Water Leak Credit Policy detailed in this report and set out in Appendix A, effective August 1, 2017, including extension of the existing non-refundable appeal fee in the amount of $265.00 to appeal under this Policy.

2. That the H2O Help to Others Policy detailed in this report and set out in Appendix D to assist customers in financial crisis be approved

3. That the Proper Officers of the City be authorized to do all things necessary to implement the intent of the foregoing.

Report – Standing Policy Committee on Water and Waste, Riverbank Management and the Environment – May 29, 2017

DECISION MAKING HISTORY:

Moved by Councillor Mayes,

That the recommendation of the Standing Policy Committee on Water and Waste, Riverbank Management and the Environment be concurred in and forwarded to Council.

Carried

STANDING COMMITTEE RECOMMENDATION:

On May 29, 2017, the Standing Policy Committee on Water and Waste, Riverbank Management and the Environment concurred in the recommendation of the Winnipeg Public Service and submitted the matter to the Executive Policy Committee and Council.

On May 1, 2017, the Standing Policy Committee on Water and Waste, Riverbank Management and the Environment laid the matter over to its meeting on May 29, 2017.

ADMINISTRATIVE REPORT

Title: Water Leak Credit Policy and H2O Help to Others Program

Critical Path: Standing Policy Committee on Water and Waste, Riverbank Management and the Environment – Executive Policy Committee – Council

AUTHORIZATION

Author	Department Head	CFO	CAO
L. Szkwarek, CPA, CGA Acting Manager of Finance and Administration	M. L. Geer, CPA, CA Acting Director, Water and Waste Department	M. Ruta	D. McNeil

EXECUTIVE SUMMARY

The proposed Water Leak Credit Policy will replace the current Adjustment Policy for High Bills for Water and Sewer Services and will continue to provide assistance to residential and non-profit customers who receive a high bill caused by broken and/or malfunctioning plumbing fixtures and/or pipes. Qualifying customers would be required to pay twice their normal bill and receive a credit for the remainder.

Introduction of the new H2O Help to Others (H2O) Program will provide assistance to low income individuals and families who are having difficulty paying their City of Winnipeg utility bill. This assistance will benefit low income customers and will reduce the rate of water disconnections. The Public Service is recommending that an independent community-based organization conduct initial screening of applications under the H2O customer payment assistance program on behalf of the City of Winnipeg and provide recommendations to City staff. The Salvation Army has agreed to serve in this role.

Collectively the Water Leak Credit Policy and the H2O Help to Others Program will provide assistance to more customers in need and ensure that property owners that do not maintain their properties remain responsible for their water and sewer use.

The Public Service anticipates that no increase to utility operating budgets will be required to fund all costs for the above.

RECOMMENDATIONS

1. That Council replace the existing Adjustment Policy for High Bills for Water and Sewer Services with the Water Leak Credit Policy detailed in this report and set out in Appendix A effective August 1, 2017, including extension of the existing non-refundable appeal fee in the amount of $265.00 to appeal under this Policy.

2. That Council approve the H2O Help to Others Policy detailed in this report and set out in Appendix D to assist customers in financial crisis.

3. That the proper officers of the City be authorized to do all things necessary to implement the intent of the foregoing.

REASON FOR THE REPORT

Council approval is required to cancel the existing policy approved by Council and to approve the new Water Leak Credit Policy and the H2O Help to Others Program proposed in this Report.

IMPLICATIONS OF THE RECOMMENDATIONS

The value of credits approved under the Water Leak Credit Policy is expected to be lower than under the existing Adjustment Policy for High Bills for Water and Sewer Services. The cost savings should be sufficient to cover the cost of the H2O Help to Others Program.

HISTORY / DISCUSSION

A. Adjustment Policy for High Bills for Water and Sewer Services (current policy)

On June 2, 1997, the Standing Policy Committee on Finance and Administration requested the Department develop a policy to address water bill appeals and replace the then existing process of appealing to the Standing Policy Committee on Public Works. Council approved the Adjustment Policy for High Bills for Water and Sewer Services (High Bill Adjustment Policy) on May 27, 1998. The High Bill Adjustment Policy was intended to ensure consistent application of adjustments among account holders. The Policy requires customers to pay two times their normal bill amount but included a provision to allow customers to appeal the recommended utility bill credit on the basis of financial hardship. Customers receive a credit for a bill that is more than twice their normal bill and "for which no explanation has been identified or which were caused by a plumbing leak, accident or equipment malfunction."

At the time of the 1998 Administrative Report, the High Bill Adjustment Policy estimated an annual program cost of $494,000. The actual average annual cost of the program, from 2011 – 2015, was $315,000.

The Public Service has identified deficiencies with the current policy as follows:

- The policy is difficult for customers to understand.
- The policy is difficult to communicate to customers, which results in inconsistent access to adjustments.
- The policy criteria, which limits eligibility based on meter size, is a poor indicator of which customers require assistance.
- The policy does not provide support to customers in need of assistance if they have not had a high bill.

