

Chapter 660: CONSUMER PROTECTION STANDARDS FOR WATER UTILITIES

SUMMARY: This Rule establishes the minimum standards for the provision of service and the administration of credit and collection programs by water utilities. These rules govern granting and denying service, credit and deposit practices, billing, disconnection, customer complaint procedures and methods of obtaining waivers from this Rule.

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§ 1 STATEMENT OF PURPOSES; APPLICABILITY; AND POLICY

A. Purposes

The purposes of this Rule are:

1. To assure safe and adequate provision of utility service;
2. To assure that service is not disconnected or refused unreasonably;
3. To ensure that customers of water utilities are not disconnected because of their inability to pay without being afforded the opportunity to enter into a reasonable payment arrangement; and
4. To assure the utility's right to collect proper payment for utility service.

Every privilege that is granted and every duty that is required by this Rule imposes an obligation on utilities, applicants and customers to accept these privileges and perform these duties with good faith, honesty and fairness.

This Rule defines the minimum standards for nondiscriminatory practices that all water utilities must follow. It does not, however, limit the power of utilities to give greater protection to their customers above these minimum standards.

B. Applicability of Rule

1. This Rule applies to all water utilities with the exceptions described in 6 below that are subject to the jurisdiction of the Commission.
2. Any provisions of this rule that conflict with or are pre-empted by 11 U.S.C. Section 366 of the Bankruptcy Code or any order issued by a bankruptcy court or the Bankruptcy Code shall be inapplicable.
3. This Rule takes effect on January 1, 2012. A utility must submit rate schedules that correct any conflict with the provisions of this Rule before that date. Any conflicting provision in any rate schedule or term and condition after January 1, 2012 are superseded by the Rule.
4. This Rule applies to the collection of amounts owed by a customer who is provided with water utility service in Maine.
5. Any Section of this rule not specifically designated as applying to residential or non-residential customers applies to all customers.
6. A utility that has less than 1500 residential customers as reported in the utility's most recent annual report on file with the Commission is exempt from the provisions listed below. If a utility is an affiliated interest (as defined in 35-A M.R.S.A. Section 707) of one or more utilities that are subject to the Commission's jurisdiction, it qualifies for this exemption only if the total

residential customers of the utility and the affiliated interests is less than 1500 residential customers. If a utility is exempt under this provision, it is not required to comply with the following provisions of this Rule:

- Section 6(C)
- Section 6(G)
- Section 7(F)(1)(d)
- Section 7(F)(2)(d)
- Section 7(G)
- Section 8(C)
- Section 10(L)(3)
- Section 10(L)(4)
- Section 13(D)
- Section 15(A)(5), (7-13), (15-18)

§ 2 DEFINITIONS

The following terms have the following meanings, unless the context clearly indicates a different meaning:

- A. **Account Balance.** "Account balance" means the total amount owed by a customer that has been properly billed by a utility in accordance with this Rule.
- B. **Amount Overdue.** "Amount overdue" means the amount that a utility has properly billed to a customer that has not been paid in full by the due date of the bill.
- C. **Applicant.** "Applicant" means any person or business that applies for utility service and who has not been a customer of the utility within the past 30 calendar days.
- D. **Basic Service.** "Basic service" means utility service where the Commission regulates the rate or charge for the service and the rate or charge for the service is contained in the utility's rate schedules. For utilities authorized to disconnect water service for the non-payment of sewer charges pursuant to 35-A M.R.S.A. Section 6111-C, sewer charges constitute as "basic" service for the purpose of this Rule.
- E. **Bill.** "Bill" means a statement, either in written or electronic form, from a utility to a customer that states the amount owed by the customer for the current billing period, the amount overdue, the account balance, late fees and any other charges lawfully owed by the customer.
- F. **Commission.** "Commission" means the Maine Public Utilities Commission.
- G. **Complaint.** "Complaint" is a dispute between an applicant or customer and a utility which the CAD has decided to resolve pursuant to this Rule.
- H. **Consumer Assistance Division.** "Consumer Assistance Division" or "CAD" is a division of the Commission assigned with the responsibility of dealing with consumer issues under this Rule.

- I. **Corporation.** "Corporation" is a body created and authorized by law to act and be treated as a single legal entity with an identity distinct from that of its individual members. This definition includes private companies, and municipal and quasi-municipal corporations.
- J. **Customer.** "Customer" means any person or business that has applied for or been accepted to receive, or is either receiving utility service or has agreed to be billed for utility service. This term also includes a person or business that was a customer of the same utility within the past 30 days and who requests service at the same or a different location.
- K. **Deposit.** "Deposit" means any payment, however designated, that is held as security for future payment or performance.
- L. **Dispute.** "Dispute" means a grievance of a customer or applicant about a utility's application of any provision of this Rule. Disputes include, but are not limited to:
1. deposit requirements;
 2. the accuracy of meter readings or bill amounts;
 3. the proper person to be charged;
 4. the terms of a payment arrangement;
 5. the terms to avoid a pending disconnection;
 6. the terms to obtain a reconnection; and
 7. the transfer of an account balance incurred in one customer's name into another customer's account.

If a customer or applicant has a grievance and then indicates that the response from the utility's employee was satisfactory, the contact between the customer or applicant and the utility will not be considered a dispute.

- M. **Establishment.** An "Establishment" is a location at which water service is sought or is being rendered.
- N. **Fraud.** The term "Fraud" means a false representation, by words or conduct, or the concealment of facts which should have been disclosed, which is intended to deceive a utility and upon which the utility reasonably relies in taking actions with respect to a customer.
- O. **Limited Service Contract.** A "Limited Service Contract" means a written agreement, approved by the Commission, under which a water utility agrees to provide and the customer agrees to accept a substandard level of service described in the contract.
- P. **Make-up Bill.** A "make-up bill" is a bill issued for previously unbilled utility service.
- Q. **New Customer.** A "New Customer" means any person or business that has applied and been accepted for service that has not taken service from the utility within the past 30 days.
- R. **Non-basic Utility Service.** "Non-basic utility service" means utility service that meets any of these conditions:
1. The Commission does not regulate the rate or charge for the service;

2. The rate or charge for the service is not contained in the utility's rate schedules;
 3. The service is for merchandise or equipment that is not required as a condition of receiving utility service; or
 4. For utilities that do not have the authority to disconnect water service for the non-payment of sewer charges pursuant to 35-A M.R.S.A., §6111-C, sewer charges are considered "Non-basic utility service" for the purpose of this Rule.
- S. **Occupant.** "Occupant" means any person who resides at a premises that is provided with utility service.
- T. **Payment Arrangement.** "Payment arrangement" means an agreement between a customer or applicant and a utility that allows the account balance or deposit to be paid in one or more installments.
- U. **Person.** "Person" means an individual, partnership, or voluntary association.
- V. **Physician.** "Physician" means any natural person authorized by law to practice medicine or osteopathy in Maine.
- W. **Premises.** "Premises" means any residential or non-residential building or property.
- X. **Private Line.** "Private line" means: (1) A water line constructed prior to May 7, 1986 across private property to serve one or more customers and not considered by the utility to be a main; (2) except as provided under Section 2(C) of Chapter 65, a water line constructed after May 7, 1986 across private property to serve a single customer, a single multi-unit dwelling complex or a single commercial or industrial development upon which no other person has an easement or other right of access for water line purposes.
- Y. **Refund.** "Refund" means a cash or cash equivalent reimbursement to a customer. The application of a credit to a customer's account is not a refund.
- Z. **Residential Utility Service.** "Residential utility service" means utility service provided to a dwelling. It includes service provided for a nonresidential purpose, if a residential dwelling is receiving service through the same meter.
- AA. **Serious Medical Condition.** "Serious medical condition" means a medical condition such that a lack of utility service would pose a serious risk of harm to the individual with the condition.
- BB. **Service Pipe.** "Service Pipe" means the pipe running from the water main to the customer's establishment.
- CC. **Temporary Establishment.** "Temporary establishment" means an establishment that a water utility reasonably believes to be of a temporary nature after giving due consideration to the location, setting, structures, and use of the establishment. The absence of a cellar or permanent foundation shall not be the sole criterion used by the water utility in determining that an establishment is temporary.

