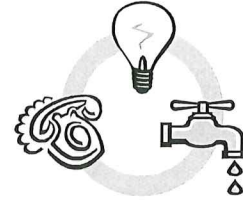


INDUSTRY PUBLIC UTILITIES COMMISSION CITY OF INDUSTRY



SPECIAL MEETING AGENDA
MARCH 26, 2020 9:00 A.M.

President Cory C. Moss
Commissioner Abraham N. Cruz
Commissioner Catherine Marcucci
Commissioner Mark D. Radecki
Commissioner Newell W. Ruggles



Location: City Council Chamber, 15651 East Stafford Street, City of Industry, California

Addressing the Commission:

NOTICE OF TELEPHONIC MEETING:

- **Pursuant to Section 3 of Executive Order N-29-20, issued by Governor Newsom on March 17, 2020, the regular meeting of the IPUC shall be held telephonically. Members of the public shall be able to attend the meeting telephonically, and offer public comment by calling the following conference call number: 657-204-3264, and entering the following Conference ID: 5255752#. Please be advised that pursuant to the Executive Order, and to ensure the health and safety of the public, Council Chambers will not be open for the meeting, and all public participation must occur by telephone at the number set forth above. Pursuant to the Executive Order, and in compliance with the Americans with Disabilities Act, if you need special assistance to participate in the IPUC meeting (including assisted listening devices), please contact the City Clerk's Office at (626) 333-2211 by 5:00 p.m. on Tuesday, March 24, 2020, to ensure that reasonable arrangements can be made to provide accessibility to the meeting.**
- **Agenda Items:** Members of the public may address the Commission on any matter listed on the Agenda. Anyone wishing to speak to the Commission is asked to complete a Speaker's Card which can be found at the back of the room and at the podium. The completed form should be submitted to the City Clerk prior to the Agenda item being called and prior to the individual being heard by the Commission.
- **Public Comments (Agenda Items Only):** During public comments, if you wish to address the Commission during this Special Meeting, under Government Code Section 54954.3(a), you may only address the Commission concerning any item that has been described in the notice for the Special Meeting.

Americans with Disabilities Act:

- *In compliance with the ADA, if you need special assistance to participate in any City meeting (including assisted listening devices), please contact the City Clerk's Office (626) 333-2211. Notification of at least 48 hours prior to the meeting will assist staff in assuring that reasonable arrangements can be made to provide accessibility to the meeting.*

Agendas and other writings:

- ▶ *In compliance with SB 343, staff reports and other public records permissible for disclosure related to open session agenda items are available at City Hall, 15625 East Stafford Street, Suite 100, City of Industry, California, at the office of the City Clerk during regular business hours, Monday through Thursday 8:00 a.m. to 5:00 p.m., Friday 8:00 a.m. to 4:00 p.m. Any person with a question concerning any agenda item may call the City Clerk's Office at (626) 333-2211.*
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1. Call to Order

2. Flag Salute

3. Roll Call

4. Public Comment

5. **BOARD MATTERS**

5.1 Consideration of the Register of Demands for March 26, 2020

RECOMMENDED ACTION: Approve the Register of Demands and authorize the appropriate City Officials to pay the bills.

6. **ACTION ITEMS**

6.1 Consideration of Resolution No. IPUC 2020-02 - A RESOLUTION OF THE INDUSTRY PUBLIC UTILITIES COMMISSION ADOPTING A POLICY ON DISCONTINUATION OF RESIDENTIAL WATER SERVICE FOR NON-PAYMENT AND ESTABLISHING A PROCESS FOR DISPUTING A BILL FOR WATER SERVICE

RECOMMENDED ACTION: Adopt Resolution No. 2020-02.

