

Document: Proposed Rule, **Register Page Number:** 27 IR 4056
Source: September 1, 2004, Indiana Register, Volume 27, Number 12

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**TITLE 170 INDIANA UTILITY REGULATORY
COMMISSION**

Proposed Rule
LSA Document #04-144

DIGEST

Adds 170 IAC 4-1.2, 170 IAC 5-1.2, and 170 IAC 6-1.2 to establish new customer service rights and responsibility rules for electric, gas, and water utilities. Amends 170 IAC 7-1.3-2, 170 IAC 7-1.3-3, 170 IAC 7-1.3-8, 170 IAC 7-1.3-9, and 170 IAC 7-1.3-10 regarding telecommunications customer service rights and responsibilities. Amends 170 IAC 8.5-2 regarding sewage disposal service customer rights and responsibilities. Repeals 170 IAC 4-1-15, 170 IAC 4-1-16, 170 IAC 4-1-16.5, 170 IAC 4-1-16.6, 170 IAC 4-1-17, 170 IAC 5-1-15, 170 IAC 5-1-16, 170 IAC 5-1-16.5, 170 IAC 5-1-16.6, 170 IAC 5-1-17, 170 IAC 6-1-15, 170 IAC 6-1-16, and 170 IAC 6-1-17. Effective 180 days after filing with the secretary of state.

170 IAC 4-1-15	170 IAC 6-1-16
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170 IAC 5-1-16.5	170 IAC 8.5-2-1
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170 IAC 6-1-15	

SECTION 1. 170 IAC 4-1.2 IS ADDED TO READ AS FOLLOWS:

Rule 1.2. Electric Customer Service Rights and Responsibilities

170 IAC 4-1.2-1 Applicability and scope

Authority: IC 8-1-1-3; IC 8-1-2-34.5

Affected: IC 8-1-2

Sec. 1. (a) This rule applies to any:

- (1) electric public utility; and**
- (2) rural electric membership corporation;**

that is now, or may hereafter be, engaged in the business of rendering service to the public under the jurisdiction of the commission.

(b) This rule creates the minimum level of service that a utility is expected to meet when providing reasonable quality electric utility services to the public and to establish the obligations of both the utility and the customer.

(c) No utility shall discriminate against or penalize a customer for exercising any right granted by this rule. If a utility's tariff on file with the commission contains provisions that conflict with this rule, this rule shall supersede any conflicting tariff provisions.

(d) Any utility subject to this rule that fails to meet the standards herein shall be subject to all legal remedies provided by law. Upon complaint or its own motion and after notice and hearing, the commission may order lawful enforcement mechanisms against a public utility that fails to meet the requirements or standards established in this rule. Nothing in this rule shall prevent the commission from exercising any authority it may have under applicable law to enforce this rule in the event any public utility fails to comply.

(e) The adoption of this rule shall in no way preclude the commission, upon complaint by a customer, upon its own motion or upon the petition of any utility or the office of the utility consumer counselor, after notice and hearing, from taking any of the following actions:

- (1) Altering or amending this rule in whole or in part.
- (2) Requiring any other or additional service, equipment, facility, or standard.
- (3) Making such modifications with respect to the application of this rule as may be found necessary to meet exceptional conditions.
- (4) Requiring a utility to comply with any other service standards.
- (5) At its sole discretion, granting, in whole or in part, permanent or temporary waivers from this rule on an expedited basis.

The adoption of this rule shall not in any way relieve any utility from any of its duties under the law of this state or rules and orders of the commission.

(f) If any provision of this rule is determined by competent authority to be prohibited or unenforceable, the provision shall be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof. *(Indiana Utility Regulatory Commission; 170 IAC 4-1.2-1)*

170 IAC 4-1.2-2 Definitions

Authority: IC 8-1-1-3; IC 8-1-2-34.5

Affected: IC 8-1-2-1; IC 8-1-13

Sec. 2. The following definitions apply throughout this rule:

- (1) “Applicant” means any person or designated agent who seeks to become a customer for residential electric utility service.
- (2) “Commission” means the Indiana utility regulatory commission.
- (3) “Customer” means any person who requests and obtains residential utility service and is responsible for the payment of charges, compliance with filed tariffs, and rules of the utility.
- (4) “Disconnection” means the termination or discontinuance of utility service.
- (5) “Late payment charge” means the one-time penalty assessed by a utility on a customer’s account when the account becomes delinquent.
- (6) “Residential service” means electric utility service for household purposes that is billed under a residential rate.
- (7) “Utility” or “public utility” means any public utility (as defined in IC 8-1-2-1) or any rural electric membership corporation (as established by IC 8-1-13) that furnishes electric service to the public under the jurisdiction of the commission.

(Indiana Utility Regulatory Commission; 170 IAC 4-1.2-2)

170 IAC 4-1.2-3 Creditworthiness guidelines

Authority: IC 8-1-1-3; IC 8-1-2-34.5

Affected: IC 8-1-2

Sec. 3. (a) A utility shall determine the creditworthiness of an applicant or customer in an equitable and nondiscriminatory manner:

- (1) without regard to:
 - (A) race;
 - (B) color;
 - (C) creed;
 - (D) religion;

- (E) national origin;
 - (F) sex;
 - (G) marital status;
 - (H) receipt of public assistance; or
 - (I) the economic character of the area wherein the applicant or customer resides; and
- (2) solely upon the credit risk of the individual applicant or customer without regard to the:
- (A) collective credit reputation of the area in which he or she lives; and
 - (B) credit history of any other individual residing in the household or the applicant or customer's spouse.