- DD. **Unauthorized Use.** "Unauthorized use" means the interference or diversion of utility service. Unauthorized use includes, but is not limited to:
1. tampering with the meter (any act which affects the proper registration of service through a meter);
 2. by-passing the meter (unmetered service that flows through a device connected between the service line and customer-owned facilities); or
 3. restoring service without authorization from the utility or the CAD.
- EE. **Utility.** "Utility" means any water utility doing business in Maine and subject to the jurisdiction of the Commission and provisions of this Rule.
- FF. **Water Utility.** A corporation, person, or the lessee, trustee, of a corporation or person, owning, controlling, operating, or managing any water works for compensation within this State.
- GG. **Water Main.** A water pipe, other than a service pipe or private line which is owned, operated, and maintained by a water utility, and used for the transmission or distribution of water.
- HH. **Third Party.** "Third party" means a person or entity not employed by or working on behalf of the utility. For the purposes of this Chapter, neither Commission staff nor contractors working on behalf of the utility are considered "third parties".

§ 3 EMERGENCY MORATORIUM

When the Commission or the Director of the CAD determines that, due to an emergency, termination of utility service by one or more utilities would present a clear danger to the health or safety of one or more customers, the Commission or the CAD Director may declare a partial or complete moratorium on the termination or disconnection of service by any or all utilities. When such a moratorium is declared, the duration of the moratorium will be specified by the Commission or the CAD Director.

§ 4 CUSTOMER PRIVACY

A utility shall not disclose, sell or transfer (other than for debt collection, credit reporting, or usage reporting pursuant to state and federal law or to law enforcement agencies pursuant to lawful process, or as otherwise authorized by law, Commission Rule or Order), individual customer information, including, but not limited to, a customer's name, address, telephone number, water usage, or payment history, to a third party without the consent of a customer. Utilities may accept oral certification from a social service agency that they have received authorization from the customer to discuss that customer's account information. A utility may also share customer information with State, County, tribal and local emergency management agency personnel when the customer information is requested as part of that agency's response to an emergency situation. In addition, a utility may also share customer information with sewer and sanitary departments or districts to the extent necessary to allow these entities to bill customers for services rendered.

§ 5 CUSTOMER RIGHTS

Each utility must include a summary of customers' rights and responsibilities under this Rule on their website or make available, under Section 1(B)(5) of this Rule, to customers a paper copy of the rights and responsibilities at the utility's office. Water utilities meeting the criteria identified under the small utility exemption are allowed to keep a current paper version of Chapter 660 in lieu of the requirements below. The summary must contain information concerning, but not limited to:

- A. procedure for billing and for estimated billing;
- B. methods for customers to verify the accuracy of their bills;
- C. payment methods, locations, late fees (if any) and optional payment programs and appurtenant fees offered by the utility;
- D. security deposit and guarantee requirements;
- E. procedures for disconnection and reconnection of service;
- F. the utility's ability to remotely disconnect service, if applicable;
- G. the utility's dispute procedures;
- H. the customer's right to bring any unresolved disputes to the CAD;
- I. the CAD's toll-free consumer telephone number, and mailing and email addresses;
- J. procedure for providing third party notices; and
- K. telephone number, mailing and email addresses of the utility.

§ 6 APPLICATION FOR SERVICE

- A. **Applications for Service.** An application for service may be made by either the owner or occupant of the establishment to be served. If a new service connection or other work on the owner's premise is required, the owner must authorize the water utility to enter the premises to perform the necessary work.

- B. **Obligation to Provide Service**

A utility may not refuse to provide service to an applicant, except as provided for below.

- 1. **Residential Applicants**

- A utility may deny service to a residential applicant who fails to meet any of the following conditions.

- a. **Payment of past overdue amount.** A utility may condition the granting of service on a residential applicant paying a past overdue amount for basic service provided by that utility if the applicant accrued the debt within the previous 6 years, provided that:
 - i. If the utility is aware of the debt before service is initiated, the utility must offer a payment arrangement to a residential applicant on the undisputed overdue balance before service is initiated; and
 - ii. If the utility discovers the debt after it has granted service, the utility has 60 days from the date of the applicant's request for service to provide written notice to the customer of the outstanding debt and its intention to collect the outstanding debt. If a utility does not notify the applicant of its intent to collect the outstanding debt within the 60-day time period, the utility is prohibited from transferring the debt to the applicant's current account. The utility must allow the customer at least 30 days after receipt of the written notice to pay the debt or enter into a payment arrangement. If the customer fails to respond during this time period, the unpaid amount may be transferred to the customer's current account and disconnection procedures may be initiated for failure to pay or make a payment arrangement. A utility may demand payment of a past overdue amount after the 60-day period has passed if the utility was unable to discover evidence justifying the demand within the 60 days due to either fraud or material misrepresentation by the applicant.
- b. **Payment of a Deposit.** A utility may condition the granting of service on the payment of a deposit pursuant to Section 7.
- c. **Provision of Proper Identification.** A utility may condition the granting of residential service on the provision of adequate proof of identification, including, but not limited to, photo identification.
- d. **Compliance With Local, State, and National Safety Codes.** A utility may condition the granting of service on the compliance of a customer's premise equipment with local, State, and National plumbing codes.
- e. **Compliance with Utility Terms and Conditions.** A utility may condition the granting of service on the compliance of a customer's premise equipment with the utility's terms and conditions.

2. **Non-Residential Applicants**

A utility may deny service to a non-residential applicant that fails to meet any of the following conditions

- a. **Past Overdue Amount.** A utility may condition the granting of service on a non-residential applicant paying a past overdue amount for basic service provided by that utility if the applicant accrued the debt within

the previous 6 years. If the utility discovers the debt after it has granted service, the utility must provide written notice to the customer of the outstanding debt and its intention to collect the outstanding debt.

- b. **Payment of a Deposit.** A utility may condition the granting of service on the payment of a deposit pursuant to Section 7.
- c. **Compliance With Local, State, and National Safety Codes.** A utility may condition the granting of service on the compliance of a customer's premise equipment with local, State, and National plumbing codes.
- d. **Compliance with Utility Terms and Conditions.** A utility may condition the granting of service on the compliance of a customer's premise equipment with the utility's terms and conditions

C. Provision of Service by Next Business Day

A utility should provide service to an applicant as soon as possible, but must provide service by the end of the next business day after the request for service is received by the utility, or a deposit and/or unpaid account balance is paid, provided that facilities exist to provide service within that timeframe. If facilities do not exist, such as in the case where a line extension must be constructed, the utility must initiate its standard procedures to provide service by the end of the next business day after the request for service is received.

D. Service in Another's Name

1. Except as provided for in this Section, a utility may not require an applicant to pay for service provided in another person's name unless a court or other administrative agency has determined that the applicant is legally obligated to pay for that service. To prevent the practice of "name swapping," a utility may transfer a residential account balance that was incurred for service provided by that utility within the previous 6 years from the date of the new application for service to the applicant's new account when both people:
 - a. resided together at the premises when service giving rise to the arrearage was provided;
 - b. received the benefit of the previous utility service; and
 - c. will benefit from the utility service for which the application for service was filed.
2. A utility has 60 days from the date the applicant applies for service to transfer the account balance to the applicant's new account. If the transfer does not take place within this time period, the utility may not transfer the account balance. When a utility decides to transfer an existing account balance to an applicant's new account, the utility must add the previous customer's name to the account and provide written notice to the new applicant of the transfer. Such written notice must state the facts upon which the utility has relied to establish conditions 1 through 3 above (typically such facts are obtained through phone records

showing both parties contacting the utility regarding the account. The utility's notice of the transfer must be provided at least 7 days prior to the transfer and, must provide the applicant the opportunity to challenge the transfer, first to the utility and then, if the matter is not resolved to the customer's satisfaction, to the CAD. The utility must maintain a record of its investigation of the challenge pursuant to Section 13(D).

A customer who receives a transferred account balance may appeal to CAD to have the transfer reversed:

- a. when the customer can provide sufficient documentary evidence to show that the arrearage was not justified under this Section, or
- b. the customer can provide sufficient documentary evidence to show that the person from whom the arrearage was transferred will no longer benefit from the applied for utility service.

E. Application for Service at a Location Where an Active Account Already Exists

Unless otherwise required by 35-A M.R.S.A. §706(2), a utility may deny service to an applicant where the service location for which the applicant is seeking service already has an active customer who does not wish to terminate service.

F. Explanation of Charges

A utility must disclose the following information to the applicant at the time an applicant requests service:

1. non-recurring installation, application or registration fees charged by the utility for the type of service requested;
2. if non-basic services are available, the charge for any non-basic services selected by the customer; and
3. the utility's authority to disconnect water service for the non-payment of sewer charges, if the utility has such authority.

