



**CAPITAL REGION™**

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**WATER**

# **Leak Adjustment Policy**

## Purpose:

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In accordance with the Rate Schedule, Ratepayers are responsible for the metered water usage at a Property. The purpose of this Policy is to provide a basis and procedure to adjust Ratepayer bills caused by water leaks that may not be detected with reasonable diligence.

This Policy replaces and supersedes any prior policy on this subject.

## Background:

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In accordance with Section 5 of the Drinking Water Rules and Regulations, ratepayers are responsible for installation and maintenance of service lines. Leaks on the Service Line, including curb stops, shut-off valves, corporation stops, connectors and appurtenances, are the responsibility of the Ratepayer, although in certain situations as defined in Section 5.5, Capital Region Water may absorb the cost to repair or replace a leaking service line from the curb stop or shutoff valve at the curb line to the distribution main. In all situations, ratepayers are responsible for the cost to repair service lines from the curb stop or shutoff valve to the meter and are also responsible for the repair of leaks that occur beyond the meter and the cost of water and wastewater recorded as metered usage. These leaks may include leaks associated with malfunctioning toilets, leaking faucets, cracked plumbing lines, mechanical malfunctions of plumbing fixtures, and claims of vandalism or theft of service by a third party. In these circumstances, there is generally no basis to make an adjustment to the resulting water bill, which reflects the actual quantity of water delivered to the property.

Nonetheless, Capital Region Water may consider an adjustment to elevated water or sewage charges caused by an unexpected leak or a situation where undetectable usage has accumulated over a period of time when estimated charges were issued through no fault of the Ratepayer.

## Definitions:

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1. "Application for Leak Adjustment" shall mean the form attached hereto as Appendix A. Such a form is required to gather the necessary information from a Ratepayer to allow Capital Region Water to consider a billing adjustment request.
2. "Capital Region Water" means Capital Region Water, a Pennsylvania municipal authority.
3. "Owner" means any person or entity having an interest, whether legal or equitable, sole or partial, in any Property.
4. "Property" means the property or area, including improvements thereto, to which water service is provided and, as used herein, shall be taken to designate each of the following:

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- A. A building under one roof owned or leased by one Ratepayer and occupied as one residence or one place of business; or
  - B. A group or combination of buildings owned by one Ratepayer, in one common enclosure, occupied by one family or one organization, corporation or firm as a residence or place of business or for manufacturing or industrial purposes, or as a hospital, church, public or private school or similar institution, except as otherwise noted herein; or
  - C. Each part of a house or building occupied by one Dwelling Unit; or
  - D. Each apartment, office or suite of offices, and/or place of business located in a building or group of buildings, even though such buildings in a group are interconnected by a tunnel or passageway, covered areaway, or patio or by some similar means or structure; or
  - E. A public building devoted entirely to public use, such as a town hall, schoolhouse, fire engine house; or
  - F. A single vacant lot or park or playground; or
  - G. Each Dwelling Unit; or
  - H. Each individual and separate place of business and/or occupancy located in one building or group of buildings commonly designated as shopping centers, strip malls and by such other terms; or
  - I. Each Dwelling Unit in a public housing development owned and operated by the United States of America, a municipal subdivision of the Commonwealth of Pennsylvania, or an agency or instrumentality of the United States or the Commonwealth of Pennsylvania; by a philanthropic foundation or organization or some such similar body or organization; or operated under private ownership; or
  - J. Each modular unit or mobile Dwelling Unit situated for steady occupancy, whether located on owned or leased land.
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- 5. "Ratepayer" means a Person receiving Service(s) from Capital Region Water or that is otherwise connected to the Water and/or Wastewater and Stormwater System or is required to connect.
  - 6. "Rate Schedule" means the entire body of effective rates and other charges, as adopted and published from time-to-time by Capital Region Water.
  - 7. "Service" or "Services" means the provision of public drinking water, wastewater, and/or stormwater management.
  - 8. "Service Line" means the pipe that connects from the water main to the Property, including appurtenant facilities (as the context allows) such as the curb stop, valves, and Backflow Prevention Devices, through which water is conducted from the Distribution Main to the Property being served.