7. Adjournment. Next regular meeting: Thursday, April 9, 2020 at 8:30 a.m.

INDUSTRY PUBLIC UTILITIES COMMISSION

ITEM NO. 5.1

INDUSTRY PUBLIC UTILITIES COMMISSION
AUTHORIZATION FOR PAYMENT OF BILLS
Board Meeting March 26, 2020

<u>FUND</u>	<u>DESCRIPTION</u>	DISBURSEMENTS
161	IPUC - ELECTRIC	81,489.12

<u>BANK</u>	<u>DESCRIPTION</u>	DISBURSEMENTS
WFBK	IPUC ELECTRIC WELLS FARGO CHK	81,489.12

APPROVED PER CITY MANAGER

Industry Public Utilities Commission

Wells Fargo - Electric

March 26, 2020

Check	Date			Payee Name	Check Amount
IPUCELEC.WF.CHK - IPUC Electric Wells Fargo CHK					
10405	03/12/2020			AT & T	\$179.00
	Invoice	Date	Description	Amount	
	8641443506	02/23/2020	1/19-2/18/20 SVC- 600 S. BREA CYN METROLINK	\$179.00	
10406	03/12/2020			FRONTIER	\$540.43
	Invoice	Date	Description	Amount	
	2020-00001372	02/22/2020	2/22-3/21/20 SVC- G.S 21858 VALLEY BLVD	\$60.41	
	2020-00001373	02/25/2020	2/25-3/24/20 SVC- E.M-21535 BAKER PKWY BLDG 20	\$56.65	
	2020-00001374	02/25/2020	2/25-3/24/20 SVC -E.M-21760 GARCIA LN	\$73.22	
	2020-00001375	02/22/2020	2/22-3/21/20 SVC- EM-21733 BAKER PKWY BLDG 21	\$56.65	
	2020-00001376	02/19/2020	2/19-3/18/20 SVC-GS-21660 VALLEY BLVD	\$122.70	
	2020-00001377	02/28/2020	2/28-3/27/20 SVC- EM-21700 BAKER PKWY BLDG 23	\$56.65	
	2020-00001378	02/28/2020	2/28-3/27/20 SVC-EM-21912 GARCIA LN, WALNUT	\$73.22	
	2020-00001379	02/28/2020	2/28-3/27/20 SVC -EM-179 S. GRAND AVE	\$40.93	
10407	03/12/2020			SO CALIFORNIA EDISON COMPANY	\$485.67
	Invoice	Date	Description	Amount	
	2020-00001380	02/26/2020	1/01-2/24/20 SVC- 600 S. BREA CANYON	\$59.97	
	2020-00001381	03/03/2020	2/1-3/1/20 SVC- 600 BREA CANYON RD	\$425.70	
10408	03/12/2020			SO CALIFORNIA EDISON COMPANY	\$11,252.56
	Invoice	Date	Description	Amount	
	7501127861	02/25/2020	1/01-1/31/20 SVC -208 S. WADDINGHAM WAY	\$8,266.71	
	7501128346	02/26/2020	11/01-11/30/19 SVC-RELIABILITY SERVICE	\$97.68	
	750127860	02/25/2020	1/01-1/31/20 SVC- 133 N. AZUSA AVE	\$1,860.71	
	7501127850	02/25/2020	1/01-1/31/20 SVC- 745 ANAHEIM-PUENTE RD	\$1,027.46	

Industry Public Utilities Commission

Wells Fargo - Electric

March 26, 2020

10409	03/19/2020			AT & T	\$271.26
	Invoice	Date	Description	Amount	
	3116065367	03/01/2020	3/1-3/31/20 SVC-600 S BREA CYN-METROLINK	\$271.26	
10410	03/19/2020			FRONTIER	\$1,666.83
	Invoice	Date	Description	Amount	
	2020-00001467	03/01/2020	3/1-3/31/20 SVC-GS -21650 VALLEY BLVD	\$56.65	
	2020-00001468	03/01/2020	3/1-3/31/20 SVC-VARIOUS SITES	\$1,416.14	
	2020-00001469	03/04/2020	3/4-4/3/20 SVC-GS-21620 VALLEY BLVD	\$60.41	
	2020-00001470	03/04/2020	3/4-4/3/20 SVC-EM-21858 GARCIA, LN	\$73.22	
	2020-00001471	03/01/2020	3/1-3/31/20 SVC-GS-21700 VALLEY BLVD	\$60.41	
10411	03/19/2020			SO CALIFORNIA EDISON COMPANY	\$15,218.99
	Invoice	Date	Description	Amount	
	2020-00001472	03/10/2020	2/1-3/1/20 SVC-208 S. WADDINGHAM WAY	\$15,218.99	
10412	03/26/2020			ASTRUM UTILITY SERVICES, LLC	\$14,500.00
	Invoice	Date	Description	Amount	
	022001	03/02/2020	CONSULTING SVC FOR IPUC-FEB 2020	\$14,500.00	
10413	03/26/2020			CNC ENGINEERING	\$18,342.50
	Invoice	Date	Description	Amount	
	500445	03/12/2020	INSTALLATION OF DISTRIBUTION FEEDER CABLE	\$1,225.00	
	500446	03/12/2020	CITY ELECTRICAL FACILITIES	\$13,940.00	
	500447	03/12/2020	METROLINK MAINT-PARKING LOT SOLAR SYSTEM	\$3,177.50	
10414	03/26/2020			ENCO UTILITY SERVICES	\$2,508.79
	Invoice	Date	Description	Amount	
	IPUC-2020-43893	03/03/2020	CUSTOMER ACCOUNT SVC-FEB 2020	\$2,508.79	

Industry Public Utilities Commission

Wells Fargo - Electric

March 26, 2020

Invoice #	Date	Description	Amount
10415	03/26/2020		
		PACIFIC UTILITY INSTALLATION	\$6,273.00
Invoice	Date	Description	Amount
21273	02/28/2020	SUBSTATION MAINT	\$1,632.00
21271	02/28/2020	SUBSTATION MAINT	\$4,200.00
21272	02/28/2020	SUBSTATION MAINT	\$441.00
10416	03/26/2020		
		SST CONSTRUCTION, LLC	\$5,600.00
Invoice	Date	Description	Amount
78632	02/25/2020	PREVENTION MAINT-METRO SOLAR	\$5,600.00
10417	03/26/2020		
		TPX COMMUNICATIONS	\$2,923.42
Invoice	Date	Description	Amount
126795944-0	02/23/2020	INTERNET SVC-SUBSTATION-METRO SOLAR	\$2,923.42
10418	03/26/2020		
		TRIMARK ASSOCIATES, INC.	\$1,726.67
Invoice	Date	Description	Amount
20200256	03/01/2020	MAINT SVC-METRO SOLAR	\$1,726.67