G. Designation of Third Party to Receive Notices

An applicant or customer may notify the utility in writing that the customer is designating a third party to receive disconnection notices concerning the customer's account. The utility must keep a record of the third party name, address and telephone number. Whenever the utility contacts the customer about matters related to deposits, disconnections, overdue amounts, or hazardous conditions of utility service, the utility must make every reasonable effort to contact the third party and provide the same information at the same time it is provided to the customer. Any notice of disconnection provided to the third party must contain the disclosures required by Section 10(J). Nothing in this subsection shall give rise to an obligation on the part of the third party to make payment of any amount owed. Every utility must inform new customers of their right to designate a third party to receive notices pursuant to Section 5.

§ 7 DEPOSITS FOR APPLICANTS AND CUSTOMERS**A. Residential Applicants**

A utility may demand a deposit from a residential applicant only if one or more of the following circumstances apply:

1. An undisputed account balance for residential utility service incurred in Maine is unpaid at the time that the applicant requests service. The unpaid balance must be either:
 - a. for service provided by the utility from whom the applicant requests service within the previous six years; or
 - b. for residential utility service provided by any utility within the previous 12 months.
2. An unpaid, undisputed account balance for residential utility service provided in Maine within the previous six years was not paid until after the utility obtained a court judgment.
3. The applicant was disconnected for nonpayment of an undisputed bill by any utility within the previous 12 months.
4. The applicant was disconnected for unauthorized use or theft of service by any utility within the previous 12 months.
5. The applicant entered into a plan of repayment under Chapter 13 of the Federal Bankruptcy Act and the Bankruptcy Court dismissed the plan for failure to comply with its terms within the previous six years.
6. The applicant has no source of income sufficient to pay the cost of utility service.

B. Non-Residential Applicants

A utility may demand a deposit from any non-residential applicant as a precondition of granting service.

C. Residential Customers

A utility may demand a deposit from a residential customer only if:

1. the customer files a petition under the Federal Bankruptcy Act when the Federal Bankruptcy Act allows the utility to demand a deposit;
2. the customer requests that service be reconnected at the same or different location after the customer was disconnected for nonpayment; or

3. the customer had an unpaid account balance at the time the customer applied for service for which the utility was unaware due to fraud or material misrepresentation by the customer.

D. Non-Residential Customers

A utility may demand a deposit from an existing non-residential customer in lieu of disconnection authorized by Section 10 of this Rule or from a customer who was not required to pay a deposit as a precondition of service but has become an unacceptable credit risk as determined by the utility.

E. Amount of Deposit

1. Residential Applicants and Customers

A utility may not demand a deposit in excess of the amount of the two largest consecutive monthly bills for water service incurred within the previous 12-month period at that location. In the case of a utility which bills for service on a quarterly basis, the utility may not demand a deposit which is more than the single largest quarterly bill within the previous 12-month period at that location. The amount of the deposit demanded of a customer at a location in which there is no previous usage history must be similar to that demanded of customers with similar expected usage.

2. Non-Residential Applicants and Customers

A utility cannot demand a deposit which is more than the amount reasonably anticipated to be due for water service for the two highest billing periods expected within a 12-month period unless the utility bills on a quarterly basis. If the utility bills per quarter, the utility can not demand a deposit which is more than the single highest billing period for water service.

F. Payment of Deposits

1. Residential Applicants and Customers

A utility must provide residential applicants and customers the option of either paying the deposit in full or entering a payment arrangement on the deposit amount that allows payment in at least three installments: 50% payable upon the determination that the deposit is required; 25% payable 30 days after the determination; and 25% payable 60 days after the determination.

- a. A utility may demand full payment of the deposit amount when an applicant requests service and the applicant enters into a payment arrangement for an unpaid account balance at the same time.
- b. If a customer requests reconnection following disconnection for nonpayment, the customer may elect one of the payment options according to Section 12 of this Rule.

- c. A utility may negotiate payment of the deposit over a longer period as the utility determines appropriate.
- d. Guarantee instead of deposit. A utility must accept a third-party guarantee agreement in lieu of a cash deposit from a residential customer if the guarantor is a customer whose account is in good standing with the utility at the time the deposit is requested. The guarantee agreement must be in writing, contain the disclosures required by this Section, and be limited to a specific time period. The utility may cancel the guarantee agreement if the guarantor incurs an arrearage with the utility that is more than 60 days old, and a guarantor may cancel the agreement upon at least 30 days written notice to the utility and the customer. If the guarantee is cancelled or the term has expired, the utility can demand a deposit from the customer. If a deposit is not paid or if a payment arrangement is not established within 30 days after the notice that requires payment of a deposit is provided, a utility may begin further collection procedures.

2. **Non-Residential Applicants and Customers**

The utility must offer non-residential applicants and customers the option of paying the required deposit in at least two equal installments. Deposits may be in any of the following forms, listed in order of preference:

- a. Cash.
- b. Irrevocable bank letter of credit.
- c. Surety bond.
- d. Third-party guarantee instrument acceptable to the utility.
- e. Other security instrument acceptable to the utility.

G. **Disclosure**

When a utility demands a deposit, it must provide a written disclosure to an applicant or customer within three business days after the demand is made. If the disclosure is not provided within the 3 business day period, the utility cannot collect the deposit from the customer. If the disclosure was not provided within the 3business day period and the customer has already paid the deposit, the deposit must be refunded to the customer. A copy of the disclosure must also be provided to any guarantor within the same time period. The disclosure must contain:

1. the date that the utility demands a deposit;
2. the amount of the deposit;
3. the due date and payment options for the deposit, including the option of a third-party guarantor for residential applicants and customers; and

4. the procedure by which the applicant or customer can dispute the deposit requirement or deposit amount.

H. Interest

A utility must pay interest on deposits according to the provisions of Chapter 870 of the Rules of the Commission.

I. Retention and Refund

1. Refund

A utility must refund a deposit in any of the following circumstances:

- a. When the customer establishes good credit. The water utility must return the deposit of any residential customer without an overdue account balance if the customer pays all bills or makes all payments pursuant to an established payment arrangement by the due date, for one full year. The deposit must be returned within 30 days of the customer meeting this requirement. Utilities may retain deposits collected from non-residential customers for as long as the customer remains a customer.
- b. When the customer has been disconnected and has not been subsequently reconnected within 30 calendar days of the disconnection. The utility then must apply the deposit, including accrued interest, to the account balance for utility service and refund the remainder within 14 calendar days or with the final bill, whichever is later. A transfer of service from one location to another is not considered disconnection for the purpose of this paragraph.
- c. When a customer closes an account. When a customer closes an account, the utility may apply the deposit to an existing account balance or other accounts for that customer that were closed within the past six years that were not fully paid when the account was closed. The utility must then refund any remaining deposit amount, including accrued interest, to the customer within 60 days of the customer closing the customer's account.
- d. When a residential customer substitutes a third-party guarantor. If a guarantor is provided in accordance with the provisions of Section 7(F)(1)(d) above, the utility must refund the deposit, including accrued interest, up to the limits of the guarantee.
- e. Earlier refund. The utility may choose to refund a deposit, including accrued interest, any time earlier than this subsection requires.

2. Transfer of Service

When a customer transfers service from one location to another location, an existing deposit may be transferred to the new location and must be adjusted according to the anticipated usage at the new location. If the anticipated usage at the new location is lower than the old location, the utility must either refund the

difference to the customer or must apply the difference to the customer's account as a credit. If the amount of the refund is equal to or less than the cost the utility will incur to issue a refund check to the customer, the utility may credit the customer's account. If the refund is greater than the cost to cut a check, the utility shall send the customer a check for the refund amount or, if the customer so chooses, the refund may be applied as a credit to the customer's account. If the usage is higher at the new location, the utility may require the customer to pay a deposit reflecting the incremental usage amount. In this instance, the incremental amount must be collected in accordance with Section 7(F) above. The transfer and any subsequent adjustment must be made within 30 calendar days of the date the service is transferred.

§ 8 BILLING AND PAYMENT STANDARDS

A. Bill Frequency

A utility shall bill on a regular recurring basis, either quarterly or monthly, at the utility's discretion. A utility may choose an alternate method for billing its seasonal customers, as specified in its terms and conditions.

B. Due date of Bills

The due date of a bill must be at least 25 days after the bill is mailed or otherwise delivered to the customer. A bill is considered "mailed" on the date the bill is postmarked. If there is no postmark, the utility shall date the bill and mail the bill on or before the date on the bill.

C. Bill Content

Each bill issued by a utility shall clearly state the following minimum information:

1. The beginning and ending dates of the period for which service was provided.
2. The beginning and ending meter readings for the billing period and the difference between the two meter readings, unless the customer's usage was estimated for that billing period pursuant to Section 8(L) of this Rule or the customer's meter was changed out by the utility during that billing period.
3. The last date by which payment must be made and that after this date the account will be considered overdue and late fees imposed, if authorized.
4. The amount due for service provided during the current billing period.
5. An itemization of State taxes.
6. An itemization of all other current unpaid charges, including, if applicable, installation fees, reconnection fees, deposit payments, and late payment fees which have accrued to the customer's account. A utility may not separately list line items on the bill that do not represent a separate, discrete utility service or a State tax.

7. The total amount of all payments or other credits made to the customer's account during the current billing period, except that utilities that bill quarterly do not have to comply with this requirement.
8. The amount overdue, if applicable.
9. The account balance.
10. A clear and conspicuous marking of all estimates.
11. The address and telephone number where the customer may write or call to ask questions or dispute the bill with the utility.
12. A designation of the applicable class of service as stated in the utility's approved rate schedule.

D. Billing Errors

A utility shall notify promptly a customer in writing of a billing error after it discovers or is notified of the error. An explanation of the credit or charge on the bill or in a bill insert that accompanies the bill containing the credit or charge that explains the error will meet the notice requirement of this Section. The utility shall correct the error within 90 days of discovery of the error and investigate whether the billing error affects multiple customers. Discovery of the error is the point in time when the utility first becomes aware of the billing error; or, if notice of the error is provided by a third party, discovery of the error is when the utility confirms that a billing error was made. In the latter situation, the decision regarding whether or not a billing error occurred must be made within 14 days of the utility's receipt of the third party's notice of the error. If more than 10 customers are affected by the billing error, the utility shall immediately notify the CAD. If an under-billing occurred, a utility may issue a corrected bill for service provided in the previous 12 months. A utility shall refund any amount billed in excess of correct rates, within the previous 6 years from the date of the utility's discovery of the error.

E. Meter Malfunction, Failure to Read Meter, and Unauthorized Use or Fraud

1. Make-Up Bills

A utility may issue a corrected bill for previously unbilled service due to the utility's failure to read the customer's meter pursuant to Section 8(L) or a meter malfunction that could not have been reasonably detected by the customer or the utility, for service that was provided in the 12 months prior to the date the make-up bill is issued. In these circumstances, the utility must either apportion the usage evenly over the period in which the unbilled usage occurred or apportion the unbilled amount pursuant to the utility's usage estimation methodology. Once the usage has been properly apportioned over the unbilled period, the utility may re-bill the customer based on the approved rate schedule rates in effect during the unbilled usage period. A utility may also agree to a settlement that abates all or a portion of the previously unbilled service.

- a. If the make-up bill is for service that was previously unbilled because of unauthorized use or fraud by the customer, the utility may bill for service that occurred up to 6 years before the issuance of the "make-up" bill.
- b. When a utility issues a make-up bill, it must notify the customer in writing of the right to a payment arrangement for the previously unbilled amount. The terms of a payment arrangement negotiated for the previously unbilled amount should take into account the period during which the unbilled service accrued, the length of time between the usage and the issuance of the bill, and the reason for the unbilled amount.

2. **Refunds**

A utility shall refund any amount billed in excess of correct rates and/or usage amounts, within the previous 6 years from the date of the utility's discovery of the error (as defined above in Section 8(D)).

F. **Payment**

1. **Extension of Due Date Required**

If the due date for payment falls on a Saturday, Sunday, legal holiday, or any other day when the utility's offices are not open for business, the utility shall extend the due date to the next business day.

2. **Payment by Mail**

If the customer sends payment by mail, payment is made on the date the utility receives the payment.

3. **Electronic Payment**

If the customer pays a bill electronically through a utility's authorized vendor, either over the phone or the internet, the utility must consider the payment "received" for the purpose of avoiding credit action and a late payment charge, at the date and time the transaction is executed by the customer or the date the customer chooses for the payment to be applied to the customer's account if that choice is available in the utility's billing system.

4. **Payment at a Remote Office**

If the customer pays at a branch office or authorized agency of the utility, the utility shall consider the payment "received" for the purpose of avoiding credit action and a late payment charge, at the date and time the transaction is executed by the customer.

5. **Conflicting Due Dates**

When a utility provides a customer with multiple notices or contacts containing different due dates, payment is due on or before the latest due date provided, with

the exception of notices issued pursuant to Section 10(H) of the Rule (dishonored check), which supersede all other notices.

G. Late Payment Charges and Returned Check Charges

Utilities must comply with Chapter 870 of the Commission's Rules relating to late payment charges and returned check charges.

H. Application of Partial Payments

When a utility receives payment that is insufficient to pay the full account balance, the utility must apply payment to the oldest basic service balance due, unless instructions from the customer, a disputed bill, or a payment arrangement requires otherwise.

I. Non-Basic Utility Service

A utility must either issue a separate bill for non-basic utility service or apply partial payments first to basic charges and then to non-basic charges.

J. In-Person Payment Locations

A utility shall maintain a location within its service territory where customers may pay bills in person.

K. Transfer of Service and Collection of Unpaid Account Balances

1. Transfer to a New Account

When a customer requests a transfer of service to a new location, a utility may, without prior notice, transfer the customer's current account balance to the customer's new account, provided that the new account is the same type as the old account, i.e. residential or non-residential, and the transfer takes place within 60 days of the activation of service at the new location or the closing of the prior service, whichever date is later. Utilities are prohibited from transferring account balances from a residential account to a non-residential account and vice versa. In situations where a landlord is responsible for a common area meter, which is considered a business account, and also chooses to have service for the individual unleased rental units placed in the landlord's name during periods in which they are not leased, a utility may transfer the balance from the individual units (residential) to the common area (business) account.

2. Transfer of Multiple Accounts

- a. **Account Balance.** In situations where a customer maintains multiple accounts and chooses to close an account with an account balance, a utility may transfer the account balance to a remaining, active account, provided the accounts are of the same type, i.e., residential to residential or business to business. Any transfer must be made within 60 days of the account being closed. In these situations, a utility may not transfer a residential account balance to a business account and vice versa.

- b. **Credit Balance.** In situations where a customer maintains multiple accounts and chooses to close an account with an account credit, the credit shall be refunded to the customer, unless the customer requests that the credit be applied to another account. The refund or credit shall be provided within 60 days of the customer closing the account.

3. **Transfer of Unpaid Account Balance to a Guarantor**

If a customer is disconnected, a utility may transfer to the account of a third party guarantor any portion of the account balance which is equal to the cash deposit requirement of the customer.

4. **Fraud or Misrepresentation**

If a utility discovers that a customer has a previous account balance incurred due to fraud or misrepresentation, the utility may transfer the unpaid account balance to the customer's current account within 30 days of discovery by the utility of the fraud or misrepresentation. In these situations, the utility must provide notice to the customer of the transfer. The notice may be included with the first bill issued in relation to the customer's current account that includes the transferred balance.

5. **Compliance With This Section**

If an unpaid account balance is not transferred according to Section 6(D), or paragraphs 1, 2, 3, or 4 above, a utility cannot demand or collect it from a current customer by any means authorized by this Rule.

6. **Pending Disconnection Notice**

If a disconnection notice is pending when a customer requests transfer of service to a new location, the utility may continue the disconnection process at the new location. If the notice required by Section 10(D) of this Rule has been issued and the contact required by Section 10(L)(2) has been attempted and service has not been disconnected because the customer has refused access to the customer's premises, the utility may deny service at a new location when the customer requests a transfer of service.

- L. **Meter Reading**

A utility must obtain an actual meter reading every billing period, unless:

1. extreme weather conditions, emergencies, equipment failure, work stoppages or other similar circumstances prevent an actual meter reading by utility employees;
2. the utility must have access to the customer's premises to obtain a reading and the utility is unable to gain access after using reasonable efforts to obtain such access; or
3. a customer is billed on a seasonal basis according to terms included in the rate schedule of the utility.

An “actual meter read” includes an electronic read obtained via an automated read system.

M. Past Usage

Upon request, a water utility shall provide free of charge to current or prospective customers, tenants or property owners residential consumption and cost information for a dwelling unit for the prior 12-month period or figures reflecting the highest and lowest consumption and cost for the previous 12 months. If a unit has been occupied for a period of less than 12 months or for any other reasons the utility does not have information regarding water consumption or costs for a period of 12 months, the utility shall estimate the unit's cubic foot or gallon consumption or cost.

§ 9 PAYMENT ARRANGEMENTS

A. Payment Arrangement Required

A utility shall continue to serve a customer who does not pay an account balance in full if the customer agrees to enter a payment arrangement for the account balance and agrees to pay each future bill for service on or before the due date of the bill until the payment arrangement is completed. A payment arrangement may involve a single or multiple payments.