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## Policy Statement:

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Leak adjustments will cover no more than two (2) months of metered consumption for any period of elevated meter readings. When a leak continues for three (3) or more consecutive months, the highest two (2) month of recorded usage will be used to calculate the leak adjustment.

Only one (1) financial adjustment associated with billed usage is permitted every two (2) years per Property, unless ownership of the property has changed

A possible and appropriate adjustment could include an adjusted bill based on the historic and regular usage at the property plus a billing charge for the registered excess water. The historic or regular usage normally is calculated as the average of 12 months actual usage during the period prior to any documented leakage, or for the season or seasons during which the leak occurred. This average will exclude bills that have been estimated unless a subsequent actual reading is included, have fewer than the normal 28-33-day billing cycle, or for periods of zero usage and/or non-occupancy of the property. For Ratepayers who do not have 12 full months of usage history, a minimum of two (2) months' usage history or post-repair usage may be used where Capital Region Water, in its discretion, deems reasonable. Under no circumstances will Capital Region Water knowingly utilize usage history that was recorded under different occupancy than when the leak occurred.

The billing charge for the registered excess water, at the sole discretion of Capital Region Water, may be calculated as a multiple of the average usage calculated, generally not to exceed 150% of the normal consumption, or as the calculated variable cost of producing and/or treating 100% of the leaked water.

If a series of estimated bills is issued at a Property over a period of time, the actual usage may differ from that reflected by the estimated bills. This difference will be evidenced when Capital Region Water obtains an actual meter reading to compare to an actual reading from the period prior to the estimation. In this scenario, there is typically no justification to make a billing adjustment and the Ratepayer will be expected to pay any such "true-up" bill reflecting actual usage over the subject time period calculated at the appropriate billing rates (less the amount previously paid toward the estimated bills). However, a billing adjustment may be considered if the actual usage during this time period, reflected as the average of the sum of the estimated and actual meter readings, indicates that a leak during that time period was likely.

To be effectively implemented, these types of adjustments may be proposed by the Customer Service Manager or Collections Supervisor and then approved by the Chief Financial Officer. An Application for Leak Adjustment must be submitted within 90 days of receipt of a Capital Region Water notice or issuance of the bill in question. Failure to submit a timely application for leak

adjustment may result in the application being rejected. To be considered, an application must be completed in full, provide a full description of the nature of the leak, and provide evidence that the leak has been repaired. Evidence must include a paid receipt for the work completed, or a paid invoice from a licensed plumber indicating that the plumbing system within the building was thoroughly inspected.

In proposing an adjustment, the Customer Service Manager and/or Collections Supervisor may consider various factors including, but not limited to, the following:

- A. Cause of water loss;
- B. Ratepayer opportunity, if any, to detect the water loss and notify Capital Region Water;
- C. Whether the property was vacant or unoccupied;
- D. Any negligence or fault of the Ratepayer in connection with ignoring the leak;
- E. Any negligence or fault of the Ratepayer in failing to protect the meter against freezing temperatures, and other conditions of the meter location;
- F. Whether the Ratepayer became aware of the leak from a leak notice or high bill issued by Capital Region Water;
- G. If Capital Region Water notified the Ratepayer of suspected high usage (either via letter, door hanger, or other means), whether the Ratepayer took prompt and reasonable action to ascertain and correct the cause of the excessive usage;
- H. The promptness with which the water loss was discovered, stopped and repairs made, with verifiable receipts;
- I. Water consumption that exceeds the Ratepayer's average monthly usage or twice the average monthly usage over a previous 12-month period (dependent upon the type of leak); and
- J. Ratepayer account status.

