

SENIOR CANYON MUTUAL WATER COMPANY
RESIDENTIAL WATER SHUT-OFF POLICY

October 2021

In 2018, the State legislature enacted Senate Bill 998 ("SB 998"), known as the Water Shut Off Protection Act. It is intended to help residential water users who might otherwise lose access to water service due to their inability to pay. SB 998 requires water service providers including Senior Canyon to have a written policy on discontinuation of services containing specific procedural protections before residential water service can be discontinued for non-payment. This Residential Water Shut-Off Policy has been adopted by Senior Canyon in response to the requirements of SB 998.

1) General Provisions

- a) **Application.** Unless otherwise stated, this Policy applies only to disconnection of residential water service for nonpayment. Senior Canyon's existing rules, regulations, policies, and procedures shall continue to apply to non-residential water service accounts and to disconnection of residential water service for other reasons, including the termination of a service connection by Senior Canyon due to a shareholder/customer violation of any other, rule, regulation, or policy of Senior Canyon.
- b) **Shareholder Responsibility.** Under applicable Company rules, regulations, policies, and procedures, bills for water service are rendered to each shareholder on a monthly basis, and are due and payable upon presentation. Water service bills become delinquent if not paid within 60 days from the date on the bill. It is the shareholder's responsibility to ensure that payments are received at Senior Canyon's office in a timely manner, whether or not the shareholder is the water service end-user, or "customer".
- c) **Availability of Policy.** Senior Canyon shall provide this Policy and all written notices given under this Policy in English. This Policy shall be posted and maintained on Senior Canyon's website and provided to customers in writing upon request.

2) Disconnection of Residential Water Service for Nonpayment

- a) **60-day Delinquency Period.** Senior Canyon shall not disconnect residential water service for nonpayment of a service bill until a customer's payment has been delinquent for 60 days.
- b) **10-Day Shut-Off Notice.** Not less than 10 days before disconnection of residential service for nonpayment, Senior Canyon shall contact the customer named on the account by telephone or written notice.
 - i) When Senior Canyon contacts the shareholder/and or customer named on the account by written notice under this section, the written notice of payment

Senior Canyon Mutual Water Company –Residential Water Shut-Off Policy

- delinquency and impending disconnection shall be mailed to the shareholder/ and or customer of the residence to which the residential service is provided. If the shareholder/and or customer’s address is not the address of the property to which residential service is provided, the notice also shall be sent to the address of the property to which residential service is provided, addressed to “Occupant.”
- ii) The written notice shall include all of the following information in a clear and legible format:
- (1) The shareholder/and or customer’s name and address.
 - (2) The amount of the delinquency, including an itemization of any late payment penalties and interest to be applied to the delinquent charges.
 - (3) The date and time by which payment or arrangement for payment must be made in order to avoid disconnection of water service.
 - (4) A description of the process to apply for an extension of time to pay the delinquent charges.
 - (5) A description of the procedure by which the shareholder/and or customer may petition for bill review and appeal or initiate a complaint or request an investigation concerning the service or charges.
 - (6) A description of the procedure by which the shareholder/and or customer may request a deferred, reduced, or alternative payment schedule, including an amortization of the delinquent residential service charges, consistent with this Policy.
 - (7) A description of the procedure for the shareholder/and or customer to obtain information on the availability of financial assistance, including private, local, state, or federal sources, if applicable.
 - (8) Senior Canyon’s telephone number, business address, and hours of operation of a representative who can provide additional information or institute arrangements for payment.
- iii) If the written notice is returned through the mail as undeliverable, Senior Canyon shall make a good faith effort to visit the residence and leave or place in a conspicuous place a notice of imminent disconnection of residential service for nonpayment and a copy of this Policy.
- c) 48-hour Posting Notice. Senior Canyon shall make a reasonable, good faith effort to contact an adult person residing at the premises of the customer by telephone or in person at least 48 hours prior to any termination of service except that whenever telephone or personal contact cannot be accomplished, Senior Canyon shall give, by mail or by posting in a conspicuous location at the premises, a notice of termination of service, at least 48 hours prior to termination. This notice of termination of service shall include all information required in the 10-day Shut-Off notice as provided in 2(b)(ii), above.
- d) Service Restoration Information. Upon disconnection, Senior Canyon shall provide

Senior Canyon Mutual Water Company –Residential Water Shut-Off Policy

the customer with information on how to restore residential service.