(b) A utility may require a residential service applicant or customer to satisfactorily establish his or her financial responsibility (creditworthiness). The utility may require a deposit or other reasonable guarantor to secure payment of bills before providing utility service if the applicant or customer is not deemed creditworthy due to any of the following circumstances:

- (1) The applicant or customer does not meet or exceed the predetermined minimum credit score selected by the utility using a credit scoring system as provided in the utility's tariff.
- (2) The applicant or customer has failed to pay for past due electric service furnished to him or her at the same or at another address within the past four (4) years.

(c) A bill for one (1) class of service (such as commercial) shall not be transferred to a bill for another class of service (such as residential), nor shall a bill for one (1) form of utility service (such as water) be transferred to a bill for another form of utility service (such as electric). Utility service shall not be denied for nonpayment of bills for merchandise or other nonutility or unregulated services.

(d) Utilities shall treat customers who have filed bankruptcy under federal law in accordance with the protective provisions of 11 U.S.C. 366, effective October 22, 1994. (*Indiana Utility Regulatory Commission; 170 IAC 4-1.2-3*)

170 IAC 4-1.2-4 Deposits

Authority: IC 8-1-1-3; IC 8-1-2-34.5

Affected: IC 8-1-2; IC 32-34-1

Sec. 4. (a) If the applicant or customer fails to establish that he or she is creditworthy under section 3 of this rule, the applicant or customer may be required to make a reasonable deposit. The deposit shall not exceed one-sixth ($\frac{1}{6}$) of the estimated annual billings for regulated utility service at the address at which service is rendered to the applicant or customer and shall be paid in full before establishment of service, subject to the provisions of section 6 of this rule; provided, however, that a deposit shall be based upon estimated regulated electric service charges only. If a deposit is greater than one hundred fifty dollars (\$150), the utility shall advise the applicant or customer simultaneously with making a demand for a deposit that the applicant or customer may pay the deposit in equal installment payments over a period of no fewer than three (3) months, and service shall be connected upon receipt by the utility of the first payment. For example, if the total deposit required by a utility under this section is one hundred eighty dollars (\$180), the applicant or customer could make three (3) payments of sixty dollars (\$60) over a three (3) month period, and service would be connected after the first sixty dollar (\$60) payment. The applicant or customer shall not be required to make any advanced payments in addition to or in lieu of a deposit required by this rule in order to receive service. An initial deposit made by a customer shall be subject to reevaluation upon the request of either the utility or the customer, based upon actual charges for services rendered, at any time after service has been provided.

(b) The utility may elect to accept a written guarantee, signed by a third party guarantor acceptable to the utility within its discretion, of payment for all utility service rendered or requested to be rendered to the applicant or customer. The guarantor may terminate the guarantee upon thirty (30) days prior written notice. The guarantee shall be in full force and effect up to and including the date the guarantee shall terminate, and the guarantor shall be obligated, as provided in the written guarantee, respecting the payment of the amount of the applicant or customer's bill on the date of termination. A guarantee shall terminate when the customer submits satisfactory payment for a period of ten (10) out of any twelve (12) consecutive months.

(c) If the utility requires a deposit or a written guarantee as a condition of providing service, the utility shall advise the applicant or customer of the reason upon which the utility bases its decision and provide the applicant or customer with an opportunity to rebut the facts and show other facts demonstrating creditworthiness.

(d) A utility may require an existing customer to make a reasonable deposit, or an additional deposit in cases where a deposit has been made and exhausted under this rule, under any of the following circumstances:

(1) The customer has been mailed disconnect notices for two (2) consecutive months.

(2) The customer has been mailed disconnect notices for any three (3) months within the preceding twelve (12) month period.

(3) The service to the customer has been disconnected within the past forty-five (45) days for nonpayment.

In such cases, notice of the need for a deposit shall be in writing, and the customer shall be given ten (10) business days from the mailing date of the notice within which to make the deposit. When the service has been disconnected within the past four (4) years under section 5 of this rule, the deposit shall be provided before the service will be reconnected. The total amount of all deposits required for service under this section may not exceed an amount equal to one-sixth ($\frac{1}{6}$) of the annualized estimated billings for regulated utility service to the customer at the address at which service is rendered. The applicant or customer shall not be required to make any advanced payments in addition to or in lieu of a deposit required by this rule.

(e) Requirements for interest upon a deposit shall be as follows:

(1) A deposit held more than thirty (30) days shall earn interest from the date of deposit. Beginning on the effective date of this rule, the rate of interest shall be set by the commission based upon the then existing rate for one (1) year United States Treasury Constant Maturity securities. The interest rate shall be rounded to the nearest one-half ($\frac{1}{2}$) of one percent (1%). In December of each year, the commission shall issue a general administrative order establishing the interest rate for the next calendar year that shall be paid on all deposits held during all or part of the subsequent year.

(2) The deposit shall not earn interest after the date it is mailed or personally delivered to the customer or otherwise lawfully disposed of as provided in subsection (f)(6).