An adjustment shall not be granted when any of the following conditions is met:

- A. Usage above the Ratepayer's average usage is due to seasonal usage such as watering of grass, gardening, washing vehicles, filling swimming pool or whirlpools, etc.;
- B. Leak was caused by a third party from whom the Ratepayer is able to pursue the recovery of cost. This may include, but not be limited to, theft, vandalism, negligence, or construction damage;
- C. ;
- D. The meter has been interfered with by anyone other than Capital Region Water and this action results in water loss; or
- E. A leak adjustment was granted within the past two (2) years for the same Property.

While an Application for Leak Adjustment is being processed, the Ratepayer is responsible for payment of the amount due within the normal payment period. At a minimum, an amount equal

to what the account would normally be charged should be paid to avoid unnecessary late fees. Only those costs that are ultimately adjusted off due to an approved leak adjustment request will not be subject to late penalties.

If recorded water usage is determined not to have entered the wastewater system, an adjustment equal to the amount charged for that wastewater may be made to the corresponding wastewater charges.

Should a ratepayer wish to appeal a rejected leak adjustment request, that appeal shall be made in writing and received by Capital Region Water within ten (10) business days of receipt of the initial decision. The ratepayer must explain the reason why they believe the decision should be reversed and include any additional documentation or visual aids that will help Capital Region Water to understand why the ratepayer believes the decision should be reversed. The Chief Executive Officer will review all information provided by the ratepayer as well as the reason for the initial denial and will render a decision which shall be considered final. Appeals will not be considered if the nature of the appeal is to challenge the leak adjustment policy itself or the formulas determined to be appropriate for a leak adjustment. The collections process, inclusive of application of late penalties and termination proceedings, will not be suspended during an appeals process. Ratepayers must make acceptable payment arrangements with Capital Region Water for the entire balance due, even during the appeals process, to avoid additional costs and collection efforts.

## Appendix

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- Appendix A – Application for Leak Adjustment



**CAPITAL REGION**<sup>™</sup>  

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**WATER**

# **Appendix A**

# **Water Leak Adjustment Request**

## Water Leak Adjustment Request

Ratepayer Account Name: \_\_\_\_\_ Date: \_\_\_\_\_

Service Address: \_\_\_\_\_

Mailing Address: (If Different from Service Address): \_\_\_\_\_

Contact Person: \_\_\_\_\_ Phone: \_\_\_\_\_

Email Address: \_\_\_\_\_

Type of Account:  Residential  Commercial  Institutional/Govt.  
 Industrial  Other (Specify): \_\_\_\_\_

Is this property a rental?  Yes  No Number of units: \_\_\_\_\_ Number of Occupants: \_\_\_\_\_

Length of tenant occupancy per unit: \_\_\_\_\_

Property/Account Number: \_\_\_\_\_

Date leak was discovered: \_\_\_\_\_ Date leak was repaired: \_\_\_\_\_

How was leak detected? \_\_\_\_\_

Cause of water leak? \_\_\_\_\_

Location of leak? \_\_\_\_\_

Has repair been made?  Yes  No

If yes, attach verifiable documentation/receipt of a licensed plumber.

By signing this Request, the Ratepayer acknowledges that while this Request is under review, any outstanding invoices must be paid by the due date to avoid disruption of service and/or additional charges. All required documentation has been provided and all of the above information is true and complete to the best of my knowledge.

\_\_\_\_\_  
Signature of Ratepayer

\_\_\_\_\_  
Date

Submit form and verifiable documentation/receipt of a licensed plumber in-person or by mail to:

Capital Region Water  
Customer Service Center  
3003 North Front Street  
Harrisburg, PA 17110

## Capital Region Water Use Only

Date Request Received: \_\_\_\_\_

Date of Inspection (if necessary): \_\_\_\_\_

Inspection/Documentation Review Results:

Authorized Signature: \_\_\_\_\_ Approved:  Yes  No Date: \_\_\_\_\_





capitalregionwater.com  
888-510-0606

## Water Leak Adjustment Request

Additional Space: