

B. Leak Adjustments

Customers are responsible for the water service lines on the customer side of the meter. This is defined as that point at which the customer's plumbing connects to the meter box. This includes a customer's shut off valve connected directly to the meter box. The City does not maintain or repair leaks on the customer's side of the water meter. The customer is responsible for all metered usage, including usage caused by leaks. The City of Hendersonville may allow an adjustment for utility fees and charges resulting from leaks on the customer's side of the meter. All the following apply:

1. Adjustment Frequency

An adjustment may be extended to the customer's meter only once every 24 calendar months upon approval.

2. Active Account Requirement

All leak adjustment requests must be submitted while the utility account is active. Once a request to discontinue service has been processed and the account is closed, the account is no longer eligible for a leak adjustment.

3. Eligible Non-Preventable Leaks

Only non-preventable leaks will be considered for billing adjustment this includes:

- Underground service line leaks occurring between the meter and the structure.
- Hidden plumbing or fixture failures within walls, slabs, or foundations, including running toilets.
- Sudden pipe bursts not caused by customer misuse or neglect.
- Service line failures not attributable to customer action.
- Internal plumbing leaks that are not visible or reasonably discoverable during normal use.

4. Ineligible Preventable Leaks. The following leaks are ineligible for a leak adjustment:

- Fixtures or plumbing left running (e.g., faucets, hoses, or spigots left open)
- Irrigation systems or hoses left operating unattended.
- Improperly closed valves, spigots, or customer-controlled shutoffs
- Any condition where water is actively flowing due to customer oversight, misuse, or lack of maintenance.

5. Adjustment Period and Usage Review

If a leak exceeds a two-month period, the leak adjustment will be applied to the 2 highest usage billing cycles per account during the period of leaking (see number 6 below). The two highest billing cycles will be determined by City staff after staff determines the end of the abnormal usage caused by the leak through review of meter data. If staff are unable to determine that the abnormal usage has ended, the adjustment may be denied. The customer is responsible for all fees and charges related to abnormal usage that occurs for greater than the two highest billing cycles.

6. Adjustment Calculation

Leak adjustments shall be calculated using the customer's normal water usage rate. Normal usage shall be determined based on the customer's average consumption over the previous twelve (12) months of billed usage. If previous consumption data is less than twelve (12) months, the City may require up to an additional three (3) months of billed usage before an adjustment is processed. Once the normal monthly water usage rate has been determined, the usage(s) for each of the 2 highest billing cycles during the period of leaking (see number 5 above) will be adjusted down to 1.5 times the normal monthly usage rate.

7. Maximum Adjustment Amount

The Maximum leak adjustment that may be made for a leak is \$3,000 for water and sewer combined. The customer is responsible for the billed amount that exceeds the maximum adjustment amount. Sewer fee or charge adjustments for leaks not returned to sewer shall not count toward the \$3,000 cap.

8. Leaks Returned to Sewer

If the cause of the excessive usage is a defective plumbing fixture (such as a leaking toilet or faucet) and the water is returned to the sanitary sewer system, the adjustment shall include both water and sewer fees and charges.

9. Leaks Not Returned to Sewer

If the cause of the excessive usage is a burst pipe or an underground leak or other scenario and the leaked water is not returned to the sanitary sewer system, the adjustment shall include a full removal of sanitary sewer fees and charges incurred due to the water leak, and an adjustment of water fees and charges. The sewer adjustment amount will not go towards the maximum adjustment amount.

10. Submission Deadline

The customer must submit a Leak Adjustment Request Form for approval to receive an adjustment. The Leak Adjustment Request Form must be submitted within 90 days after the leak is corrected as determined by City staff. Staff will review meter usage data to determine the correction of the leak.

11. Licensed Plumber Documentation

Customers must provide the City with an invoice from a licensed plumber for repairing the leak(s). This must be accompanied by a statement confirming that the leak (or multiple leaks) has been repaired, and a description of where the leak occurred.

12. Customer Repair Documentation

A customer may make their own repairs. If a customer makes their own repairs, all receipts for parts and pictures of the leak site prior to repair and after completion are required to be sent to the City for approval.

13. Payment and Account Standing

Customers are responsible for paying the entire amount due within the normal payment period or enter into payment arrangements for the billed amount to remain in good standing on all current billings for the leak-affiliated utility service account. If payment is not received on time, the customer is subject to all current and applicable collection processes and procedures, including but not limited to disconnection of water service.

14. Minimum Adjustment Amount

No leak adjustment of less than \$20.00 may be given unless the cause for the credit or adjustment is an error by the City of Hendersonville.

15. Credits and Refunds

Leak adjustments will apply to the customer's account as a credit. Payments made prior to the adjustment that do not exceed more than 3 months normal billed activity will remain as a credit on the account unless the account is no longer active. Amounts paid greater than 3 months normal billed activity may be requested to be refunded by the Customer. Any credits or payments received may be applied to outstanding Customer balances.

16. Review

A customer who disputes a decision regarding a leak adjustment may request a review of the decision by the Billing Department. The review request must identify the leak adjustment requested, explain the reason for the disagreement, and include any supporting documentation or other evidence the customer believes is relevant to the review.

The Finance Director, or designee, shall review the request and supporting information and may conduct additional research or request additional information as necessary to determine whether the leak adjustment decision was correct per policy.

Following the review, the Finance Director, or designee, will contact the customer regarding the final decision and any applicable adjustment or other action. The decision of the Finance Director, or designee, shall constitute the City's final determination regarding the leak adjustment.

Submission of a request for review of a leak adjustment decision does not automatically suspend applicable payment deadlines, late fees, delinquency procedures, or disconnection procedures unless otherwise authorized by this Policy, City ordinance, or the Finance Director.