B. Written Confirmation of Payment Arrangement

A utility shall mail or deliver to the customer a written confirmation of a payment arrangement that requires two or more payments within 3 business days after a payment arrangement is established. The written confirmation shall:

1. inform the customer of the terms of the payment arrangement;
2. include the address and toll free telephone number of the CAD; and
3. inform the customer of the utility's right to issue a 3-day disconnection notice for failure to comply with a payment arrangement.

C. Failure to Confirm Payment Arrangement in Writing

If a utility does not mail or deliver a written confirmation of a payment arrangement to the customer within 3 business days after a payment arrangement is agreed to, the utility cannot disconnect the customer for failure to comply with the payment arrangement. A utility may either attempt personal contact to negotiate a new payment arrangement or issue a 14-day disconnection notice for residential customers or a 7-day notice for non-residential customers according to Section 10(D) of this Rule.

D. Basic Service Payment Arrangement to be Separate

Any agreement permitting installment payments on an account balance for non-basic service must be separate from a payment arrangement for basic service.

E. Residential Customers

Utilities must establish payment arrangements that take into consideration the individual customer's unique circumstances and that are most likely to result in customers becoming current with their bills and retaining their utility service. If a customer and the utility cannot agree on the terms of a payment arrangement, including a customer's claim that the customer cannot afford to pay any amount towards the arrearage, the utility must refer the customer to the CAD for assistance.

1. Criteria for Determining a Reasonable Payment Arrangement

In determining if a particular arrangement is reasonable, the utility must take into account:

- a. the customer's ability to pay;
- b. the size of the overdue amount;
- c. the customer's payment history;
- d. the amount of time and reason why the overdue amount is outstanding;
and
- e. any special circumstances creating extreme hardships within the household.

The utility must make every reasonable attempt to negotiate a payment arrangement that is likely to prevent disconnection and reduce the amount overdue to zero.

2. Notification of Forms of Financial Assistance

When a customer informs a utility that the customer cannot pay a bill and the customer is in imminent threat of disconnection, the utility must provide the customer with information regarding other sources of financial assistance including, but not limited to, 211, the Department of Health and Human Services, the Community Action Agencies, and local Town or City government.

3. Second Payment Arrangement

The utility may, but is not required to, offer a second payment arrangement to a customer who is in default of a first payment arrangement.

F. Non-Residential Customers

Utilities must offer non-residential customers payment arrangements that take into consideration the customer's unique circumstances and that are most likely to result in the customer becoming current with their bills and retaining their utility service. In determining if a particular arrangement is reasonable, the utility must take into account:

1. the size of the overdue amount;
2. the customer's payment history; and
3. the amount of time and reason why the overdue amount is outstanding.

The utility must make every reasonable attempt to negotiate a payment arrangement that is likely to prevent disconnection and reduce the amount overdue to zero. If a utility and a customer cannot agree on the terms of a payment arrangement, the utility must refer the customer to the CAD and the CAD will establish a reasonable payment arrangement.

§ 10 DISCONNECTIONS

A. When Disconnection Procedures Can Begin

A utility may begin disconnection procedures without the consent of the customer or occupant only if one or more of the following conditions exist:

1. The customer does not pay or make a payment arrangement on an undisputed overdue amount that is more than \$50.00. A utility can disconnect service for an overdue amount of less than \$50.00 only if the overdue amount is more than 90 days old or the utility bills 4 times a year or less. For utilities that have the right to disconnect water service for the non-payment of sewer charges, a utility may begin disconnection procedures without the consent of the customer or occupant when the undisputed amount overdue for the combined water and sewer charges is more than \$100.00. A utility can disconnect service for an overdue amount of less than \$100.00 only if the overdue amount is more than 90 days or the utility bills 4 times a year or less.
2. The customer does not make payment according to the terms of a payment arrangement.
3. The customer does not pay or make a payment arrangement for a deposit or provide a third-party guarantor according to the provisions of Section 7;
4. Service is being used, but no occupant or other person has applied for customer status.
5. The customer unreasonably refuses to allow access to the premises to install or read a meter or for the necessary inspection or repair of utility property.
6. There is unauthorized use (as that term is defined in Section 2(DD)) of the utility service delivered to the affected premises.
7. The utility has reason to believe there is fraud or that the customer has materially misrepresented his or her identity to obtain utility service without complying with the provisions of this Rule.
8. The occupant's service poses a threat to the safety of any person or the integrity of the utility delivery system.
9. The utility receives a directive from the State Inspector or local code enforcement officer to disconnect service for safety reasons.
10. The customer does not comply with a decision of the CAD or the Commission according to Section 13.

B. Customer Request or Abandonment

A utility may disconnect service at the request of a customer (provided that the provisions of Section 10(I) concerning landlord/tenant disconnections are not applicable) or if the premises is clearly abandoned. A utility may require customers to give notice of requests to disconnect service. A utility cannot require more than 7 days notice. The utility may require the customer to pay for service that is actually provided until the customer gives the required notice, the utility actually disconnects the service, the utility initiates disconnection procedures for failure to apply for customer status, or there is an application for service at that location.

C. When Disconnection Cannot Occur

Disconnection without the customer's consent cannot occur in the following situations.

1. Amount Overdue

The amount overdue stated on the disconnection notice includes:

- a. non-basic utility service (defined in Section 2(R));
- b. amounts owed from a different account, unless a transfer of the account balance was done according to Section 6(D) or Section 8(K);
- c. amounts owed for estimated bills when the latest bill issued was based on an estimated read, unless the reason for the estimated bill was a result of the customer unreasonably refusing the utility access to the customer's premises to read a meter; or
- d. service provided in the name or names of persons other than the customer, unless a court or other administrative agency has determined that the customer is legally obligated to pay the amount overdue or a transfer of account balance was completed according to Section 6(D). This paragraph does not affect the creditor rights and remedies of a utility provided by other law.

2. Existence of Serious Medical Condition

A utility must not disconnect if it has been notified of a serious medical condition according to Section 11.

D. Notice Requirements**1. Without Notice**

A utility can disconnect a customer without notice in the circumstances described in:

- a. Section 10(A)(6);
- b. Section 10(A)(8);
- c. Section 10(A)(9); or
- d. Section 10(B).

2. **14-Day Notice and 7-Day Notice**

A utility must provide residential customers with written notice of the intent to disconnect at least 14 calendar days before the stated disconnection date and must provide non-residential customers with written notice of the intent to disconnect at least 7 calendar days before the stated disconnection date in the circumstances described in:

- a. Section 10 (A)(1);
- b. Section 10 (A)(5); or
- c. Section 10 (A)(7).

3. **3-Day Notice**

A utility must provide written notice of the intent to disconnect a customer at least 3 business days before the stated disconnection date in any of the circumstances described in:

- a. Section 10(A)(2);
- b. Section 10(A)(3);
- c. Section 10(A)(4);
- d. Section 10(A)(10);
- e. Section 10(H); or
- f. Section 11(C).

4. **Time of Issuance**

- a. A utility cannot issue a disconnection notice for the circumstances described in Section 10(A)(1) (failure to pay an overdue amount) until at least 30 days after the original bill is mailed. A bill is considered “mailed” on the date it is postmarked. If there is no postmark, a utility must date and mail the bill on or before that date. A utility cannot issue a disconnection notice for the circumstances described in Section 10(A)(2) (broken payment arrangement) and 10(A)(3) (failure to pay a deposit) until at least one (1) business day after the due date of the payment.
- b. A utility may issue a disconnection notice for the other circumstances described in Section 10(A) at any time after the applicable criteria are met.

E. **Disconnection Date**

The disconnection date for residential and non-residential customers stated in the notice must not be a Friday, weekend, legal holiday, the day before a legal holiday or a day when the utility's office is not open for public business. The term "legal holiday" is defined in 4 M.R.S.A. Section 1051.

F. Period of Effectiveness

A disconnection notice is effective for 10 business days after the disconnection date stated in the notice. If a utility fails to properly disconnect service within this time frame, the disconnection notice procedures must be repeated.

G. Refusal of Access by Customer

If a customer expressly refuses to allow the utility access to the meter or other fixture or device necessary to accomplish disconnection, the 10-business day period provided in Section 10(F) above shall begin on the date of the last refusal by the customer. This provision applies only if the utility:

1. records the date, time and manner of each attempt to disconnect service and each express refusal by the customer to allow access; and
2. has no other reasonable means to disconnect the customer other than that refused by the customer.