3) Restrictions on Disconnection of Water Service

- a) Senior Canyon shall not disconnect residential water service for nonpayment of a service bill until a shareholder/ and or customer's payment has been delinquent for 60 days.
- b) Senior Canyon shall not disconnect residential service in any of the following situations:
 - i) During the time that Senior Canyon is investigating a customer dispute or complaint under section 6 of this Policy.
 - ii) When a shareholder/ and or customer has been granted an extension of the period for payment of a bill.
- c) Senior Canyon shall not disconnect residential service if all of the following conditions are met:
 - i) The shareholder/ and or customer submits to Senior Canyon the certification of a primary careprovider, as defined in section 14088(b)(1)(A) of the Welfare and Institutions Code, that disconnection of residential service will be life threatening to, or pose a serious threat to the health and safety of, a resident of the property receiving service.
 - ii) The shareholder/ and or customer demonstrates that he or she is financially unable to pay for residentialservice within the urban and community water system's normal billing cycle. The customer shall be deemed financially unable to pay for residential service within Senior Canyon's normal billing cycle if (1) any shareholder of the shareholder/ and or customer's household is a current recipient of CalWORKs, CalFresh, general assistance, Medi-Cal, Supplemental Security Income/State Supplementary Payment Program, or California Special Supplemental Nutrition Program for Women, Infants, and Children, or (2) the shareholder/ and or customer declares that the household's annual income is less than 200 percent of the federal poverty level.
 - iii) The shareholder/ and or customer is willing to enter into an alternative payment arrangement,consistent with the provisions of Section 4 of this Policy.

If a shareholder/ and or customer meets the three conditions listed in this subsection (c), Senior Canyon shall offer the shareholder/ and or customer one or more of the payment options described in Section 4. Any shareholder/ and or customer meeting these requirements shall, upon request, be permitted to amortize, over a period not to exceed 12 months, the unpaid balance of any bill asserted to be beyondthe means of the shareholder/ and or customer to pay within the normal period for payment.
- d) Senior Canyon shall not terminate water service under this Policy on any Saturday, Sunday, legal holiday, or outside of its normal operating hours.

Senior Canyon Mutual Water Company –Residential Water Shut-Off Policy

4) Alternative Payment Arrangements

- a) Options. Upon request, Senior Canyon will consider the following options with a delinquent shareholder/and or customer to avert discontinuation of residential service for nonpayment:
 - i) Amortization of the unpaid balance;
 - ii) Participation in an alternative payment schedule;
 - iii) A partial or full reduction of the unpaid balance, financed without additional charges to other ratepayers; or
 - iv) Temporary deferral of payment. (Collectively “Payment Arrangements.”)
- b) Company Administration. Senior Canyon may choose which of the Payment Arrangements described in Section 4(a), above, may be available to the shareholder/ and or customer and may set the parameters of that payment option. Generally, the Payment Arrangement offered should result in payment of any remaining outstanding balance within 12 months. Senior Canyon’s Board of Directors (“Board”) may authorize its Manager or other designee to prepare and approve a Payment Arrangement agreement with a customer consistent with this Section 4.
- c) Shareholder/ and or Customer Obligations. If Senior Canyon and shareholder/ and or customer enter into a Payment Arrangement under this Section 4, the shareholder/ and or customer shall comply with the agreement or other arrangement and remain current on any new water service charges as they are billed in each subsequent billing period.

5) Disconnection After Failure to Comply with Alternative Payment Arrangements

- a) If Senior Canyon and shareholder/ and or customer enter into any Payment Arrangement under Section 4, Senior Canyon may disconnect service no sooner than five business days after Senior Canyon posts a final notice of intent to disconnect service in a prominent and conspicuous location at the property under either of the following circumstances:
 - i) The shareholder/ and or customer fails to comply with the Payment Arrangement for 60 days or more.
 - ii) While undertaking a Payment Arrangement, the shareholder/ and or customer does not pay his or her current residential service charges for 60 days or more.
- b) The notice of termination under this Section 5 shall include all the following information:
 - i) The shareholder/ and or customer’s name and address.
 - ii) Notice of the shareholder/ and or customer’s noncompliance with the Payment Arrangement.
 - iii) The Payment Arrangement or other conditions the shareholder/ and or customer must satisfy in order to avoid termination.