(f) Requirements for refunds shall be as follows:

(1) Any deposit and accrued interest shall be promptly refunded to the customer without the customer's request when the customer submits satisfactory payment ten (10) out of any twelve (12) consecutive months without late payment.

(2) A statement of accounting for each transaction affecting the deposit and interest shall accompany refunds of deposits or accrued interest issued under this section.

(3) Following a customer requested termination of service, the utility shall do the following:

(A) Apply the deposit, plus accrued interest, to the final bill.

(B) Refund any remaining deposit and accrued interest within fifteen (15) business days after payment of the final bill.

(4) A utility shall maintain a record of each applicant or customer making a deposit that shows the following:

(A) The name of the customer.

(B) The current mailing address of the customer.

(C) The amount of the deposit.

(D) The date the deposit was made.

(E) A record of each transaction affecting the deposit.

(5) Each customer shall be provided a written receipt from the utility at the time the customer's deposit is paid in full or any time the customer makes a partial payment. The utility shall provide a reasonable method by which a customer, who is unable to locate his or her receipt, may establish that he or she is entitled to a refund of the deposit and payment of interest thereon.

(6) Any deposit made by the applicant or customer to the utility (less any lawful deductions to be refunded), or any sum the utility is ordered to refund for electric service that has remained unclaimed for one (1) year after the utility has made a diligent effort to locate the customer who made the deposit or the heirs of the customer, shall be presumed abandoned and treated in accordance with IC 32-34-1 et seq.

(g) A deposit may be used by the utility to cover any unpaid balances owed the utility following disconnection

of utility service, provided, however, that any surplus be returned to the customer as provided in this section.

(h) A deposit shall not be applied to satisfy an applicant or customer's bill, prior arrearage, or outstanding indebtedness that is greater than four (4) years old; however, a utility may pursue the unpaid balances via collections or other means provided by applicable law.

(i) At the end of every year of service, if the deposit plus interest is not refunded to the customer, the utility shall automatically refund the accrued interest on the deposit to the customer by crediting the customer's account and stating this credit clearly on the customer's next regular bill.

(j) A customer who fails to pay a bill by the time specified by the regulations of the utility and commission regarding the prompt payment of bills, and who further fails to pay the bill within a reasonable period after presentation of a disconnection of service notice for nonpayment, may be required to pay the bill and to reestablish credit by making a deposit under this rule.

(k) Establishment of credit by deposit shall not relieve a customer from complying with the commission's rules for prompt payment of bills. (*Indiana Utility Regulatory Commission; 170 IAC 4-1.2-4*)

170 IAC 4-1.2-5 Disconnection and prohibited disconnections

Authority: IC 8-1-1-3; IC 8-1-2-34.5; IC 8-1-2-122

Affected: IC 8-1-2-4

Sec. 5. (a) Requirements for disconnection upon a customer's request are as follows:

(1) The customer shall notify the utility at least three (3) business days in advance of the day disconnection is desired. The customer shall remain responsible for all service used and the billing therefor until the date the customer has requested disconnection pursuant to the notice.

(2) Upon request by a customer to a utility to disconnect service in fewer than three (3) business days, the utility shall disconnect the service within three (3) business days of the request. The customer shall not be liable for any service rendered to the address after the expiration of the three (3) days.

(3) The customer shall not charge service or authorize the charging of service to any account that has been disconnected at the customer's request or otherwise. A customer shall be responsible for any services he or she charges or authorizes charged to the disconnected account in violation of the prohibition in this subdivision.

(b) Requirements for disconnection without a customer's request are as follows:

(1) A utility may disconnect service without request by the customer of the service and without prior notice only:

(A) if a condition dangerous or hazardous to life, physical safety, or property exists;

(B) upon order by any court, the commission or other duly authorized public authority;

(C) if fraudulent or unauthorized use of service is detected and the utility has reasonable grounds to believe the affected customer is responsible for the use;

(D) if the utility's equipment has been tampered with and the utility has reasonable grounds to believe that the affected customer is responsible for the tampering; or

(E) if the utility's equipment is used in a manner disruptive to the service of other customers.

(2) A utility may disconnect service to a customer based on a delinquent account with the same class of service (such as residential service) for that customer.

(c) Requirements for prohibited disconnections are as follows:

(1) Except as otherwise provided in subsections (a) and (b), a utility shall postpone the disconnection of electric service for thirty (30) days if, before the disconnect date specified in the disconnect notice, the customer provides the utility with a medical statement from a licensed physician or public health official that states that disconnection would be a serious and immediate threat to the health and safety of a designated person in the household of the customer. The postponement of disconnection shall be continued for one (1) additional ten (10) day period upon the provision of an additional medical statement to the utility. The utility shall be

required to provide the customer a total of forty (40) days postponement of disconnection for medical reasons under this subsection only once in any twelve (12) month period. Further postponement of disconnection may be made at the utility's discretion.

(2) A utility may not disconnect electric service to the customer for any of the following reasons:

(A) Nonpayment of any nonutility or unregulated utility services.

(B) Upon the customer's failure to pay for services to a previous occupant of the premises being served unless the utility has reasonable grounds to believe that the customer is attempting to defraud the utility.

(C) On the basis of the delinquent character of an account of any other person, except if the customer is the guarantor of that other person's account for electricity service.

(D) If the customer makes payment arrangements under section 6 of this rule.

(E) If a customer is unable to pay a bill that is unusually large due to prior incorrect billing, incorrect application of the rate schedule, prior estimates where no actual reading was taken for over two (2) months, or any human or mechanical error of the utility, and the customer:

(i) makes a payment arrangement in accordance with the guidelines set forth in section 6 of this rule; and

(ii) agrees to pay all undisputed future bills for electric service as they become due, provided, however, that the utility may not add to the outstanding bill any late fee and, provided further, that the payment arrangement agreement in item (i) and this item shall be put in writing by the utility and sent by mail to the customer.

(d) No utility may disconnect service unless the disconnecting is done between the hours of 8 a.m. and 3 p.m., prevailing local time. Disconnections under subsections (a) and (b) are not subject to this limitation. The utility may not disconnect service for nonpayment:

(1) on any:

(A) Friday after noon;

(B) Saturday;

(C) Sunday; or

(D) other day the utility's offices are not open for business; or

(2) after noon on any day immediately before a day the utility's office are not open for business.

(e) Requirements for notice required before involuntary disconnection are as follows:

(1) Except as otherwise provided in this section, service to any customer shall not be disconnected for a violation of any rule of the utility or for nonpayment of a bill, except after fourteen (14) days from the postmark date of a written notice sent to the customer at the address shown on the records of the utility or the notice is personally served upon the customer or a responsible member of the customer's household. No disconnect notice for nonpayment may be rendered before the date on which the account becomes delinquent.

(2) The disconnection notice shall be in language that is clear, concise, and easily understandable to a layperson and shall state, in separately numbered large print paragraphs, the following information:

(A) The date of the proposed disconnection.

(B) The specific reason and factual basis for the proposed disconnection.

(C) The telephone number of the utility office at which the customer may call during regular business hours to question the proposed disconnection or seek information concerning the customer's rights.

(D) The local and toll-free telephone numbers and office hours of the commission.

(E) That the customer may refer to the pamphlet furnished under 170 IAC 4-1-18 for information as to the customer's rights.

(F) Information as to the customer's rights, under this rule, including, but not limited to, the following:

(i) That the customer may obtain a temporary waiver of disconnection for a serious illness or medical emergency under subsection (c).

(ii) That the customer may file a complaint with the utility.

(iii) That if the complaint is not resolved by the utility to the customer's satisfaction, the customer may file a complaint with the commission.

(iv) That the customer may make payment arrangements under section 6 of this rule.

(f) Utility employees conducting disconnections of service shall follow the following procedures:

(1) Immediately preceding the actual disconnection of service, the employee of the utility designated to

perform the function shall make a reasonable attempt to identify himself or herself to the customer or any other responsible person then upon the premises and shall announce the purpose of his or her presence and shall make a record thereof to be maintained for at least thirty (30) days.

(2) The employee shall have in his or her possession information sufficient to enable the employee to inform the customer or other responsible person the reason for the disconnection, including the amount of any delinquent bill of the customer, and shall request from the customer any available verification that the outstanding bill has been satisfied or is currently in dispute and under review by the utility or the commission. Upon the presentation of such credible evidence, service shall not be disconnected.

(3) The employee shall not be required to accept payment from the customer, user, or other responsible person in order to prevent the service from being disconnected. The utility shall notify the customers under 170 IAC 4-1-18 of its policy with regard to the acceptance or nonacceptance of payment from the employee and shall uniformly follow the policy without discrimination.

(4) When the employee has disconnected the service, the employee shall give to a responsible person at the customer's premises, or if no one is at home, shall leave at a conspicuous place on the premises, a notice stating that service has been disconnected and stating the address and telephone number of the utility where the user may arrange to have service reconnected.

(g) If a utility disconnects service in violation of this rule, the service shall immediately be restored at no charge to the customer. (*Indiana Utility Regulatory Commission; 170 IAC 4-1.2-5*)

170 IAC 4-1.2-6 Payment arrangements and reconnection of service

Authority: IC 8-1-1-3; IC 8-1-2-34.5; IC 8-1-2-121; IC 8-1-2-122

Affected: IC 8-1-2; IC 32-34-1-20

Sec. 6. (a) Except in cases where fraudulent or unauthorized use of utility service is detected and the utility has reasonable grounds to believe the customer is responsible for the use, when a residential customer cannot pay an undisputed bill or the undisputed portion of a disputed bill in full, the utility shall continue to serve the customer or reconnect the customer if the customer and the utility agree on a reasonable portion of the outstanding bill to be paid immediately. The manner in which the balance of the outstanding bill will be paid (the "payment arrangement") shall be made in accordance with the following guidelines:

(1) The customer shows just cause for his or her inability to pay (financial hardship shall constitute just cause), and the customer pays a reasonable portion of the amount, not to exceed one-third ($\frac{1}{3}$) of all amounts due (unless the customer agrees to a greater portion) and the customer:

(A) agrees to pay:

(i) the balance of all amounts due in equal monthly installments; and

(ii) all undisputed future bills for utility service as they become due; and

(B) has not breached any similar agreement with the utility made under this section in the last twelve (12) months.

(2) In deciding on the reasonableness of a particular payment arrangement, the utility shall consider the following:

(A) The customer's ability to pay.