Checks	Status	Count	Transaction Amount
	Total	14	\$81,489.12

INDUSTRY PUBLIC UTILITIES COMMISSION

ITEM NO. 6.1

Staff Report



To: Industry Public Utilities Commission

From: Greg B. Galindo, General Manager, La Puente Valley County Water District

Commission Meeting Date: March 26, 2020

Subject: Consideration of Resolution No. IPUC 2020-02 - A RESOLUTION OF THE INDUSTRY PUBLIC UTILITIES COMMISSION ADOPTING A POLICY ON DISCONTINUATION OF RESIDENTIAL WATER SERVICE FOR NON-PAYMENT AND ESTABLISHING A PROCESS FOR DISPUTING A BILL FOR WATER SERVICE

Purpose - *To establish a policy on discontinuance of water service for non-payment for residential water service to comply with Senate Bill 998 (SB 998).*

Recommendation - *Adopt Resolution No. IPUC 2020-02 to establish policy on discontinuance of water service for non-payment for residential class customers.*

Fiscal Impact - *Recovery of water sales and water service charge accounts receivable will be lengthened by adoption of this policy, however there is no significant fiscal impact anticipated to the water operations by instituting this policy.*

Summary

Senate Bill 998

Senate Bill 998 (Dodd) Discontinuation of residential water service was signed by former Governor Jerry Brown in September 2018. Intended to minimize the number of Californians who lose access to water service due to their inability to pay, SB 998 provides additional procedural protections before residential water service can be discontinued. These protections apply to water service provided by an “urban and community water system,” a “public water system,” and an “urban water supplier” as those terms are defined. Among other things, SB 998 requires specified water providers to have a written policy on discontinuation of residential water services and that prohibits discontinuance until accounts are at least 60 days delinquent, requires 7 business days’ notice before discontinuance, and prohibits discontinuance when doing so would pose a serious threat to the health and safety of a resident if the customer demonstrates an inability to pay and is willing to make payments via alternative methods.

New Requirements on Residential Water Service Discontinuation

Water systems, such as the Industry Public Utilities (IPU) Water System, that are a community water system that serve water to less than 3,000 connections and produce less than 3,000 acre feet annually, are required to comply with SB 998 by April 1, 2020. The changes required to comply with SB 998 are as follows:

- Adopt a written residential water discontinuation policy available in English, Spanish, Chinese, Tagalog, Vietnamese, Korean, and any other language spoken by 10 percent or more of the population served by the water system. The policy must be posted on the water system’s website and be available in writing upon request.

- The policy must contain:
 - Payment options including a plan for deferred or reduced payments and alternative payment schedules
 - A formal appeal process for disputing bills
 - Telephone number for customers to call to discuss options
- Residential water service cannot be discontinued until accounts are at least 60 days delinquent
- Residential water service cannot be discontinued until customer is notified at least 7 business days before scheduled interruption date.
- Residential water service cannot be discontinued if a customer meets all of the following parameters:
 - Provides certification from a primary care provider that discontinuation would pose a health and safety threat
 - Demonstrates they are financially unable to pay
 - Willing to enter into an alternative payment arrangement.
- Offer a payment arrangement/amortization plan allowing a repayment period of up to 12 months for outstanding balances to customers that meet the aforementioned parameters.
- Notify tenants of a multifamily property served by a single meter 10 days prior to service discontinuation for nonpayment.
- Report annual number of service discontinuations for nonpayment on the water system's website and also to the State Water Resources Control Board.

Current Policy and Procedure:

Some key aspects of the IPU Water System's current policy on service shut-off (discontinuation) for non-payment for both residential and non-residential customers are as follows:

- The water meter reading and billing period is bimonthly and water bills are considered delinquent if not paid by the due date provided on the water bill. This date is typically 30 days after bills are distributed to the customer.
- Any water customer who is unable to pay their bill by the due date is charged a delinquent bill fee of \$5.00 and a delinquent bill is mailed to them that provides a specific date of when the service will be discontinued if payment is not received. The date for discontinuation is approximately 10 days from the mailing of the delinquent bill.
- Two business days prior to discontinuation, a notice is posted at the service location providing the date and time the service will be processed for discontinuation. There is currently no fee for this notice.
- Any water customer who is unable to pay their bill by the discontinuation date and time provided on the notice is charged a discontinuation processing fee of \$25.00 and their water service is then discontinued. When all current charges are paid the service is then restored, either during regular business hours or after hours. Currently there are no additional fees for service restoration after hours.

- If a customer requests an extension to the discontinuation date, extensions are typically granted for five days. In rare cases, a payment arrangement is made with customers so they can pay any unpaid balance over a period of months.

Discussion

The La Puente Valley County Water District (District) is also required to comply with SB 998. The District along with seventeen other water purveyors in Los Angeles County are members of an association called the Public Water Agency Group (PWAG). PWAG utilizes the firm of Lagerlof, Senecal, Gosney & Kruse LLP (Lagerlof) for legal services and PWAG tasked Lagerlof with drafting a residential water discontinuation policy for its members, which they completed and provided to PWAG members. At the January 9, 2020, the Commission reviewed this proposed policy and directed staff to prepare an ordinance to amend section 13.04 of the City of Industry Municipal Code for consideration by the City Council in order to establish such a policy. The City Attorney has since reviewed the proposed policy and identified several revisions that were needed to meet the legal requirements specific to the City. The final draft of the proposed policy is enclosed with Resolution No. IPUC 2020-02 establishing a policy on discontinuance of water service for non-payment for residential class customers.

The City Attorney has also drafted the Ordinance to Amend the appropriate Municipal Code, which will be considered by the Council at the March 26th Regular Meeting of the Council.

Fiscal Impact

Recovery of water sales and water service charge accounts receivable will be lengthened by adoption of this policy, however there is no significant fiscal impact anticipated to the water operations by instituting this policy.

Recommendation

Adopt Resolution No. IPUC 2020-02 and thereby adopting a policy on discontinuance of water service for non-payment for residential class customers.

If you have any questions on the information provided, please feel free to contact me.

Respectfully Submitted,

Greg B. Galindo

General Manager

La Puente Valley County Water District

Exhibits:

- A. Resolution No. IPUC 2020-02
- B. Policy on Discontinuation of Residential Water Service for Non-Payment and Establishing Process For Disputing A Bill For Water Service

EXHIBIT A

Resolution No. IPUC 2020-02

[Attached]

RESOLUTION NO. IPUC 2020-02

A RESOLUTION OF THE INDUSTRY PUBLIC UTILITIES COMMISSION ADOPTING A POLICY ON DISCONTINUATION OF RESIDENTIAL WATER SERVICE FOR NON-PAYMENT AND ESTABLISHING A PROCESS FOR DISPUTING A BILL FOR WATER SERVICE

WHEREAS, Senate Bill 998 ("SB 998") requires public water systems to establish certain policies and procedures for the discontinuance of residential service; and

WHEREAS, given the provisions of SB 998, and because it operates a public water system, it is necessary for the Industry Public Utilities Commission ("IPUC") to adopt a policy to ensure compliance with State law; and

WHEREAS, the proposed Policy on Discontinuation of Residential Water Service for Non-Payment and Establishing a Process for Disputing a Bill for Water Service ("Policy"), is attached hereto as Exhibit A, and incorporated herein by reference; and

WHEREAS, under the Policy, and as required by SB 998, the IPUC must wait until a residential account is 60 days delinquent, before discontinuing service. Further, the Policy also prohibits discontinuance for low-income customers when doing so poses a serious threat to the health and safety of the resident, and the resident is willing to set up an alternative payment arrangement. The Policy also establishes a formal appeal process for disputing a bill, and a telephone number for customers to call to discuss issues with their bills; and

WHEREAS, in order for the IPUC to comply with the requirements set forth in SB 998, it is recommended to adopt the Policy.

**NOW, THEREFORE, THE INDUSTRY PUBLIC UTILITIES COMMISSION
HEREBY FINDS, DETERMINES AND RESOLVES AS FOLLOWS:**

Section 1. All of the facts set forth in the Recitals are true and correct, and are incorporated herein by reference.

Section 2. The IPUC hereby adopts the Policy as required by SB 998, and directs the Public Utilities Director to have the Policy translated as required by State law, and to do all things necessary to implement the provisions of the Policy.

Section 3. The provisions of this Resolution are severable and if any provision, clause, sentence, word or part thereof is held illegal, invalid, unconstitutional, or inapplicable to any person or circumstances, such illegality, invalidity, unconstitutionality, or inapplicability shall not affect or impair any of the remaining provisions, clauses, sentences, sections, words or parts thereof of the Resolution or their applicability to other persons or circumstances.

Section 4. The Commission Secretary shall certify to the adoption of this Resolution which shall take effect upon the effective date of City of Industry Ordinance No. 811 U. In the event that Ordinance No. 811 U is found invalid, this Resolution shall take effect on the effective date of City of Industry Ordinance No. 810.

PASSED, APPROVED AND ADOPTED by the Industry Public Utilities Commission at a special meeting held on March 26, 2020 by the following vote:

AYES: COMMISSION MEMBERS:

NOES: COMMISSION MEMBERS:

ABSTAIN: COMMISSION MEMBERS:

ABSENT: COMMISSION MEMBERS:

Cory C. Moss, President

ATTEST:

Julie Gutierrez-Robles, Commission Secretary

**POLICY ON DISCONTINUATION OF
RESIDENTIAL WATER SERVICE FOR NON-PAYMENT
AND ESTABLISHING A PROCESS FOR DISPUTING A BILL
FOR WATER SERVICE**

Notwithstanding any other policy or rule, this Policy on Discontinuation of Residential Water Service for Non-Payment shall apply to the discontinuation of residential water service for non-payment under the provisions set forth herein. In the event of any conflict between this Policy and any other policy or rule, this Policy shall prevail.

The Industry Public Utilities Water System is managed and operated by the La Puente Valley County Water District. Any reference in this policy to the “Supplier” shall mean the La Puente Valley County Water District.

I. Application of Policy; Contact Telephone Number: This policy shall apply only to residential water service and all existing policies and procedures shall continue to apply to commercial and industrial water service accounts. Further assistance concerning the payment of water bills and the potential establishment of the alternatives set forth in this policy to avoid discontinuation of service can be obtained by calling (626) 336-1307. This policy shall be posted on the Industry Public Utilities website, at www.industrypublicutilities.org.

II. Discontinuation of Residential Water Service for Non-Payment:

A. Rendering and Payment of Bills: Bills for water service will be rendered to each consumer on a bi-monthly basis unless otherwise provided for in the rate schedules. Bills for service are due and payable upon presentation and become overdue and subject to discontinuation of service if not paid within sixty (60) days from the date of the bill. Payment may be made at La Puente Valley County Water District, to any representative authorized to make collections or by electronic transmission if feasible. However, it is the consumer’s responsibility to assure that payments are received at the specified location in a timely manner. Partial payments are not authorized unless prior approval has been received.