H. Payments Returned**1. Residential Customers**

If a residential customer has made a payment that was not honored by the bank before the expiration of the disconnection notice, the utility must attempt to obtain payment by alternate means from the customer before disconnecting service. If a payment is not honored after the expiration of the disconnection notice, the utility can issue a 3-day disconnection notice pursuant to Section 10(D)(3) above and require payment by cash or certified check. A disconnection notice issued as a result of a dishonored payment supersedes any other pending disconnection notice.

2. Non-Residential Customers

If a non-residential customer has made a payment that was not honored by the bank before the expiration of the disconnection notice, the utility may proceed with disconnection pursuant to Section 10(L) below.

I. Disconnection Notice Procedures for Leased or Rented Residential Property

1. A utility cannot disconnect a premises when it is aware that it is leased or rented at the request of a lessor, owner, or agent ("landlord") or because the landlord (as a customer) has failed to pay an overdue amount, unless:
 - a. the tenant agrees in writing to the disconnection;
 - b. the landlord signs a statement that the premises are vacant;
 - c. the utility by personal inspection determines that the premises are vacant; or
 - d. the utility gives notice as described in paragraph 2 below.

2. A utility must post the notice at or near the front and rear entrances to the building or buildings affected. The notice must, in addition to the applicable disclosures of Section 10(J) below, inform the tenant how service can be continued. A utility must either offer the tenant the opportunity to obtain service in the tenant's name or otherwise assume responsibility for further payment.
3. The disconnection notice must be mailed or delivered at least 14 days before the disconnection date stated in the notice.
4. Before the actual disconnection of service to a single-meter, multi-unit building, a utility must:
 - a. have a rate schedule approved by the Commission that assesses a reasonable fee for the collection of an unpaid account balance from the landlord, in addition to an applicable reconnection fee; and
 - b. apply any existing deposit to the current account balance.
5. A utility cannot require the tenant to pay for any charges incurred by the landlord or demand a deposit or advance payment based on the landlord's credit history.
6. This subsection also applies if a municipality requests the utility to disconnect service at a location where the municipality has temporarily put the service in its name on behalf of the occupant.

J. Content of Disconnection Notice

A disconnection notice must be in writing and conspicuously contain the following information:

1. the overdue amount or the exact reason for the disconnection if not for an overdue amount;
2. what the customer must do to avoid disconnection;
3. the disconnection date and the period for which the disconnection notice is effective;
4. for residential customers, a statement of the customer's right to postpone disconnection due to a serious medical condition of the customer or an occupant and a description of how to postpone the disconnection according to Section 11;
5. a statement that the customer can avoid disconnection by negotiating a payment arrangement with affordable monthly installment payments and that the overdue amount must be paid in a reasonable period of time. This disclosure is not required if the disconnection notice is for a broken payment arrangement;

6. information regarding sources of financial assistance including, but not limited to, 211, the Department of Health and Human Services, the Community Action Agencies, and local Town or City government
7. a statement of the customer's right to submit a dispute before the disconnection date including the address and toll-free phone number of the CAD;
8. a statement that the customer cannot submit a dispute to the CAD until the customer has first tried to resolve the dispute with the utility;
9. a telephone number that the customer can call to resolve the situation causing the disconnection and a statement that the call may be made collect from within the utility's service area, unless a toll free number is offered or calls within the utility's service area are toll free to the designated telephone number;
10. a statement of the reconnection charge, if any; and
11. a statement of the utility's policy concerning the requirement of a deposit in the event of disconnection.

K. Plain Language Disconnection Notice

Every utility must use a plain language disconnection notice that complies with the following guidelines:

1. The type size must be no smaller than 10 points high. The typeface (shape of the letters) should be designed to improve or enhance the visual size of the type. Headlines should be in larger or bold type. All text should be in capitals and lower case as opposed to ALL IN CAPITALS;
2. The color of the disconnection notice and type must avoid problems for persons whose "color deficient" sight makes all colors appear as shades of gray;
3. The use of reverse-blocks in which letters appear as white against a black or dark gray background must be avoided; and
4. The headline on a disconnection notice must conspicuously be entitled "Disconnection Notice" in at least 12 point type.

L. Disconnection Procedures

1. Time for Residential and Non-Residential Customers

Disconnection must occur between 8:00 a.m. to 3:00 p.m. during the effective period of the notice. Disconnection cannot occur on a Friday, weekend, legal holiday, the day before a legal holiday or a day when the utility's office is not open for public business. These restrictions can be varied if:

- a. the utility has made special arrangements with the customer to disconnect at an alternative time;

- b. access to the premises can only be obtained at an alternative time; or
- c. the disconnection is for a reason other than nonpayment.

2. **Attempt to Contact**

A utility must make a reasonable effort to contact the customer personally before disconnection occurs. This duty is met if the utility:

- a. contacts the customer by telephone on the date specified in the Notice or during the effective period of the Notice; or
- b. attempts personal contact with the customer at the time of a premise visit to disconnect.

For utilities that have the ability to remote disconnect, this duty is met if the utility makes a least two telephone attempts, one before 5:00 p.m. and one after 5:00 p.m., and the utility provides written notice of the utility's ability to remote disconnect pursuant to Section 5(F).

3. **Procedure Upon Contact Before Disconnection**

- a. If the utility obtains contact with the customer before disconnection, the utility must attempt to avoid disconnection. In any case, an authorized utility employee must explain:
 - i. the amount overdue or other reason for the proposed disconnection; and
 - ii. how the disconnection can be avoided, including the customer's obligation to pay the overdue amount or enter into an installment payment arrangement; notifying the customer of the right to file a dispute with the CAD in the event that the customer is unable to resolve the issue with the utility; explaining the duty of the customer to pay any portion of a bill which the customer does not dispute; and asking residential customers if anyone resides at the location that has a medical condition that would be seriously aggravated by a loss of utility service. If the answer is "yes," the employee must explain the process for postponing disconnection due to a serious medical condition.
- b. A utility employee who visits the premises to disconnect is not required to have the authority to negotiate or enter into payment arrangements or to accept payment or make change to avoid disconnection. If the utility employee is not authorized to fully explain the customer's rights and obligations as described in paragraph 3(a) above, the employee must offer the customer the opportunity to communicate with an employee who has this authority before disconnecting the service. If the utility has already made personal contact with a customer pursuant to subsection 2 above and the customer has not taken the necessary steps to avoid

disconnection, the utility is not required to postpone disconnection a second time pursuant to this subsection. If a customer offers to pay the overdue amount to prevent disconnection, the utility employee must either:

- i. accept payment, give a receipt and leave the service intact; or
 - ii. direct the customer to the nearest location where payment is accepted and postpone disconnection for a reasonable time.
- c. The utility may assess a reasonable fee pursuant to a rate schedule approved by the Commission when the overdue amount is paid in the situations described in paragraph b above.

4. **Post-Disconnection Notice**

- a. If disconnection occurs as a result of a premise visit, the utility must post or deliver a written notice to an occupant of the premises at the time of the disconnection. The written notice must contain:
 - i. the address and telephone number of the utility;
 - ii. the overdue amount or other reason for the disconnection;
 - iii. the requirements for reconnection; and
 - iv. the procedure for residential customers to declare a serious medical condition.
- b. A utility must mail the written notice required by this subsection within 3 business days when:
 - i. a customer's billing location is different from the service location; or
 - ii. a premise visit was not required to disconnect.

§ 11 **CONTINUATION OF UTILITY SERVICE IS REQUIRED FOR RESIDENTIAL CUSTOMERS WITH A SERIOUS MEDICAL CONDITION**

A. **Basic Service is Required for Residential Customers When a Medical Condition Necessitates a Continuation of Service**

A utility may not disconnect service and may not refuse to connect or reconnect service to any residential customer when the customer or an occupant of the customer's residence is certified by a physician or the physician's agent or designee to have a serious medical condition.

B. Disconnection Postponed Pending Certification

If the customer or member of the customer's household notifies the utility that the customer or an occupant of the customer's residence has a serious medical condition and that certification of the medical condition will be obtained, the utility may not disconnect service for at least 3 business days. The effective period of a pending disconnection notice can be extended to accommodate this 3-day period if the utility notified the customer of the extension at the time the utility was notified of the medical condition.

C. Certification Procedure

A physician's certification of a medical condition may be oral or written. A utility may not challenge the validity of an oral or written certification with a physician or a physician's agent, unless the utility has reason to believe that fraudulent information has been provided by the customer. If the utility has reason to believe that certification is not valid, it should file a request for an exemption of this Section with the CAD. The utility may require written confirmation within 7 days of an oral certification. The utility may require that a written certification include the following if the utility provides a form for the physician to complete:

1. The name and service location of the customer (to be provided by the utility).
2. The name and address of the person with the serious medical condition.
3. A statement that a serious illness or medical condition exists which would be seriously aggravated by lack of utility service.
4. The anticipated length of the medical emergency.
5. The specific reason why continued service is required.
6. The name, office address, telephone number and signature of the certifying physician.