The existing High Bill Adjustment Policy allows customers to appeal the recommended utility bill credit on the basis of financial hardship. However, Water and Waste employees do not have the training or expertise to perform the intake and income verification needed to assess financial

need. Also, customers may not be comfortable discussing their financial situation with City of Winnipeg employees.

B. Water Leak Credits - Comparison to other Municipalities

The Department reviewed leak adjustment policies of 21 Canadian and U.S. water utilities. A summary of comparative information can be found in Appendix B of this report. The following is a summary of findings:

- Some utilities require customers to pay for all water use whether due to leaks or plumbing malfunction (e.g. Toronto, Guelph and London, Ontario).
- Some utilities only provide adjustments for underground leaks where the customer could not reasonably have known of the leak (e.g. Vancouver, Saanich and Nanaimo, B.C.). Winnipeg does not bill any customers for underground leaks, since all Winnipeg water meters are inside the home (i.e. the water is not metered until the point where it enters the home).
- Where utilities offer a credit for internal water leaks, the criteria for qualification, application process and credit calculation varies.

C. Water Leak Credit Policy – Proposed

The Water Leak Credit Policy is proposed to replace the Adjustment Policy for High Bills for Water and Sewer Services approved by Council on May 27, 1998. The policy maintains the same credit calculation but amends the eligibility criteria based on the review of other utilities benchmarked. The proposed policy is included as Appendix A to this report.

The following circumstances would make a customer ineligible:

1. *Commercial and multi-unit rental income properties.*

   Owners of commercial properties (including rental properties) usually employ staff to monitor their operation in order to control expenditures on utilities. In business, plant managers and caretakers can be expected to continuously monitor plumbing fixtures and equipment.

   Some landlords or their property managers do not obtain regular meter readings or inspect their properties but rely on their tenants to alert them of potential water leaks. Where tenants are not responsible for the cost of water leaks they are not incented to advise the landlord.

   Commercial customers, including landlords should not be permitted to transfer the risk of operating their business to the remaining rate payers.

   This exclusion does not apply where tenants are billed for their individual water use.

2. *Customers who do not provide proof of repairs.*

   As with water leak policies in most municipalities (see Appendix B), the proposed Policy is intended to cover the cost of water leaks caused by broken and/or malfunctioning plumbing fixtures and/or pipes. The credit is not intended to cover the cost of intentional

water use, theft or vandalism. Unless a leak has been identified and corrected, the customer would not be eligible for a Water Leak Credit.

3. *Properties that were vacant for a period of time longer than seven days, where water was not turned off.*

   The risk of property damage and high water bills increases when properties are vacant for even a few days. Property insurance companies and home repair experts recommend customers turn off the water to properties that will be vacant for more than 48 to 72 hours to reduce the risk of property damage. Information about how to turn off water inside is included on the City's website. The City should not assume risks of high water bills than can be prevented by the customer.

4. *Customers who contravene the Water By-law or Sewer By-law.*

   For example, this exclusion would apply to customers or properties where:
   - An unmetered water line or open by-pass line existed in the past five years (sections 48 and 54 of Water By-law)
   - The owner or occupant has been convicted of tampering with a water meter (clause 52(d) of Water By-law)
   - The owner or customer has contravened section 56 of the Water By-law by failing to provide a meter reading or allowing a designated employee to enter the property to obtain a meter reading for a period of 12 months during the period when the leak occurred.
   - Customers who are in violation of City By-laws should not benefit from available credits. This provision is consistent with other utility programs such as the Adjustment of Sewer Charges Program and Large Volume Sewer Discount.

Some non-profit customers would be eligible for a larger credit under the proposed policy (i.e. those with larger meter sizes who are currently limited to funding based on financial need).

Applicants who are not approved for a Water Leak Credit or who feel the approved credit is not consistent with this Policy, may request an internal review. If the applicant is not satisfied with the result of the internal review, they may appeal to the Utility Credit Review Committee. Appeals must be received within 30 days of receiving their approval or denial letter and must be accompanied by a non-refundable appeal fee as outlined in the Policy.

The Water Leak Credit Policy will be communicated to all customers through the City's website including the Important Information for Landlords page.

D. <u>A Case for Customer Payment Assistance Programs</u>

The City of Winnipeg does participate in several initiatives to provide assistance to its customers:

- The Adjustment Policy for High Bills for Water and Sewer Services (proposed in this report to be replaced with the Water Leak Credit Policy) provides assistance to residential and non-profit customers who receive a high bill caused by broken and/or malfunctioning plumbing fixtures and/or pipes

- The Residential Toilet Replacement Credit Program introduced in 2009 provides a credit to customers who replace older toilets with low flow toilets. This helps customers reduce their overall utility bill.
- At the request of a provincial social agency, the City will directly bill the agency for water and sewer costs.
- The City does extend payment terms to customers who are making a good faith effort to pay their utility bill.