B. Overdue Bills: The following rules apply to consumers whose bills remain unpaid for more than sixty (60) days following the invoice date:

1. Overdue Notice: If payment for a bill rendered is not made on or before the forty-fifth (45th) day following the invoice date, a notice of overdue payment (the “Overdue Notice”) will be mailed to the water service customer at least seven (7) business days prior to the possible discontinuation of service date identified in the Overdue Notice. For purposes of this policy, the term “business days” shall refer to any days on which the Supplier’s office is open for business. If the consumer’s address is not the address of the property to which the service is provided, the Overdue Notice must also be sent to the address of the property served, addressed to “Occupant.” The Overdue Notice must contain the following:

- a) Consumer’s name and address;
- b) Amount of delinquency;
- c) Date by which payment or arrangement for payment must be made

- in order to avoid discontinuation of service;
- d) Description of the process to apply for an extension of time to pay the delinquent charges (see Section III(D), below);
- e) Description of the procedure to petition for review and appeal of the bill giving rise to the delinquency (see Section IV, below); and
- f) Description of the procedure by which the consumer can request a deferred, amortized, reduced or alternative payment schedule (see Section III, below).

The Supplier may alternatively provide notice to the consumer of the impending discontinuation of service by telephone. If that notice is provided by telephone, the Supplier shall offer to provide the consumer with a copy of this policy and also offer to discuss with the consumer the options for alternative payments, as described in Section III, below, and the procedures for review and appeal of the consumer's bill, as described in Section IV, below.

2. Unable to Contact Consumer: If the Supplier is not able to contact the consumer by written notice (e.g., a mailed notice is returned as undeliverable) or by telephone, the Supplier will make a good faith effort to visit the residence and leave, or make other arrangements to place in a conspicuous location, a notice of imminent discontinuation of service for non-payment, and a copy of this Policy.

3. Late Charge: A Late Charge, as specified in the city's schedule of fees and charges, shall be assessed and added to the outstanding balance on the consumer's account if the amount owing on that account is not paid before the Overdue Notice is generated.

4. Turn-Off Deadline: Payment for water service charges must be received in the Supplier's offices no later than 4:30 p.m. on the date specified in the Overdue Notice. Postmarks are not acceptable.

5. Notification of Returned Check: Upon receipt of a returned check rendered as remittance for water service or other charges, the Supplier will consider the account not paid. The Supplier will attempt to notify the consumer in person and leave a notice of termination of water service at the premises. Water service will be disconnected if the amount of the returned check and returned check charge are not paid by the due date specified on the notice, which due date shall not be sooner than the date specified in the Overdue Notice; or if an Overdue Notice had not been previously provided, no sooner than the sixtieth (60th) day after the invoice for which payment by the returned check had been made. To redeem a returned check and to pay a returned check charge, all amounts owing must be paid by cash or certified funds.

6. Returned Check Tendered as Payment for Water Service Disconnected for Nonpayment:

- a) If the check tendered and accepted as payment which resulted

in restoring service to an account that had been disconnected for nonpayment is returned as non-negotiable, the Supplier may disconnect said water service upon at least three (3) calendar days' written notice. The consumer's account may only be reinstated by receipt of outstanding charges in the form of cash or certified funds.

C. Conditions Prohibiting Discontinuation: The Supplier shall not discontinue residential water service if all of the following conditions are met:

1. Health Conditions – The consumer or tenant of the consumer submits certification of a primary care provider that discontinuation of water service would (i) be life threatening, or (ii) pose a serious threat to the health and safety of a person residing at the property;

2. Financial Inability – The consumer demonstrates he or she is financially unable to pay for water service within the water system's normal billing cycle. The consumer is deemed "financially unable to pay" if any member of the consumer's household is: (i) a current recipient of the following benefits: CalWORKS, CalFresh, general assistance, Medi-Cal, SSI/State Supplementary Payment Program or California Special Supplemental Nutrition Program for Women, Infants and Children; or (ii) the consumer declares the household's annual income is less than 200% of the federal poverty level (see this link for the federal poverty levels applicable in California: <https://www.healthforcalifornia.com/covered-california/income-limits>); and

3. Alternative Payment Arrangements – The consumer is willing to enter into an amortization agreement, alternative payment schedule or a plan for deferred or reduced payment, consistent with the provisions of Section III, below.

D. Process for Determination of Conditions Prohibiting Discontinuation of Service: The burden of proving compliance with the conditions described in Subdivision (C), above, is on the consumer. In order to allow the Supplier sufficient time to process any request for assistance by a consumer, the consumer is encouraged to provide the Supplier with the necessary documentation demonstrating the medical issues under Subdivision (C)(1), financial inability under Subdivision (C)(2) and willingness to enter into any alternative payment arrangement under Subdivision (C)(3) as far in advance of any proposed date for discontinuation of service as possible. Upon receipt of such documentation, the Supplier's General Manager, or his or her designee, shall review that documentation and respond to the consumer within seven (7) calendar days to either request additional information, including information relating to the feasibility of the available alternative arrangements, or to notify the consumer of the alternative payment arrangement, and terms thereof, under Section III, below, in which the Supplier will allow the consumer to participate. If the Supplier has requested additional information, the consumer shall provide that requested information within five (5) calendar days of receipt of the Supplier's request. Within five (5) calendar days of its receipt of that additional information, the Supplier shall either notify the consumer in writing that the consumer does not meet the conditions under Subdivision (C), above, or notify the consumer in writing of the alternative payment arrangement, and

terms thereof, under Section III, below, in which the Supplier will allow the consumer to participate. Consumers who fail to meet the conditions described in Subdivision (C), above, must pay the delinquent amount, including any penalties and other charges, owing to the Supplier within the latter to occur of: (i) two (2) business days after the date of notification from the Supplier of the Supplier's determination the consumer failed to meet those conditions; or (ii) the date of the impending service discontinuation, as specified in the Overdue Notice.