If the written certification is not provided within the 7-day period, the utility may proceed with disconnection pursuant to Section 10(D)(3).

D. Connection or Reconnection of Service

When a utility is required to connect or reconnect service under this Section, the utility shall attempt to provide service on the day it receives the certification. In any case, service must be provided by 5:00 p.m. of the next day.

E. Length of Certification; Renewals

The utility may not disconnect the customer for the time period specified in the certification or 30 days, whichever is less. If the certification does not specify a time period or it is not readily ascertainable, the utility must not disconnect for a least 30 days. A certification may be renewed a total of two times during any 12-month period. This limitation applies to the premises as a whole, i.e., regardless of how many different people with serious medical conditions reside at the same premises, the utility must

accept no more than a total of three serious medical condition certifications for the premises within a 12-month period.

F. Customer's Duty to Pay or Make a Payment Arrangement

Whenever service is provided due to the existence of a serious medical condition, the utility shall inform the customer of the continuing duty to pay or make a payment arrangement for the amount overdue. A utility must offer to refer a customer to possible sources of financial assistance for the payment of the utility bill when a medical emergency is declared.

G. Disconnection Upon Expiration of a Certification

A utility may begin disconnection procedures when a certification of a serious medical condition expires if the customer has failed to pay or enter into a payment arrangement for the amount overdue.

§ 12 RECONNECTION OF SERVICE

A. Duty to Reconnect

If service has been disconnected, the utility must reconnect service pursuant to this Section when the cause of disconnection has been remedied.

B. Payment Arrangement, Deposit

1. Residential Customers

A utility must offer the customer a reasonable payment arrangement on the account balance if the disconnection was for nonpayment and the customer was not on a payment arrangement at the time of the disconnection. If the cause of the disconnection was a broken payment arrangement, the utility may require the customer to pay the catch-up amount on the arrangement, in addition to a deposit if a deposit is allowed by Section 7(A) of this Rule, and a reconnection fee as a prerequisite for reconnection. In these situations, the utility must offer the customer the option of paying the deposit in three monthly installments consistent with the process described in Section 7(F)(1) of this Chapter. If the utility demands a deposit from a residential customer that was not on a payment arrangement at the time of the disconnection before reconnecting the service, the utility must offer the following options to the customer:

- a. pay the deposit and enter into a payment arrangement for the amount overdue;
- b. pay the amount overdue and enter into a payment arrangement for the deposit; or
- c. pay the deposit and amount overdue in full.

2. **Non-Residential Customers**

For non-residential customers, utilities may require the customer to pay the amount overdue and a deposit before the reconnection of service. The utility may also require the customer to pay a reconnection fee prior to reconnection or include the reconnection fee in the next bill, provided it has such a fee in its rate schedule approved by the Commission.

C. **Time**

The utility must make a reasonable effort to reconnect service during business hours on the same day that it receives the request to reconnect. At the latest, reconnection must be made before 5:00 p.m. the following business day after the request. If a customer requests reconnection to occur at other than regular business hours, the utility must inform the customer of the higher reconnection charge, if applicable, and make a reasonable effort to reconnect if requested, but the utility is not obligated to do so unless a medical condition exists. Any request to reconnect where the utility receives notice that the cause of the disconnection has been remedied by 3:00 p.m. must be considered as received during “normal business hours” the same day the notice was received for the purposes of assessing a reconnection fee.

D. **Reconnection Fee**

A utility may file a rate schedule to charge a reasonable fee for reconnection during regular business hours and a higher fee for reconnection at other times.

§ 13 **DISPUTE RESOLUTION PROCEDURES**

A. **Employees Available**

A utility shall have an adequate number of properly trained employees available during business hours to respond to questions from applicants and customers, resolve disputes, and address requests for service. Customers calling the utility must be provided the opportunity to talk to a live customer representative without spending an unreasonable amount of time on hold and without being forced to navigate through an unreasonable number of menu levels in an automated phone answer system. If a customer call is not automatically forwarded to a live person once a menu option is selected, the option to speak to a live representative must be provided as a menu choice. A utility with fewer than 5 full-time employees or fewer than 300 customers is not required to have an informed employee available at all times during business hours. If such a utility achieves contact with a customer before disconnection, the utility must not disconnect the customer until it has offered the customer the opportunity to resolve a dispute or to avoid disconnection by contact with the employee who is authorized to resolve disputes and enter into payment arrangements.

B. **Disconnection of Service Prohibited**

A utility may not threaten disconnection or disconnect the service of a customer if the customer has informed the utility that the customer disputes liability for the bill, a utility's deposit request, or the terms of a payment arrangement required by a utility to avoid

disconnection, until the dispute is resolved pursuant to subsection C below. When a customer disputes only a portion of the bill, the utility may require payment of that portion not in dispute to prevent disconnection.

C. Dispute Resolution Process

When a utility becomes aware of a dispute by an applicant or customer, whether or not disconnection is pending, the utility shall:

1. Investigate Dispute

Investigate the dispute, preserving a record of the substance and results of the investigation;

2. Report Results

Report the results of its investigation to the applicant or customer based on the record; and

3. Attempt to Resolve Dispute

Attempt in good faith to resolve the dispute.

D. Dispute Record Maintenance

All utilities must preserve records of disputes for a period of 2 years from the date the dispute was resolved and those records must be available for examination by the Commission. The dispute records must include:

1. the name and address of the applicant or customer with the dispute;
2. the date and subject matter of the dispute;
3. the record of investigation required by this Section;
4. all communications to or from the customer regarding the dispute;
5. the adjustment or resolution offered to the customer; and
6. the final adjustment or resolution.

E. Notification of Right to File a Complaint With the CAD

If a utility cannot resolve a dispute with an applicant or customer after the procedures set forth above have been completed, the utility shall orally inform the applicant or customer of the right to file a complaint with the CAD and of the toll-free telephone number of the CAD. If the complaint concerns a pending disconnection of service, the utility shall orally inform the customer that the complaint must be filed before the disconnection date or within 2 business days of the oral notice, whichever is later. During that time, the utility may not disconnect the customer's service. If the 2-day extension exceeds the

disconnection date of the notice, the effective period of the notice can be extended to accommodate the 2-day extension period.

F. Limitation of Disconnection During CAD Investigation

1. Limitation on Disconnection Pending Resolution

A utility may not threaten disconnection or disconnect service to a customer who disputes liability for the bill, a utility's deposit request, or the terms of a payment arrangement required by a utility to avoid disconnection and has filed a complaint with the CAD until the complaint is resolved pursuant to Section 13(G)(4) below.

2. Reconnection Pending Resolution

If a customer files a complaint after service has been disconnected, the customer is entitled to reconnection pending resolution of the complaint only if the Director of the CAD finds reasonable grounds to believe that the utility has failed to follow the disconnection provisions of this Rule (Section 10) or has failed to notify the customer of the right to file a complaint with the CAD as required by Section 13(F) above. If the CAD orders the utility to reconnect service on this basis, the utility shall reconnect the customer's service without reconnection charges or deposit.

G. CAD Complaint Process

1. CAD Acceptance of Complaint

The CAD will not accept a complaint from a customer if the customer has not first attempted to resolve the dispute with the utility, pursuant to Section 13(D) above. The CAD may also reject, without investigation, a complaint that is outside its jurisdiction or is without merit. A complaint may be considered to be "without merit" if, among other things, the CAD has previously issued a decision regarding the same issue that is the basis for the complaint. If the CAD accepts a complaint, the CAD shall investigate the complaint pursuant to paragraph 2 below.

2. CAD Investigation of a Complaint

The CAD will inform a utility that a complaint has been filed and the date of the filing by whatever means is acceptable to both the CAD and the utility, e.g., in writing, by telephone, by e-mail, or by fax. The CAD will conduct an informal investigation of the complaint that may include:

- a. an informal meeting with the customer and/or the utility;
- b. a review of the written record of the utility's investigation required by Section 13(D) above; and
- c. an examination of other records, such as billing and payment information, notice of disconnection, or any other information that the CAD deems relevant to the complaint.