(B) The size of the unpaid balance.

(C) The customer's payment history and length of service.

(D) The amount of time the debt has been and the reasons why the debt is outstanding.

(3) The payment arrangement shall provide the customer with adequate opportunity to apply for and receive the benefits of any available public assistance program.

(4) The payment arrangement is subject to amendment upon the customer's request if there is a change in the customer's financial circumstances.

(5) The utility may add to the outstanding bill a late payment charge not to exceed the amount set under 170 IAC 4-1-13(c); however, only one (1) late payment charge may be assessed against the charges applicable to any given month.

(b) The terms of any payment arrangement made under this section shall be put in writing by the utility and sent by mail to the customer.

(c) If the customer does not meet any of the conditions in subsection (a), the utility may, but is not obligated to, enter into subsequent payment arrangements with the customer.

(d) The utility shall reconnect service to a customer as soon as reasonably possible but at least within one (1) working day after the utility is requested to do so if the customer has satisfied the requirements of this rule.

(e) A utility may charge a reasonable reconnection charge not to exceed the charge approved by the commission in the utility's filed tariffs. A utility shall inform its customers of the reconnection fee under 170 IAC 4-1-18.

(f) Notwithstanding any other provision of this rule, from December 1 to March 15 of any year, any customer of any electric utility shall be reconnected as soon as possible upon:

- (1) paying twenty percent (20%) of the amount past due;
- (2) paying twenty percent (20%) of any deposit required by the utility; and
- (3) entering into a payment arrangement for the balance of past due amounts.

The utility shall allow the customer a minimum of three (3) months or until March 15, whichever is later, to retire the past due balance and the remainder of the deposit. The customer shall also be informed that payment on the amounts past due and the deposit, if any, plus the current bills must be paid by the due date or the customer may face termination of service, subject to the winter moratorium described in section 7(b) of this rule.

(g) No later than September 15 of each year, every public utility shall conduct a survey of all customers whose electric service was used to provide or control the primary source of space heating in the dwelling and whose electric service was terminated for nonpayment of a bill or deposit from December 1 of the previous year to September 1 of the current year and where service at that premises has not been restored. Not later than October 15 of each year, the utility shall notify each of these customers that the electric service will be restored by the company for the coming heating season if the former customer contacts the utility and makes arrangements to pay the past due balance and any deposit required by the utility under the conditions set forth in this rule. A utility shall notify the former customer or an adult member of the household by personal visit, telephone contact, or mailing of a letter by first class mail to the last known address of that customer. The utility shall keep records that indicate the date, form, and results of the contact. The commission may request the utility to report the results of customer contacts made under this subsection. (*Indiana Utility Regulatory Commission; 170 IAC 4-1.2-6*)

170 IAC 4-1.2-7 Home energy assistance; disconnection of service to recipients; notice period

Authority: IC 8-1-1-3; IC 8-1-2-34.5; IC 8-1-2-121; IC 8-1-2-122

Affected: IC 12-14-11

Sec. 7. (a) Without a customer's request, a utility may not, during the period from December 1 through March 15, disconnect electric residential service to any customer who either is:

- (1) receiving; or
- (2) eligible for and has applied for;

assistance under IC 12-14-11.

(b) During the period from December 1 through March 15, a utility may not disconnect service to such customers if:

- (1) the customer's eligibility to receive benefits under IC 12-14-11 is being determined by the division of family and children or its designee after the submission of a complete application for benefits by the customer; or
- (2) the customer has furnished to the utility proof of his or her application to receive such benefits or the utility has been so notified in writing by the division of family and children or its authorized representative.

(c) This section does not prohibit a utility from terminating residential electric service upon the request of a customer or under any of the following circumstances:

- (1) If a condition dangerous or hazardous to life, physical safety, or property exists.
- (2) Upon order by any court, the commission, or other duly authorized public authority.

(3) If fraudulent or unauthorized use of service is detected and the utility has reasonable grounds to believe the affected customer is responsible for the use.

(4) If the utility's equipment has been tampered with and the utility has reasonable grounds to believe that the affected customer is responsible for the tampering.

(5) If the utility's equipment is used in a manner disruptive to the service of other customers.

(Indiana Utility Regulatory Commission; 170 IAC 4-1.2-7)

170 IAC 4-1.2-8 Customer complaints to the utility

Authority: IC 8-1-1-3; IC 8-1-2-34.5

Affected: IC 8-1-2

Sec. 8. (a) An applicant or customer may complain at any time to a utility about any bill, security deposit, disconnection notice, or any other matter relating to installation or service and may request a conference with the utility thereon. The complaints may be made in person, by telephone, in writing, or by completing a written or electronic form available from the utility. A complaint shall be considered filed upon receipt by the utility, except mailed complaints shall be considered filed two (2) calendar days after the postmark date. In making a complaint or request for conference, the applicant or customer shall state, at a minimum, his or her name, service address, telephone number, and the general nature of his or her complaint.

(b) Upon receiving each such complaint or request for conference, the utility shall take the following actions:

(1) Immediately notify an applicant or customer that any undisputed portion of a bill shall be paid by the date due in order to avoid disconnection of service in accordance with section 5 of this rule.

(2) Promptly, thoroughly, and completely investigate the complaint in good faith, attempt to confer with the applicant or customer when requested, and notify the applicant or customer of the utility's proposed disposition of the complaint. During the investigation, no collection action shall be taken for items that are being disputed, and there shall be no negative impact on the applicant or customer's credit rating.

(3) Without the applicant or customer's permission, the utility shall not disconnect, remove, or restrict any service that is the subject matter of the complaint while investigating the complaint or making a good faith attempt to resolve the complaint.

(4) Charges that are disputed by the applicant or customer shall not be treated as delinquent while an investigation is pending.

(5) After investigation, the utility may rebill the disputed charges in the next billing cycle if the investigation determined that the charges were appropriate; however, the utility shall not assess any late payment charge that may have accrued while the investigation was pending.

(6) If the utility's proposed disposition is not in the applicant or customer's favor, the utility shall notify the applicant or customer of the disposition in writing if the complaint was made in writing. If the utility's proposed disposition is not in the applicant or customer's favor, the utility shall notify the applicant or customer in writing or orally, if the complaint was made orally. The notification shall include contact information for the commission, including the commission's mailing address, toll-free complaint number, and local telephone number. A utility shall direct its personnel engaged in contact with an applicant or customer to inform the applicant or customer, if he or she expresses dissatisfaction with the decision of the personnel, of the right to have the problem considered and acted upon by supervisory personnel of the utility. A utility shall further direct the supervisory personnel to notify the applicant or customer who expresses dissatisfaction with the decision of the supervisory personnel of the right to have the problem reviewed by the commission's consumer affairs division and shall furnish him or her the business address and telephone number of the commission. The notification shall advise the applicant or customer that if he or she is dissatisfied with the utility's disposition, the applicant or customer may, within twenty-one (21) days, file a complaint with the commission's consumer affairs division (under section 9 of this rule). The payment of a deposit as requested by the utility shall not foreclose or in any manner affect the applicant or customer's right to appeal under IC 8-1-2-34.5 or other applicable law.

(c) If at any time the applicant or customer files a complaint with the commission regarding a dispute with a utility, the procedures set forth in section 9 of this rule shall apply. Any disconnection of the applicant or customer's service shall be governed by section 5 of this rule.

(d) A utility shall retain a written record of complaints and requests for conferences for at least eighteen (18) months after the complaint or request for conference is made. The records shall be maintained at the office or branch office of the utility or in the respective department office thereof where the complaints were received or any conferences were subsequently held. The written records are to be readily available upon request by the:

- (1) concerned applicant or customer;
- (2) applicant or customer's agent possessing written authorization; or
- (3) commission.

(e) A utility shall, at the request of the commission, submit a report covering the previous twelve (12) month period to the commission that shall state and classify the following:

- (1) The number of complaints made to the utility under this rule.
- (2) The general nature of the subject matter thereof.
- (3) How the complaint was received.
- (4) Whether a commission review was conducted thereon.

(Indiana Utility Regulatory Commission; 170 IAC 4-1.2-8)

170 IAC 4-1.2-9 Customer complaints to the commission

Authority: IC 8-1-1-3; IC 8-1-2-34.5

Affected: IC 8-1-2-88

Sec. 9. (a) An individual or entity may informally complain to the commission's consumer affairs division with respect to any matter within the jurisdiction of the commission. The complaints may be made in person, by telephone, in writing, or by completing a written or electronic form available from the consumer affairs division. A complaint shall be considered filed upon receipt by the commission, except mailed complaints shall be considered filed as of the postmark date. In making a complaint, the applicant or customer shall state, at a minimum, the following:

- (1) His or her name.
- (2) The service address.
- (3) His or her telephone number.
- (4) The name of the utility involved.
- (5) The general nature of his or her complaint.

(b) Without the applicant or customer's permission, the utility shall not disconnect, remove, or restrict any service that is the subject matter of the complaint while any commission review or investigation of the complaint is pending. The applicant or customer shall continue to pay all undisputed charges. In those instances when the applicant or customer and the utility cannot agree as to what portion of a bill is undisputed, the applicant or customer shall pay on the disputed bill an amount equal to the applicant or customer's average bill for the twelve (12) months immediately preceding the disputed bill. In those cases where the applicant or customer has received fewer than twelve (12) bills, the applicant or customer shall pay an amount equal to one-twelfth ($\frac{1}{12}$) of the estimated annual billing for service to be rendered to the applicant or customer.

(c) If the applicant or customer is dissatisfied with a utility's notice of the utility's proposed disposition of the complaint as provided in section 8 of this rule, the applicant or customer may, within twenty-one (21) days after the postmark date of the notice, file an informal complaint with the commission's consumer affairs division.

(d) Upon receiving an informal complaint, the following actions shall be taken:

- (1) The utility shall be notified that a complaint has been made.
- (2) The complaint shall be investigated.
- (3) The applicant or customer and the utility shall be notified of the decision made on the complaint in accordance with applicable law.

(e) Requirements for an informal review are as follows:

- (1) The applicant or customer or the utility may make a written request that a decision made under subsection
- (d) be reviewed informally by the consumer affairs director or designee. The written request shall be made

within fourteen (14) days of the decision. The records of the commission relating to the reviews shall be kept in a systematic order.

(2) Upon receiving a request for an informal review, the consumer affairs director or designee shall provide an informal review in a timely manner. The review shall consist of not less than a prompt and thorough investigation of the dispute and shall result in a written decision to be mailed to the applicant or customer and the utility. Upon request by either party or the consumer affairs director or designee, the parties shall be required to meet and confer to the extent and at a place the consumer affairs director or designee considers appropriate.

(f) The applicant or customer may make a written request that the commission investigate the disposition of the informal review. The written request shall be made within twenty (20) days of the consumer affairs division's notice of disposition. Before entering an order upon a commission investigation, the commission shall afford the applicant or customer and the utility notice and an opportunity to be heard.

(g) Without the applicant or customer's permission, the utility shall not disconnect, remove, or restrict any disputed service until at least twenty (20) days have elapsed from the postmark date of the consumer affairs division's disposition or the commission's order upon investigation, if any.

(h) The time frames provided in this section may be extended at the discretion of the consumer affairs division. *(Indiana Utility Regulatory Commission; 170 IAC 4-1.2-9)*

170 IAC 4-1.2-10 Estimated bills

Authority: IC 8-1-1-3; IC 8-1-2-34.5

Affected: IC 8-1-2-4

Sec. 10. (a) Each estimated bill shall be clearly and conspicuously identified as such. Unless otherwise requested by a customer, estimated bills shall not be issued for more than three (3) consecutive months. After three (3) consecutive months of estimating the customer's bill, the utility shall secure an accurate reading of the meter. Failure on the part of the customer to comply with a reasonable request for meter access may lead to discontinuance of service.

(b) A utility or billing entity may not render a bill based on estimated usage if:

- (1) the billing would be the customer's first or final bill for service;
- (2) the customer has supplied meter readings to the utility; or
- (3) the customer has requested an actual meter read.

(c) When a utility or billing entity renders an estimated bill in accordance with this article, the utility or billing entity shall maintain accurate records of the reasons therefor and efforts made to secure an actual reading.

(d) When a utility underestimates a customer's usage, the customer shall be given the opportunity to make payment arrangements as provided in this rule.

(e) A utility may estimate a bill because a meter malfunctioned or failed. If the time when the meter malfunction or error began cannot be reasonably determined to have occurred within a specific billing period, the corrected billings shall not exceed the most recent six (6) months before the discovery of the malfunction or error. If the time when the malfunction or error began can be reasonably determined, the corrected billings shall go back to that time but shall not exceed twelve (12) months.

(f) This section shall not apply to rural electric membership corporations. *(Indiana Utility Regulatory Commission; 170 IAC 4-1.2-10)*

SECTION 2. 170 IAC 5-1.2 IS ADDED TO READ AS FOLLOWS:

Rule 1.2. Gas Customer Service Rights and Responsibilities

170 IAC 5-1.2-1 Applicability and scope

Authority: IC 8-1-1-3; IC 8-1-2-34.5

Affected: IC 8-1-2

Sec. 1. (a) This rule applies to any gas public utility that is now, or may hereafter be, engaged in the business of rendering service to the public under the jurisdiction of the commission.

(b) This rule creates the minimum level of service that a utility is expected to meet when providing reasonable quality gas utility services to the public and to establish the obligations of both the utility and the customer.

(c) No utility shall discriminate against or penalize a customer for exercising any right granted by this rule. If a utility's tariff on file with the commission contains provisions that conflict with this rule, this rule shall supersede any conflicting tariff provisions.

(d) Any utility subject to this rule that fails to meet the standards herein shall be subject to all legal remedies provided by law. Upon complaint or its own motion and after notice and hearing, the commission may order lawful enforcement mechanisms against a public utility that fails to meet the requirements or standards established in this rule. Nothing in this rule shall prevent the commission from exercising any authority it may have under applicable law to enforce this rule in the event any public utility fails to comply.

(e) The adoption of this rule shall in no way preclude the commission, upon complaint by a customer, upon its own motion or upon the petition of any utility or the office of the utility consumer counselor, after notice and hearing, from taking any of the following actions:

- (1)** Altering or amending this rule in whole or in part.
- (2)** Requiring any other or additional service, equipment, facility, or standard.
- (3)** Making such modifications with respect to the application of this rule as may be found necessary to meet exceptional conditions.
- (4)** Requiring a utility to comply with any other service standards.
- (5)** At its sole discretion, granting, in whole or in part, permanent or temporary waivers from this rule on an expedited basis.

The adoption of this rule shall not in any way relieve any utility from any of its duties under the law of this state or rules and orders of the commission.

(f) If any provision of this rule is determined by competent authority to be prohibited or unenforceable, the provision shall be ineffective to the extent of the prohibition or unenforceability without invalidating the remaining provisions hereof. *(Indiana Utility Regulatory Commission; 170 IAC 5-1.2-1)*

170 IAC 5-1.2-2 Definitions

Authority: IC 8-1-1-3; IC 8-1-2-34.5

Affected: IC 8-1-2-1

Sec. 2. The following definitions apply throughout this rule:

- (1)** "Applicant" means any person or designated agent who seeks to become a customer for residential gas utility service.
- (2)** "Commission" means the Indiana utility regulatory commission.
- (3)** "Customer" means any person who requests and obtains residential utility service and is responsible for the payment of charges, compliance with filed tariffs, and rules of the utility.
- (4)** "Disconnection" means the termination or discontinuance of utility service.
- (5)** "Late payment charge" means the one-time penalty assessed by a utility on a customer's account when the account becomes delinquent.
- (6)** "Residential service" means gas utility service for household purposes that is billed under a residential rate.
- (7)** "Utility" or "public utility" means any public utility (as defined in IC 8-1-2-1) that furnishes gas service to the public under the jurisdiction of the commission.