E. Special Rules for Low Income Consumers: Consumers are deemed to have a household income below 200% of the federal poverty line if: (i) any member of the customer's household is a current recipient of the following benefits: CalWORKS, CalFresh, general assistance, Medi-Cal, SSI/State Supplementary Payment Program or California Special Supplemental Nutrition Program for Women, Infants and Children; or (ii) the consumer declares the household's annual income is less than 200% of the federal poverty level (see this link for the federal poverty levels applicable in California: <https://www.healthforcalifornia.com/covered-california/income-limits>). If a consumer demonstrates either of those circumstances, then the following apply:

1. Reconnection Fees: If service has been discontinued and is to be reconnected, then any reconnection fees during the Supplier's normal operating hours cannot exceed \$50, and reconnection fees during non-operational hours cannot exceed \$150. Those fees cannot exceed the actual cost of reconnection if that cost is less than the statutory caps. Those caps may be adjusted annually for changes in the Consumer Price Index for the Los Angeles-Long Beach-Anaheim metropolitan area beginning January 1, 2021.

2. Interest Waiver: The Supplier shall not impose any interest charges on delinquent bills.

F. Landlord-Tenant Scenario: The below procedures apply to individually metered detached single-family dwellings, multi-unit residential structures and mobile home parks where the property owner or manager is the customer of record and is responsible for payment of the water bill.

1. Required Notice:

a. At least 10 calendar days prior if the property is a multi-unit residential structure or mobile home park, or 7 calendar days prior if the property is a detached single-family dwelling, to the possible discontinuation of water service, the Supplier must make a good faith effort to inform the tenants/occupants at the property by written notice that the water service will be discontinued.

b. The written notice must also inform the tenants/occupants that they have the right to become customers to whom the service will be billed (see Subdivision 2, below), without having to pay any of the then delinquent amounts.

2. Tenants/Occupants Becoming Customers:

a. The Supplier is not required to make service available to the tenants/occupants unless each tenant/occupant agrees to the terms and conditions for service and meets the Supplier's requirements and rules.

b. However, if (i) one or more of the tenants/occupants assumes responsibility for subsequent charges to the account to the Supplier's satisfaction, or (ii) there is a physical means to selectively discontinue service to those tenants/occupants who have not met the Supplier's requirements, then the Supplier may make service available only to those tenants/occupants who have met the requirements.

c. If prior service for a particular length of time is a condition to establish credit with the Supplier, then residence at the property and proof of prompt payment of rent for that length of time, to the Supplier's satisfaction, is a satisfactory equivalent.

d. If a tenant/occupant becomes a customer of the Supplier and the tenant's/occupant's rent payments include charges for residential water service where those charges are not separately stated, the tenant/occupant may deduct from future rent payments all reasonable charges paid to the Supplier during the prior payment period.

III. Alternative Payment Arrangements: For any consumer who meets the three conditions under Section II(C), above, in accordance with the process set forth in Section II(D), above, the Supplier shall offer the consumer one or more of the following alternative payment arrangements, to be selected by the Supplier in its discretion: (i) amortization of the unpaid balance under Subdivision (A), below; (ii) alternative payment schedule under Subdivision (B), below; (iii) partial or full reduction of unpaid balance under Subdivision (C), below; or (iv) temporary deferral of payment under Subdivision (D), below. Supplier's General Manager, or his or her designee, shall, in the exercise of reasonable discretion, select the most appropriate alternative payment arrangement after reviewing the information and documentation provided by the consumer and taking into consideration the consumer's financial situation and Supplier's payment needs. Supplier shall provide a monthly report to the Public Utilities Director that provides a summary of the number of requests made for alternative payment arrangements, the type of arrangement granted, any denial of a payment arrangement and the reason therefor, and any other information requested by the Public Utilities Director.

A. Amortization: Any consumer who is unable to pay for water service within the normal payment period and meets the three conditions under Section II(C), above, as the Supplier shall confirm, may, if the Supplier has selected this alternative, enter into an amortization plan on the following terms:

1. Term: The consumer shall pay the unpaid balance over a period not to exceed twelve (12) months, as determined by the Supplier's General Manager or his or her designee; provided, however, that the Supplier's

General Manager or his or her designee, in their reasonable discretion, may apply an amortization term of longer than twelve (12) months to avoid undue hardship on the consumer. The unpaid balance shall be divided by the number of months in the amortization period and that amount shall be added each month to the consumer's ongoing monthly bills for water service.

2. Compliance with Plan: The consumer must comply with the amortization plan and remain current as charges accrue in each subsequent billing period. The consumer may not request further amortization of any subsequent unpaid charges while paying delinquent charges pursuant to an amortization plan. Where the consumer fails to comply with the terms of the amortization plan for sixty (60) calendar days or more, or fails to pay the consumer's current service charges for sixty (60) calendar days or more, the Supplier may discontinue water service to the consumer's property at least five (5) business days after posting at the consumer's residence a final notice of its intent to discontinue service.