3. **Provision of Information to the CAD by a Utility**

A utility shall provide information requested by the CAD within 10 business days of its receipt of the request. This information may include, but is not limited to, billing and payment information, notice of disconnection information, the written record of the utility's investigation of the customer's dispute, or any other information in the utility's possession or that is readily available to the utility that the CAD deems necessary to investigate the customer's complaint. If the utility cannot provide the requested information within the 10-day time period, it may request an extension from the Director of the CAD or the Director's designee. The extension request may be made orally or in writing and it may be granted or denied orally or in writing.

4. **Decision**

The CAD will complete its investigation and issue a written decision within 30 days of its receipt of information from the utility that is deemed necessary by CAD staff to resolve the complaint. The decision by the CAD shall impose any just and reasonable requirements necessary to resolve the complaint, including, but not limited to:

- a. reconnection of service, deposit requirements;
- b. payment arrangement terms, which may include both water and sewer charges for utilities that have the ability to disconnect water service for the non-payment of sewer charges;
- c. an adjustment of late fees accrued since the complaint was received;
- d. a determination of whether a violation of this Rule has occurred; and
- e. a determination that a utility may proceed with disconnection in appropriate circumstances.

5. **Notice of Appeal Rights**

When a decision is rendered, the CAD shall inform the customer and the utility of the right to appeal the decision to the Commission and of the rights of both parties while an appeal to the Commission is pending.

H. **Appeal to the Commission**

1. **Appeal Process**

The customer or the utility may appeal a CAD decision to the Commission by filing a notice of appeal with the Administrative Director of the Commission within 10 calendar days after the date of the decision. Notwithstanding Section 6(C) of the Maine Rules of Civil Procedure and Section 305 of the Commission's Rules of Practice and Procedure (Chapter 110), no additional time is allowed for mailing.

2. **Disconnection Delayed**

If an appeal is filed with the Commission, a utility may not disconnect or terminate the customer's service until the appeal is decided. This prohibition stands, even if the CAD's decision allows the disconnection.

3. **Commission Review**

The Commission shall review the decision to determine if it complies with applicable statutory and regulatory requirements, is based on sound facts, and does not represent an abuse of discretion by the CAD.

4. **Order**

The Commission shall issue an order affirming the CAD's decision or, if the decision is not affirmed, the Commission shall:

- a. remand the complaint to the CAD for reconsideration with an explanation of the basis for the remand;
- b. remand the complaint back to CAD to gather further facts;
- c. issue an order reversing or altering the CAD's decision; or
- d. issue an order opening an investigation pursuant to 35-A M.R.S.A. Section 1303.

§14 CUSTOMER NOTICE OF PLANNED AND UNPLANNED SERVICE INTERRUPTIONS DUE TO MAINTENANCE OR REPAIRS

The term "interruption" in this subsection means either a cessation of service or a substantial degradation in the quality of service normally provided. A utility may temporarily interrupt service when it is necessary to repair or maintain the utility delivery system (planned or unplanned); to eliminate an imminent threat to life, health, safety or substantial property damage; or for reasons of local, state or national emergency.

A. **Reasonable Notice Required**

When the utility schedules a service interruption for maintenance or repairs, the utility must give reasonable notice of the cause and expected duration of the interruption to customers and occupants who may be affected. If the service interruption is scheduled to affect more than 10 customers or a single commercial customer on a dedicated line, or last more than 5 hours, reasonable notice means 3 days if feasible, but 24 hours at a minimum. In other cases reasonable notice means notice as soon as practicable.

B. **Notification of Affected Customers**

When service is interrupted without notice for more than 5 hours, the utility must make reasonable efforts to notify affected customers and occupants of the cause and expected

duration of the interruption as soon as possible. A utility may give priority to restoration of service when it is impossible to both restore service and notify customers at the same time.

C. Method of Notification

Notice required by paragraphs A and B can be given by the method best suited to the nature of the interruption, the size of the area affected, the time of year, and the resources available to the utility. Notice includes, but is not limited to, personal visits to affected premises, an advertisement in local papers where the interruption will or is taking place, posting outage information on a website, or making outage information available to customers that call the utility.

§15 ANNUAL REPORTS TO THE COMMISSION

- A. Every utility must file the following information with the CAD by April 15 of each year, with the information listed separately for residential and non-residential customers (unless otherwise specified):
1. billing period used by utility;
 2. the average number of accounts receiving service (to obtain the annual average, sum the month-end totals and divide by 12);
 3. the average customer bill per billing period and per year (divide the total residential revenues receivable by the number of bills issued);
 4. the average number of accounts with overdue amounts per billing period (an overdue amount is the amount billed to the customer that was not paid by the due date of the bill or by a date otherwise agreed upon);
 5. the average dollar amount of overdue amounts per billing period;
 6. the number of disconnection notices issued per billing period;
 7. the number of disconnections for any reason other than at the request of the customer or the abandonment of the premises per billing period;
 8. the number of residential reconnections following disconnection without consent per month (do not include requests for service by new customers);
 9. the number of residential reconnections following disconnection without consent per month where the service was placed in another person's name;
 10. the number of payment arrangements negotiated by type;
 11. the number of deposits requested and received and their average dollar amount;
 12. the number of applications for service that were denied;

13. the number of residential applications for service in which the utility demanded a deposit or payment arrangement according to Section 6(A)(1)(a)(ii) (after the request for service, but within 60 days);
 14. the gross revenue received;
 15. the actual write off amounts and method used to ascertain those figures (and any other figures which reflect uncollectible amounts);
 16. the amount recovered from previously written off amounts and method used to ascertain those figures
 17. the number of cases and dollar amount of unpaid debt pursued through the court system or other means, the costs of collection by each method, with an identification of those accounts in which the utility could have but did not transfer the prior debt to a current account according to Section 6(A)(1)(a) and 6(C); and
 18. the total number of customer disputes handled.
- B. Utilities that have the ability to disconnect a customer's water service for the non-payment of sewer charges must file the following information with the CAD by April 1 of each year, with the information listed separately for residential and non-residential customers (unless otherwise specified):
1. the number of disconnection notices issued per month when the amount overdue included sewer charges;
 2. the number of disconnections for non-payment per month when the amount overdue included sewer charges;
 3. the number of reconnections following disconnection for non-payment when the amount overdue included sewer charges per month (do not include requests for service by new customers);

§16 WAIVERS

The Commission may grant waivers to the provisions of this Rule.

A. Utility Waiver

Upon the written request of any utility subject to this Rule or upon its own motion, the Commission may, for good cause, waive any requirement of this Rule that is not required by statute. The waiver may not be inconsistent with the purposes of this Rule or Title 35-A. The Commission, the Director of the CAD, or the Hearing Examiner assigned to a proceeding related to this Rule, may grant the waiver.

B. Individual Customer Waiver**1. Request Requirements**

A utility may request that the CAD grant a waiver from any provision of this Rule in any case involving an individual applicant or customer whose conduct and known financial condition pose a clear danger of substantial losses to the utility. A request for waiver under this subsection must be made to the CAD. The request may be written or oral, but an oral request must be followed promptly by a written confirmation. The written request or confirmation shall include a detailed statement of the facts alleged by the utility in support of the request. The utility shall immediately notify, in writing, the individual applicant or customer whose service would be affected by the proposed waiver, describing the nature and effect of the requested waiver and the facts alleged in support of the request.

2. CAD Review

The CAD may reject any request for waiver that does not present facts that satisfy the standard of Section 15(B)(1) above.

3. Decision

The CAD shall issue a written decision granting, denying, or granting in part the requested waiver. When the CAD determines that a waiver is required to avoid a clear danger of substantial losses to the utility, it shall notify the customer and the utility of the decision. The notification may be made orally, but a written confirmation of the decision must be promptly issued. The decision or written confirmation shall:

- a. describe the nature and effect of the waiver;
- b. explain why the waiver was granted or denied; and
- c. inform the customer and the utility of the right to appeal the CAD's decision to the Commission, as provided in Section 16(B)(4) below.

4. Appeal of Waiver Decision to Commission

By following the procedures in Section 13(H) of this Rule, a party may appeal a decision by the CAD granting or denying, in whole or in part, a request for an exemption. If the CAD grants an exemption, the utility may not act on the exemption until the appeal period expires.

STATUTORY AUTHORITY: 35-A M.R.S.A. §§ 104, 111, 704 and 1308

EFFECTIVE DATE: This rule was approved as to form and legality by the Attorney General on October 1, 2010. It was filed with the Secretary of State on October 5, 2010, 2010 as filing 2010-459, and became effective on October 10, 2010.

EFFECTIVE DATE: This rule amendment was approved as to form and legality by the Attorney General on August 23, 2011. It was filed with the Secretary of State on August 23, 2011 as filing 2011-292, and became effective on August 28, 2011.