Senior Canyon Mutual Water Company –Residential Water Shut-Off Policy

- iv) Senior Canyon’s telephone number, business address, and hours of operation of a representative of Senior Canyon who can provide additional information.
- 6) Procedure to Contest or Appeal a Bill. A shareholder/and or customer may appeal or contest the amount set forth in any bill for residential water service pursuant to the following procedure:
- a) General Appeal. Within five days of receipt of the bill for water service, a shareholder/and or customer has a right to request an appeal or review of any bill or charge rendered by Senior Canyon. The request must be made in writing and be delivered to Senior Canyon’s office. For so long as the shareholder/ and or customer’s appeal and any resulting investigation is pending, Senior Canyon cannot disconnect water service to the shareholder/ and or customer.
 - b) 10-Day Notice Appeal. In addition to the appeal rights under subsection (a), above, a shareholder/and or customer who receives a 10-Day Notice described in Section 2(b) of this Policy may request an appeal or review of the bill to which the notice relates within five business days of the date of the notice. However, no such appeal or review rights shall apply to any bill for which an appeal or request for review under subsection (a) above, has been made. Any appeal or request for review under this subsection must be in writing and must include documentation supporting the appeal or the reason for the review. The request for an appeal must be delivered to Senior Canyon’s office within the five-day period. For so long as the shareholder/ and or customer’s appeal and any resulting investigation is pending, Senior Canyon cannot disconnect water service to the customer.
 - c) Appeal Process.
 - i) Following receipt of a request for an appeal or review under subsections (a) or (b), above, Senior Canyon’s Manager, or his or her designee, shall evaluate the request for review and supporting material provided by the shareholder/ and or customer and the information on file with Senior Canyon concerning the water charges in question. Within 10 days after receipt of the shareholder/ and or customer’s request for review, the Manager, or his or her designee, shall render a decision as to the accuracy of the water charges set forth on the bill and shall provide the appealing shareholder/ and or customer with a brief written summary of the decision.
 - ii) If water charges are determined to be incorrect, Senior Canyon will provide a corrected invoice and payment of the revised charges will be due within 10 calendar days of the invoice date for revised charges. If the revised charges remain unpaid for more than 60 calendar days after the corrected invoice is provided, water service will be disconnected. Prior to disconnection, Senior Canyon shall provide the shareholder/ and or customer with the 10-Day Notice in accordance with Section 2(c), above. Water service will only be restored upon full payment of all outstanding water charges, penalties, interest, and any applicable reconnection charges.
 - iii) If the water charges in question are determined to be correct, the water charges are due and payable within three business days after receipt of the Manager’s, or

Senior Canyon Mutual Water Company –Residential Water Shut-Off Policy

- his or her designee's, decision. At the time the decision is rendered, the shareholder/ and or customer will be advised of the right to further appeal before Senior Canyon's Board. Any such appeal must be filed in writing within three business days after receipt of the Manager's, or his or her designee's, decision. The appeal hearing will occur at the next regular meeting of the Board, unless the shareholder/ and or customer and Manager, or his or her designee, agree to a later date.
- iv) If the shareholder/ and or customer does not timely appeal to the Board, the water charges in question shall be immediately due and payable. In the event the charges are not paid in full within 60 calendar days after the original billing date, then Senior Canyon shall provide shareholder/ and or customer with the 10-Day Notice in accordance with Section 2(b), above, and may disconnect water service to the shareholder/ and or customer's property if the outstanding bill is not timely paid.
 - v) When a hearing before the Board is requested, the shareholder/ and or customer will be required to personally appear before the Board and present supporting material and reasons as to why the water charges on the bill in question are not accurate. The Board shall evaluate the evidence presented by the shareholder/ and or customer, as well as the information on file with Senior Canyon concerning the water charges in question (including the Manager's/designee's decision) and any staff presentation, and render a decision as to the accuracy of the charges. The Board's decision shall be final and binding.
 - vi) If the Board finds that the water service charges in question are incorrect, the shareholder/ and or customer will be invoiced for the revised charges. If the revised charges remain unpaid for more than 60 calendar days after the corrected invoice is provided, water service will be disconnected, on the next regular working day after expiration of that period. Senior Canyon shall provide the shareholder/ and or customer with the 10-Day Notice in accordance with Section 2(b), above.
 - vii) If the water service charges in question are determined to be correct, they shall be due and payable within three business days after the date of the decision of the Board. In the event the charges are not paid in full within 45 calendar days after the original billing date, then Senior Canyon shall provide with the 10-Day Notice in accordance with Section 2(b), above, and may disconnect water service to the shareholder/ and or customer's property if the outstanding bill is not timely paid.
 - d) Any overcharges due from Senior Canyon will be reflected as a credit on the next regular bill to the shareholder/ and or customer, or refunded directly to the shareholder/ and or customer, at the sole discretion of the Manager or the Board.
 - e) Water service to any shareholder/ and or customer shall not be disconnected at any time during which the shareholder/ and or customer's appeal to the Manager or the Board is pending.