However, these programs do not assist all customers in need. Like many municipalities, increases in Winnipeg water and sewer rates have exceeded the cost of inflation for several years. These rate increases have had a disproportionate impact on low income households.

The City of Winnipeg does not have a customer payment assistance program. Customers who are unable to pay their utility bills eventually face disconnection of service. A lack of utility service often results in customers leaving their rental accommodation. Unpaid water and sewer charges are subsequently added to property taxes and become the debt of the landlord.

The Public Service has looked at other utilities and industry information for best practices in customer payment assistance programs. Many utilities offer assistance programs that provide emergency funding to customers faced with unforeseen circumstances that lead to a financial strain on the individual or family.

According to a report by the United States Environmental Protection Agency, Customer Assistance Programs (CAPs) benefit utilities in the following ways:

1. *Offers an Opportunity to Practice Social and Corporate Responsibility – Taking care of the less fortunate in our communities is the right thing to do. Utilities have a unique opportunity to help neighbors in need.*

2. *Improves Public Relations – From a business standpoint, CAPs allow utilities to:*
    - *Improve public health and environmental quality,*
    - *Continue their critical role in the community and local economy,*
    - *Improve their standing with customers, and*
    - *Bolster their reputation with other key stakeholders in the community. A water sector utility that finds ways to serve its entire customer base will be championed as a critical asset to the community.*

3. *Improves Financial Health – Utilities can save on administrative and legal costs associated with collecting on debts, disconnection, and reconnection of water services.*[1]

With many CAPs, utilities establish the budget and eligibility criteria and partner with an independent community-based organization to provide administration. For example, The Salvation Army administers programs on behalf of the City of Halifax (water utility) and Manitoba Hydro (electric/natural gas).

[1] Drinking Water and Wastewater Utility Customer Assistance Programs, United States Environmental Protection Agency, April 2016

It could be that external agencies whose core mission is assistance are, in fact, better suited to a number of practice implementation functions for which utility personnel are not trained or professionally inclined.[2]

E. H2O Help to Others Program

The H2O Help to Others Program (H2O) is a customer assistance program designed to assist customers who are facing disconnection of their water service. The proposed Policy is outlined in Appendix D to this report.

The Public Service has met with the Salvation Army and they have agreed to assist the City with administering the H2O program. The Salvation Army is prepared to meet with applicants to assess eligibility for the program and will exercise its professional expertise and discretion to make a recommendation regarding eligibility and credit amount. The Salvation Army has been chosen to carry out this role as they have the knowledge, capability and infrastructure already in place. The Salvation Army manages a similar program, *Neighbours Helping Neighbours,* for Manitoba Hydro. In addition, the Salvation Army is also able to provide applicants with referrals to a variety of other community and government programs that provide assistance in times of crisis. For example, applicants may be eligible for additional forms of financial assistance and employment or other counseling.

The City of Winnipeg will enter into a one year service agreement with the Salvation Army for $10,000 to cover their administrative salaries, stationery and other overhead for the first year of the program. This arrangement will have to be reviewed and renegotiated annually. (The Public Service has the delegated authority to award this and future contracts to the Salvation Army or another similar organization so long as funding is available, the organization is a public sector body and the fee for service is considered fair and reasonable.)

To be eligible for assistance from H2O, the applicant must meet all of the following conditions:

1. The applicant must be the customer for a current utility account and must be a resident at the service address. H2O credits will not be approved for water used for commercial or rental properties or for multi-family dwellings.

2. The applicant's household income must be below Statistics Canada pre-Tax Low Income Cut-off, and in an emergency situation; that is, one where there are no resources to pay the City of Winnipeg utility bill and the household is about to face disconnection of water service.

3. The applicant and other members of the applicant's household must not have received assistance from H2O in the past.

4. The utility account holder must complete and submit an application and must be willing to meet with The Salvation Army (or another agency contracted with the City to perform this role) to review the application.

5. The utility account must be billed to an actual reading or an actual meter reading must be submitted with the application.

[2] Best Practices in Customer Payment Assistance Programs, Water Research Foundation, 2010

6. The applicant must not have been convicted of a violation of the Water By-law or Sewer By-law in the past five years.

Applicants who qualify for the H2O Program will receive the lesser of:

1. The balance outstanding on the turn off notice; or
2. The maximum credit based on the typical quarterly bill for the number of household members as follows (2017 rates):

Household Size	Maximum Credit
1	145.00
2	185.00
3	250.00
4	315.00
5 or more	380.00

The maximum credit will be adjusted annually to reflect increases to utility rates approved by Council.

Applicants who are not approved for an H2O credit or who feel the approved credit is not consistent with this Policy, may appeal in writing to the Utility Credit Review Committee within 30 days of receiving their approval or denial letter.

F. Program Costs and Funding

Annual program costs for the Water Leak Credit Policy are expected to be lower than the existing Adjustment Policy for High Bills for Water and Sewer Services. Appendix C provides a comparison of eligible credits under the two policies. For example, the majority (124/191) of customers that received a High Bill Credit in 2014, would receive the same credit under the Water Leak Credit Policy. The remaining customers would not meet the eligibility criteria of the Water Leak Credit Policy. Customers that do not monitor or maintain their property in an appropriate manner often incur higher water and sewer charges. This is evident by the higher average credit historically approved for these customers. Non-profit customers may receive higher credits under the Water Leak Credit Policy since the proposed policy does not limit funding based on financial need.

The total budget for both the Water Leak Credit Policy and the H2O Help to Others Program is not expected to exceed the 2017 Council approved operating budget amount of $386,106 that was estimated to fund the existing Adjustment Policy for High Bills program. Although actual costs vary annually based on the number of applications received, net savings from the proposed Water Leak Credit Policy are expected to be sufficient to fund the costs of the H2O Help to Others Program.

The Public Service will provide reports on the results of the Water Leak Credit Policy and the H2O Help to Others Program following the first six months of operations for each.

FINANCIAL IMPACT

Financial Impact Statement

Date: March 1, 2017

Project Name:

Water Leak Credit Policy and H2O Help to Others Program

First Year of Program **2017**

	2017	2018	2019	2020	2021
Capital					
Capital Expenditures Required	$ -	$ -	$ -	$ -	$ -
Less: Existing Budgeted Costs	-	-	-	-	-
Additional Capital Budget Required	$ -	$ -	$ -	$ -	$ -
Funding Sources:					
Debt - Internal	$ -	$ -	$ -	$ -	$ -
Debt - External	-	-	-	-	-
Grants (Enter Description Here)	-	-	-	-	-
Reserves, Equity, Surplus	-	-	-	-	-
Other - Enter Description Here	-	-	-	-	-
Total Funding	$ -	$ -	$ -	$ -	$ -
Total Additional Capital Budget Required	$ -				
Total Additional Debt Required	$ -				
Current Expenditures/Revenues					
Direct Costs	$ 386,106	$ 406,358	$ 413,485	$ 421,755	$ 430,190
Less: Incremental Revenue/Recovery	-	-	-	-	-
Net Cost/(Benefit)	$ 386,106	$ 406,358	$ 413,485	$ 421,755	$ 430,190
Less: Existing Budget Amounts	386,106	406,358	413,485	421,755	430,190
Net Budget Adjustment Required	$ -	$ -	$ -	$ -	$ -

Additional Comments:

The recommendations in this Report are anticipated to be cost neutral to rate payers. The value of credits approved under the Water Leak Credit Policy will be lower than under the existing policy and the cost savings are expected to be sufficient to cover the cost of the H2O Help to Others Program. The estimated cost includes $10,000 in administrative costs to be paid to the Salvation Army. Annual budget amounts are adjusted by estimated water and sewer rate increases.

"Original signed by L. Fisher, for"

Lucy Szkwarek, CPA, CGA

Acting Manager of Finance and Administration

CONSULTATION

In preparing this report there was consultation with:

Legal Services (as to legal issues)
Community Services

OURWINNIPEG POLICY ALIGNMENT

01-3 Prosperity
Direction 1: Provide Efficient and Focused Civic Administration and Governance
> Continuously pursue innovative, streamlined service delivery and decision making processes.

03-1 Opportunity
Direction 4: work with Municipal Service Areas as a Collaborator on Poverty Reduction
> Participate in a community-led poverty reduction strategy that involves a cross-section of residents, community organizations and all levels of government.

SUBMITTED BY

Department: Water and Waste
Division: Finance and Administration
Prepared by: Wanda Burns, CPA, CA
Date: May 10, 2017
File No.: W-907

ATTACHMENTS:

APPENDIX A – Water Leak Credit Policy
APPENDIX B – Water Leak Policies – Comparison to other municipalities
APPENDIX C – Water Leak Credit Policy – Comparison to historical policies
APPENDIX D – H2O Help to Others Policy

APPENDIX A

Winnipeg

CITY OF WINNIPEG POLICY NO. XXX-XXX

POLICY TITLE *Water Leak Credit Policy*	**ADOPTED BY** *City Council*	**EFFECTIVE DATE** *August 1, 2017*
ORIGIN / AUTHORITY *City Council*	**CITY POLICY NO**	**MOST RECENT CONSOLIDATION** *N/A*

1. Purpose:

The purpose of the Water Leak Credit Policy is to provide financial assistance to single-family residential and non-profit customers who receive a high utility bill for water and sewer services, as a result of a water leak within their house or building.

The policy does not cover:

a. water loss from theft or vandalism
b. unexplained water use, or
c. intentional water use (e.g., lawn/garden watering, landscaping, building construction, swimming pools).

2. Definitions:

"water leak" means unintentional water loss caused by broken and/or malfunctioning plumbing fixtures and/or pipes (within the building, at any point downstream of the water meter). .

3. Water Leak Credit Policy

To be eligible for the credit, the applicant must meet all of the following conditions:

3.1 Applicant/property type

a) The applicant:
   a. must be responsible for the utility account
   b. must be a residential customer or a non-profit customer(i.e. incorporated without share capital, does not seek profit and does not distribute excess income to its members, in the form of dividends or otherwise), and
   c. must not have received a credit in the past under other policies related to high water bills (e.g., this Policy, the Adjustment Policy for High Bills for Water and Sewer Services, Financial Hardship Adjustments).

d. must not have been convicted of a violation under Part 9 or 10 of the Water By-law or under Part 12 of the Sewer By-law
e. must not have failed to respond to a request for a water meter reading for more than 12 months during the period the leak occurred

b) The property:
   (i) must not have been unoccupied and/or vacant for more than seven days, without the water being shut off at the internal shut-off valve during the period the leak occurred.
   (ii) must not have had an unmetered water line or open by-pass line in the past five years

3.2 Water use/leak

a) The leak must have caused water use to be greater than two times the customer's normal water use for a similar period from the previous year.
b) The applicant must have the leak repaired and provide proof of repair (e.g., plumber's invoice with explanation of repair, receipts for parts along with photos showing completed repairs).
c) If the City requests access to the property to conduct an inspection, the applicant must comply within 30 days of the date of the request. The City has the right to inspect the repairs.

3.3 Application

The City must receive the application within 120 calendar days after the applicant was initially notified of increased water use. The applicant will not qualify for this policy for water use recorded after the notification date. Notification may include:

- receipt of a bill based on an actual meter reading
- a phone call or answering machine message left by the utility indicating that water use has increased or a water meter reading is high, or
- a leak notification notice left on-site or mailed by a designated employee

3.4 Credit calculation

The applicant will be required to pay:

a. two times (2x) their normal water use, and
b. two times (2x) their normal water use for all periods where meter readings were not received.

4. Notice to Applicants

The Water and Waste Department shall mail a decision letter which shall indicate the amount of approved credit (if any) or an explanation why no credit has been approved.

5. Appeal Process

Applicants who are not approved for a Water Leak Credit or who feel the approved Credit is not consistent with this Policy, may appeal this decision. The appeal process is two tiered.

5.1 Internal Review

Upon receipt of an approval or denial letter, applicants who feel the approved credit is not consistent with this Policy may request their application be reviewed by the Supervisor responsible for this Policy.

The applicant must indicate the criteria under which they feel their application was not correctly evaluated. Any other criteria shall not be reviewed or considered. The applicant may provide any additional documentation that they feel is necessary to support their application.

Upon completion of the Internal Review, the Supervisor shall mail a decision letter which must advise applicants they may appeal the decision to the Utility Credit Review Committee within 30 days by mailing an appeal to:

Utility Credit Review Committee
Water and Waste Department
510 Main St
Winnipeg, MB R3B 3M1

A non-refundable appeal fee established by Council must accompany all appeals.

Applicants who feel their needs will not be adequately met by a written appeal may request their appeal be made in person to the Committee.

5.2 Utility Credit Review Committee

The Utility Credit Review Committee includes three members as follows:

a) Manager, Finance and Administration, Water and Waste Department
b) Manager, Customer Service, Water and Waste Department
c) Third manager appointed by the Director, Water and Waste Department. This member may be appointed for a single meeting or for a set period of time determined by the Director.

The Utility Credit Review Committee must meet at least quarterly. Appeals must be received two weeks prior to a scheduled meeting to give the administration time to prepare information for review by the Committee. Any requests received outside of this time frame would be reviewed at the following meeting.

5.3 Committee Decisions

The Committee must send a formal letter to the applicant within 30 days of the Committee meeting outlining the Committee's decision.

If the Committee decides that a credit is warranted based on the review of information, the approved credit amount must be consistent with the criteria as outlined in this Policy.

6. Responsibilities

6.1 Responsibility of the Director, Water and Waste Department – The Director must:

a) Ensure that completed Water Leak Credit applications are received and reviewed.
b) If applications meet all eligibility criteria, ensure that customer utility accounts are credited with approved Water Leak Credit.
c) Ensure that applicants are properly notified of decisions in respect of their applications for the Water Leak Credit and advised of their rights to appeal.
d) Appoint the chair and members of the Utility Review Committee and ensure that appeals are conducted according to this Policy.

6.2 Responsibility of the Applicant – In order to receive a Water Leak Credit, the applicant must:

a) Submit a completed application form along with all required documentation
b) Make arrangements for the City to inspect the property if requested

7. Appendices

7.1 Appendix A - Sample Credit Calculation

POLICY TITLE	EFFECTIVE DATE	MOST RECENT CONSOLIDATION
Water Leak Credit Policy	*August 1, 2017*	*N/A*

Appendix A - Sample Credit Calculation (*m^3 = cubic metres)*

The following information is provided for illustration purposes only and assumes the prior bill was based on an actual meter reading. Following the sample calculation is no guarantee of the amount of credit you may receive.

Based on the following information:

	Meter Reading Dates	Number of Days in Bill Period	Total Water Use (cubic metres)	Average Daily Water Use Calculation (cubic metres)
Normal Bill	January 2 - March 31, 2015	88 days	43.7 m^3	0.50/day [(a)] (43.7 / 88 days)
Leak Bill	January 3 - April 2, 2016	89 days [(c)]	98.1 m^3	1.10/day [(b)] (98.1 / 89 days)

Perform the following calculations:

Take Average Daily Water Use Calculation for Leak Bill	1.10 m^3 [(b)]
Subtract Two times (2X) Average Daily Water Use Calculation for the Normal Bill (0.50 m^3 [(a)] X 2)	1.0 m^3
The difference is the daily amount eligible for the Water Leak Credit	0.10 m^3
Multiply by Number of Days in Bill Period for the Leak Bill	89
Total Water Use eligible for Water Leak Credit	8.9 m^3
Multiply by current water and sewer rates (2016 rates)	$4.03
Total Eligible Water Leak Credit	**$35.87**

One Time Policies
Comparative Review

City	Eligibility (type of leak)	Other Criteria	Adjustment Calculation
Capital Region District BC	The leakage of water must have been caused by circumstances beyond the customer's control, such as a break in the service line, a mechanical malfunction, water theft, vandalism, or unusual or emergency conditions. Effective December 6, 2007, no adjustment shall be made for internal plumbing systems and fixtures, including faucet and toilets, or leaks in irrigation systems on the property.	Must apply within 30 days. Tangible proof will be required that all leaks have been repaired (i.e. repair receipts). City has right to inspect. Note: Once a customer has been notified by CRD Water Services of abnormal consumption, no leak adjustments shall be considered for water consumption which is recorded subsequent to the notification date.	The customer shall assume responsibility for the normal amount of water consumed at the current retail rate plus 50% of the water consumed as a result of the leak at the current retail rate. CRD Water Services shall absorb the remainder of the cost of water consumption. The maximum amount for which a residential customer will be held responsible is one thousand dollars ($1,000).
Chilliwack BC	Water use if the water leak was accidental or otherwise beyond the control of the owner.	Must apply within 14 days of detection. Must supply proof in the form of a receipt that the leak has been repaired.	Bill adjusted to the average per day consumption over the past two meter readings PLUS a 15% administrative levy.
Nanaimo BC	A leak adjustment may be warranted for leaks occurring in the main water line (between the meter and the house).	Unknown	Unknown
Richmond BC	You are billed for all water passing through the water meter.	N/A	N/A
Saanich BC	Leak adjustments will only apply to leaks in the main underground water line(s) between the meter and the residence or building(s). Leak adjustments do not apply to: • All internal plumbing systems and fixtures (including: toilets, faucets, washing machines, and hot water tanks) • Irrigation and/or sprinkler systems • In-ground or above ground pools, ponds, and fountains • Any auxiliary lines connected to the main water line(s) • Premises left abandoned or vacated without reasonable care for the plumbing system	Leak adjustment forms must be submitted within 120 days of the leak notification date. Leak adjustments will not apply to water lost subsequent to 60 days from the leak notification date: • A notification card left on site by the meter reader • A phone call or answering machine message left by our office • A bill message on the Utility Bill • Proof of repair is required (plumber receipt and/or receipt for parts and/or photos).	Unknown
Vancouver BC	Underground leak where the customer could not reasonably be expected to have been aware of the leak.	Repair must be completed within 96 days of notification of the leak.	Bill based on estimate of normal consumption.

City	Eligibility (type of leak)	Other Criteria	Adjustment Calculation
Calgary AB	Abnormal water consumption.	Consideration is given to: • whether customer is residential or general services • action taken by the customer to prevent the abnormal consumption • cause of abnormal consumption • any other factors the director considers relevant	Unknown
Guelph ON	Customers are required to pay for all water that passes through their meter, whether due to a leak or plumbing malfunction, or increased consumption.	N/A	N/A
Hamilton ON	Residential, non-profit and institutional companies who have a leak - defined as unintentional water loss caused by broken and/or malfunctioning plumbing fixtures and/or pipes within a residence or building so that a leak occurs when there is a failure of the plumbing system to do what it was designed to do. Commercial, industrial and income producing residential rental property owners are not eligible. Water loss due to theft, vandalism or construction damage is not covered under the Policy. Resolving these issues is the responsibility of the customer. No adjustments will be granted if a dwelling is unoccupied and/or vacant for 72 hours or more.	Repair must be completed within 120 days of notification increased water use and must be verified by a company reading. Application must be submitted within 120 days of repair. City has right to inspect which must be granted within 30 days of request.	Adjustment equals 50% of additional water use with a maximum adjustment period of 240 days.
London ON	Owner shall be responsible for the Water loss occasioned by a leak.	N/A	N/A
Toronto ON	Customer is responsible for any water loss which occurs as the result of a leak in a frozen private water service pipe.	N/A	N/A
Moncton NB	Unknown	Application within six weeks of receipt of water bill or when leak is identified. Must supply receipt or other evidence that problem has been corrected.	Maximum credit $100.

City	Eligibility (type of leak)	Other Criteria	Adjustment Calculation
Tuscon AZ	Unintentional water loss caused by broken and/or malfunctioning plumbing fixtures or pipes at a residence or building. Leak adjustments are also available when there is an unexplained high water use, theft, or vandalism.	Written request after all leaks have been repaired and water usage has returned to normal levels. Adjustments are ratified by Board of Directors.	Charge customer same amount as the same period last year.
Bellevue WA	Leak in buried pipe, excluding irrigation systems.	Written application. Amount must be more than $10 more than charge for same period last year.	Adjust water and sewer charge based on a reduced rate for excess water. Reduced rate is administratively set.
Black Diamond WA	Leaks between the meter and the building	Unknown	Up to 50% of volume for any one month period in excess of monthly average for previous 12 months.
Lake Whatcom WA	Water use from broken or leaking water service lines upon the premises of any customer, without knowledge or fault of the customer.	Application due within 30 days of receipt of bill. Must repair within 60 days and provide documentation of satisfactory repair.	One half of excess water billing and entire excess sewer billing
Northbend WA	Leak in the service pipe.	Must provide invoice confirming leak is repaired within seven days of its discovery or seven days of being notified by City of probable leak - whichever comes first.	Customer pays average of the water charges of the three-month period consisting of the same month from the previous year as the month the leak was discovered, and the month before and after the previous year
Seattle WA	Hidden or underground water leakage.	Must apply within four months.	Adjust the wastewater volume charge to the premises for water lost
Tukwila WA	Excessive water consumption that can be attributed to a water leak.	Must supply receipt for repairs or repair materials. City must inspect that repairs have been completed.	Maximum two billing cycles and $5,000. Adjust water portion based on same period last year. Adjust sewer portion ONLY if it can be demonstrated that the additional water did not enter the sewer system. Appeals must be received within 15 days of receipt of adjustment and are heard by entire City Council.
Vancouver WA	Broken water pipe. Reductions shall not be permitted on account of leaking toilets, plumbing fixtures, or unexplained usage and shall not exceed two bills.	Repairs must be verified by inspections by the city or where repairs cannot be seen, proof of repairs must be supplied.	Reduce the bill in question to the average amount billed for similar periods in previous years plus, a special rate of only 20 cents per hundred cubic feet for any excess

Water Leak Credit Policy
Comparison to Adjustment Policy for High Bills for Water and Sewer Services
Review of 2014 Applications

	Adjustment Policy for High Bills for Water and Sewer Services			Water Leak Credit Policy	
	Approved Applications	**Approved Credit**	**Average Credit**	**Proposed Credit**	**Savings (Additional cost)**
One Time Credits					
Residential or non-profit customers who would see no change	124	81,431	657	81,431	-
Customers who would not be eligible:					
Commercial customers (includes multi-family)	24	74,892	3,121	-	74,892
Customers who could not explain water use (i.e. no leak)	2	9,177	4,589	-	9,177
Properties vacant more than 7 days	19	19,014	1,001	-	19,014
Properties with no meter reading for more than 1 year	22	88,403	4,018	-	88,403
Total One Time High Bill Credits	191	272,917	1,429	81,431	191,486
Financial Hardship Credits					
Non-profit customer who would have received a higher credit	1	27,426	27,426	50,326	(22,900)
Residential customer who would receive a Water Leak Credit and could also apply for H2O funding	1	634	634	251	383
Residential customer who would not qualify for a Water Leak Credit but could apply for H2O funding instead	1	396	396	-	396
Total Financial Hardship Credits	3	28,456	9,485	50,577	(22,121)
Total Credits	194	301,373	1,553	132,008	169,365

APPENDIX D

Winnipeg

CITY OF WINNIPEG POLICY NO. XXX-XXX

POLICY TITLE *H2O Help to Others*	**ADOPTED BY** *City Council*	**EFFECTIVE DATE** *TBD*
ORIGIN / AUTHORITY *City Council*	**CITY POLICY NO**	**MOST RECENT CONSOLIDATION** *N/A*

1. Purpose:

The purpose of this Policy is to ensure that the H2O Help to Others Program provides one-time financial assistance to customers facing disconnection of their water service in accordance with City of Winnipeg Council direction.

2. Definitions:

2.1 **"H2O"** means the H2O Help to Others Program approved and funded by Council.

2.2 **"Turn off notice"** means a notice issued by the Water and Waste Department which states service will be stopped if the account is not paid within a specific period of time (currently 10 days).

2.3 **"Utility Bill"** means a bill issued by the Water and Waste Department that includes water service and may include sewer, solid waste and other services.

3. H2O Help to Others Policy

3.1 Eligibility

To be eligible for assistance from H2O, the applicant must meet all of the following conditions:

a) The applicant must be the customer for a current utility account and must be resident at the service address. H2O Credits will not be approved for water used for commercial or rental properties or for multi-family dwellings.

b) The applicant's household income must be below Statistics Canada pre-Tax Low Income Cut-off, and in an emergency situation; that is, one where there are no resources to pay the City of Winnipeg utility bill and the household is about to face disconnection of water service.

POLICY TITLE *H2O Help to Others*	**EFFECTIVE DATE** *TBD*	**MOST RECENT CONSOLIDATION** *N/A*

c) The applicant and other members of the applicant's household must not have received assistance from H2O in the past.

d) The utility account holder must complete and submit an application and must be willing to meet with The Salvation Army (or a similar organization contracted with the City to perform this role) to review the application.

e) The utility account must be billed to an actual reading or an actual meter reading must be submitted with the application.

f) The applicant must not have been convicted of a violation of the Water By-law or Sewer By-law in the past five years.

3.2 H2O Credits

Subject to funding of the H2O Program, applicants who qualify for the H2O program will receive the lesser of:

1. The balance outstanding on the turn off notice; or
2. The maximum credit for 2017 as follows:

Household Size	**Maximum Credit**
1	145.00
2	185.00
3	250.00
4	315.00
5 or more	380.00

The maximum credit is calculated based on average water use by household size, Council-approved rates for water, sewer, solid waste service and any other required fees included on the Water and Waste utility bill. The maximum credit will be adjusted annually to reflect increases to utility rates approved by Council.

APPENDIX D

POLICY TITLE	EFFECTIVE DATE	MOST RECENT CONSOLIDATION
H2O Help to Others	*TBD*	*N/A*

4. Notice to Applicants

For every completed application form, the Water and Waste Department must mail a decision letter to the applicant's residence which shall indicate the amount of approved credit (if any) or an explanation why no credit has been approved.

The decision letter must advise applicants they may appeal the decision to the Utility Credit Review Committee within 30 days by mailing an appeal to:

Utility Credit Review Committee
Water and Waste Department
510 Main St
Winnipeg, MB R3B 3M1

5. Appeal Process

Applicants who are not approved for an H2O credit or who feel the approved credit is not consistent with this Policy, may appeal in writing to the Utility Credit Review Committee within 30 days of receiving their approval or denial letter. The applicant may provide any additional documentation that they feel is necessary to support their appeal.

Applicants who feel their needs will not be adequately met by a written appeal may request their appeal be made in person to the Committee.

5.1 Utility Credit Review Committee

The Utility Credit Review Committee will include three members as follows:

a) Manager, Finance and Administration, Water and Waste Department
b) Manager, Customer Service, Water and Waste Department
c) Third manager appointed by the Director, Water and Waste Department. This member may be appointed for a single meeting or for a set period of time determined by the Director.

The Utility Credit Review Committee must meet at least quarterly. Appeals must be received two weeks prior to a scheduled meeting to give the administration time to prepare information for review by the Committee. Any requests received outside of this time frame would be reviewed at the following meeting.

5.2 Committee Decisions

The Committee must send a formal letter to the applicant within 30 days after a meeting outlining the Committee's decision.

H2O Credits approved by the Committee must be consistent with amounts outlined in section 3.2 of this Policy.

6. Responsibilities

6.1 Responsibility of The Salvation Army or other similar organization – Pursuant to an agreement with the City, The Salvation Army or other similar organization shall:

a) Meet with applicants and review completed H2O applications
b) Provide recommendation to the City regarding eligibility and credit amount.

6.2 Responsibility of Director, Water and Waste Department – The Director shall:

a) Ensure that recommendations of the Salvation Army (or other similar organization) are reviewed to determine eligibility for H2O credits
b) Ensure that customer utility accounts are credited with H2O credit when applications are approved
c) Provide required notices to applicants
d) Appoint the chair and members of the Utility Credit Review Committee and ensure that appeals are conducted according to this Policy.

6.3 Responsibility of the Applicant – In order to receive an H2O credit, the applicant must:

a) Submit a completed application form along with all required documentation
b) Meet with the Salvation Army (or other similar organization contracted with the City to perform this role) to review their application.