B. Alternative Payment Schedule: Any consumer who is unable to pay for water service within the normal payment period and meets the three conditions under Section II(C), above, as the Supplier shall confirm, may, if the Supplier has selected this alternative, enter into an alternative payment schedule for the unpaid balance in accordance with the following:

1. Repayment Period: The consumer shall pay the unpaid balance, as specified in Subdivision (2), below, over a period not to exceed twelve (12) months, as determined by the Supplier's General Manager or his or her designee; provided, however, that the Supplier's General Manager or his or her designee, in their reasonable discretion, may extend the repayment period for longer than twelve (12) months to avoid undue hardship on the consumer.

2. Schedule: After consulting with the consumer and considering the consumer's financial limitations, the Supplier's General Manager or his or her designee shall develop an alternative payment schedule to be agreed upon with the consumer. That alternative schedule may provide for periodic lump sum payments that do not coincide with the established payment date, may provide for payments to be made more frequently than monthly, or may provide that payments be made less frequently than monthly, provided that in all cases, subject to Subdivision (1), above, the unpaid balance and administrative fee shall be paid in full within twelve (12) months of establishment of the payment schedule. The agreed upon schedule shall be set forth in writing and be provided to the consumer.

3. Compliance with Plan: The consumer must comply with the agreed upon payment schedule and remain current as charges accrue in each subsequent billing period. The consumer may not request a longer payment schedule for any subsequent unpaid charges while paying delinquent charges pursuant to a previously agreed upon schedule. Where the consumer fails to comply with the terms of the agreed upon schedule for sixty (60) calendar days

or more, or fails to pay the consumer's current service charges for sixty (60) calendar days or more, the Supplier may discontinue water service to the consumer's property at least five (5) business days after posting at the consumer's residence a final notice of its intent to discontinue service.

C. Reduction of Unpaid Balance: Any consumer who is unable to pay for water service within the normal payment period and meets the three conditions under Section II(C), above, as the Supplier shall confirm, may, if the Supplier has selected this alternative, receive a reduction of the unpaid balance owed by the consumer, not to exceed thirty percent (30%) of that balance. In the event any consumer appeals the 30 percent reduction, said appeals shall be heard by the Public Utilities Director. Any such further reduction shall be funded from a source that does not result in additional charges being imposed on other customers. The proportion of any reduction shall be determined by the consumer's financial need, the Supplier's financial condition and needs and the availability of funds to offset the reduction of the consumer's unpaid balance.

1. Repayment Period: The consumer shall pay the reduced balance by the due date determined by the Supplier's General Manager or his or her designee, or in instances when the matter is appealed, by the Public Utilities Director, which date (the "Reduced Payment Date") shall be at least fifteen (15) calendar days after the effective date of the reduction of the unpaid balance.

2. Compliance with Reduced Payment Date: The consumer must pay the reduced balance on or before the Reduced Payment Date, and must remain current in paying in full any charges that accrue in each subsequent billing period. If the consumer fails to pay the reduced payment amount within sixty (60) calendar days after the Reduced Payment Date, or fails to pay the consumer's current service charges for sixty (60) calendar days or more, the Supplier may discontinue water service to the consumer's property at least five (5) business days after posting at the consumer's residence a final notice of its intent to discontinue service.

D. Temporary Deferral of Payment: Any consumer who is unable to pay for water service within the normal payment period and meets the three conditions under Section II(C), above, as the Supplier shall confirm, may, if the Supplier has selected this alternative, have payment of the unpaid balance temporarily deferred for a period of up to six (6) months after the payment is due. The Supplier shall determine, in its discretion, how long of a deferral shall be provided to the consumer.

1. Repayment Period: The consumer shall pay the unpaid balance by the deferral date (the "Deferred Payment Date") determined by the Supplier's General Manager or his or her designee. The Deferral Payment Date shall be within twelve (12) months from the date the unpaid balance became delinquent; provided, however, that the Supplier's General Manager or his or her designee, in their

reasonable discretion, may establish a Deferred Payment Date beyond that twelve (12) month period to avoid undue hardship on the consumer.

2. Compliance with Reduced Payment Date: The consumer must pay the reduced balance on or before the Deferred Payment Date, and must remain current in paying in full any charges that accrue in each subsequent billing period. If the consumer fails to pay the unpaid payment amount within sixty (60) calendar days after the Deferred Payment Date, or fails to pay the consumer's current service charges for sixty (60) calendar days or more, the Supplier may discontinue water service to the consumer's property at least five (5) business days after posting at the consumer's residence a final notice of its intent to discontinue service.

IV. Appeals: The procedure to be used to appeal the amount set forth in any bill for water service is set forth below. A consumer shall be limited to three (3) unsuccessful appeals in any twelve (12) month period and if that limit has been reached, the Supplier is not required to consider any subsequent appeals commenced by or on behalf of that consumer.

A. Initial Appeal: Within ten (10) days of receipt of the bill for water service, the consumer has a right to initiate an appeal or review of any bill or charge. Such request must be made in writing and be delivered to La Puente Valley County Water District. For so long as the consumer's appeal and any resulting investigation is pending, the Supplier cannot discontinue water service to the consumer.

B. Overdue Notice Appeal (not applicable to non-residential class customers): In addition to the appeal rights provided under Subsection A, above, any consumer who receives an Overdue Notice may request an appeal or review of the bill to which the Overdue Notice relates at least five business (5) days after the date of the Overdue Notice if the consumer alleges the bill is in error with respect to the quantity of water consumption set forth on that bill; provided, however, that 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 B must be in writing and must include documentation supporting the appeal or the reason for the review. The request for an appeal or review must be delivered to the Supplier's office within that five (5) business day period. For so long as the consumer's appeal and any resulting investigation is pending, the Supplier cannot discontinue water service to the consumer.

C. Appeal Hearing: Following receipt of a request for an appeal or review under Subsections A or B, above, a hearing date shall be promptly set before the Supplier's General Manager, or his or her designee. After evaluation of the evidence provided by the consumer and the information on file with the Supplier concerning the water charges in question, the Supplier's General 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 consumer with a brief written summary of the decision within fifteen (15) business days of the Appeal Hearing.

1. If water charges are determined to be incorrect, the Supplier will

provide a corrected invoice, and payment of the revised charges will be due within ten (10) calendar days of the invoice date for revised charges. For residential class customers only, if the revised charges remain unpaid for more than sixty (60) calendar days after the corrected invoice is provided, water service will be disconnected, on the next regular working day after expiration of that sixty (60) calendar day period; provided that the Supplier shall provide the consumer with the Overdue Notice in accordance with Section II(B)(1), above. For non-residential class customers, payment of the revised charges and discontinuance of service is as set forth in Section 13.04.100.B.2.b. of the City of Industry Municipal Code. Water service will only be restored upon full payment of all outstanding water charges, fees, the security deposit, and any and all applicable reconnection charges.

2. (a) If the water charges in question are determined to be correct, the water charges are due and payable within two (2) business days after the Hearing Officer's decision is rendered. At the time the Hearing Officer's decision is rendered, the consumer will be advised of the right to appeal the decision to a hearing officer designated by the Public Utilities Director. Any such appeal must be filed in writing within seven (7) calendar days after the Hearing Officer's decision is rendered if the appeal or review is an initial appeal under Subdivision A above, or within three (3) calendar days if the appeal or review is an Overdue Notice appeal under Subdivision B, above. The appeal hearing will occur within 15 days of receipt of the appeal, unless the consumer and Supplier agree to a later date.

(b) After the initial appeal under Subdivision A, above, if the consumer does not timely appeal, the water charges in question shall be immediately due and payable. For residential class customers only, in the event the charges are not paid in full within sixty (60) calendar days after the original billing date, then the Supplier shall provide with the Overdue Notice in accordance with Section II(B)(1), above, and may proceed in potentially discontinuing service to the consumer's property. For non-residential class customers, payment of the water charges and discontinuance of service is as set forth in Section 13.04.100.B.2.b. of the City of Industry Municipal Code.

(c) For an Overdue Notice appeal under Subdivision B, above, if the consumer does not timely appeal, then water service to the subject property may be discontinued on written or telephonic notice to the consumer to be given at least twenty-four (24) hours after the latter to occur of: (i) expiration of the original sixty (60) calendar day notice period set forth in the Overdue Notice; or (ii) the expiration of the appeal period.

3. When a hearing before the hearing officer is requested, such request shall be made in writing and delivered to the Supplier at its office. The consumer will be required to personally appear before the hearing officer and present evidence and reasons as to why the water charges on the bill in question are not accurate. The hearing officer shall evaluate the evidence

presented by the consumer, as well as the information on file with the Supplier concerning the water charges in question, and render a decision as to the accuracy of said charges.

a) If the hearing officer finds the water charges in question are incorrect, the consumer will be invoiced for the revised charges. For residential class customers, if the revised charges remain unpaid for more than sixty (60) calendar days after the corrected invoice is provided, water service will be disconnected, on the next regular working day after expiration of that sixty (60) calendar day period; provided that the Supplier shall provide the consumer with the Overdue Notice in accordance with Section II(B)(1), above. For non-residential class customers, payment of the revised charges and discontinuance of service, is as set forth in Section 13.04.100.B.2.b. of the City of Industry Municipal Code. Water service will be restored only after outstanding water charges and any and all applicable reconnection charges are paid in full.

b) If the water charges in question are determined to be correct, the water charges are due and payable within two (2) business days after the decision of the hearing officer is rendered. For residential class customers only, in the event the charges are not paid in full within sixty (60) calendar days after the original billing date, then the Supplier shall provide with the Overdue Notice in accordance with Section II(B)(1), above, and may proceed in potentially discontinuing service to the consumer's property. For non-residential class customers, payment of the water charges and discontinuance of service, is as set forth in Section 13.04.100.B.2.b. of the City of Industry Municipal Code.

c) Any overcharges will be reflected as a credit on the next regular bill to the consumer, or refunded directly to the consumer, at the sole discretion of the hearing officer.

d) Water service to any consumer shall not be discontinued at any time during which the consumer's appeal to the Supplier or the hearing officer is pending.

e) The hearing officer's decision is final and binding.

V. Restoration of Service: In order to resume or continue service that has been discontinued due to non-payment, the consumer must pay a security deposit and a Reconnection Fee established by the Supplier, subject to the limitation set forth in Section II(E)(1), above. The Supplier will endeavor to make such reconnection as soon as practicable as a convenience to the consumer. The Supplier shall make the reconnection no later than the end of the next regular working day following the consumer's request and payment of any applicable Reconnection Fee.