(Indiana Utility Regulatory Commission; 170 IAC 5-1.2-2)

170 IAC 5-1.2-3 Creditworthiness guidelines

Authority: IC 8-1-1-3; IC 8-1-2-34.5

Affected: IC 8-1-2

Sec. 3. (a) A utility shall determine the creditworthiness of an applicant or customer in an equitable and nondiscriminatory manner:

(1) without regard to:

(A) race;

(B) color;

(C) creed;

(D) religion;

(E) national origin;

(F) sex;

(G) marital status;

(H) receipt of public assistance; or

(I) the economic character of the area wherein the applicant or customer resides; and

(2) solely upon the credit risk of the individual applicant or customer without regard to the:

(A) collective credit reputation of the area in which he or she lives; and

(B) credit history of any other individual residing in the household or the applicant or customer's spouse.

(b) A utility may require a residential service applicant or customer to satisfactorily establish his or her financial responsibility (creditworthiness). The utility may require a deposit or other reasonable guarantor to secure payment of bills before providing utility service if the applicant or customer is not deemed creditworthy due to any of the following circumstances:

(1) The applicant or customer does not meet or exceed the predetermined minimum credit score selected by the utility using a credit scoring system as provided in the utility's tariff.

(2) The applicant or customer has failed to pay for past due gas service furnished to him or her at the same or at another address within the past four (4) years.

(c) A bill for one (1) class of service (such as commercial) shall not be transferred to a bill for another class of service (such as residential), nor shall a bill for one (1) form of utility service (such as gas) be transferred to a bill for another form of utility service (such as electric). Utility service shall not be denied for nonpayment of bills for merchandise or other nonutility or unregulated services.

(d) Utilities shall treat customers who have filed bankruptcy under federal law in accordance with the protective provisions of 11 U.S.C. 366, effective October 22, 1994. (*Indiana Utility Regulatory Commission; 170 IAC 5-1.2-3*)

170 IAC 5-1.2-4 Deposits

Authority: IC 8-1-1-3; IC 8-1-2-34.5

Affected: IC 8-1-2; IC 32-34-1

Sec. 4. (a) If the applicant or customer fails to establish that he or she is creditworthy under section 3 of this rule, the applicant or customer may be required to make a reasonable deposit. The deposit shall not exceed one-sixth ($\frac{1}{6}$) of the estimated annual billings for regulated utility service at the address at which service is rendered to the applicant or customer and shall be paid in full before establishment of service, subject to the provisions of section 6 of this rule; provided, however, that a deposit shall be based upon estimated regulated gas service charges only. If a deposit is greater than one hundred fifty dollars (\$150), the utility shall advise the applicant or customer simultaneously with making a demand for a deposit that the applicant or customer may pay the deposit in equal installment payments over a period of no fewer than three (3) months, and service shall be connected upon receipt by the utility of the first payment. For example, if the total deposit required by a utility under this section is one hundred eighty dollars (\$180), the applicant or customer could make three (3) payments of sixty dollars (\$60) over a three (3) month period, and service would be connected after the first sixty dollar (\$60) payment. The applicant or customer shall not be required to make any advanced payments in addition to

or in lieu of a deposit required by this rule in order to receive service. An initial deposit made by a customer shall be subject to reevaluation upon the request of either the utility or the customer, based upon actual charges for services rendered, at any time after service has been provided.

(b) The utility may elect to accept a written guarantee, signed by a third party guarantor acceptable to the utility within its discretion, of payment for all utility service rendered or requested to be rendered to the applicant or customer. The guarantor may terminate the guarantee upon thirty (30) days prior written notice. The guarantee shall be in full force and effect up to and including the date the guarantee shall terminate, and the guarantor shall be obligated, as provided in the written guarantee, respecting the payment of the amount of the applicant or customer's bill on the date of termination. A guarantee shall terminate when the customer submits satisfactory payment for a period of ten (10) out of any twelve (12) consecutive months.

(c) If the utility requires a deposit or a written guarantee as a condition of providing service, the utility shall advise the applicant or customer of the reason upon which the utility bases its decision and provide the applicant or customer with an opportunity to rebut the facts and show other facts demonstrating creditworthiness.

(d) A utility may require an existing customer to make a reasonable deposit, or an additional deposit in cases where a deposit has been made and exhausted under this rule, under any of the following circumstances:

- (1) The customer has been mailed disconnect notices for two (2) consecutive months.
- (2) The customer has been mailed disconnect notices for any three (3) months within the preceding twelve (12) month period.
- (3) The service to the customer has been disconnected within the past forty-five (45) days for nonpayment. In such cases, notice of the need for a deposit shall be in writing, and the customer shall be given ten (10) business days from the mailing date of the notice within which to make the deposit. When the service has been disconnected within the past four (4) years under section 5 of this rule, the deposit shall be provided before the service will be reconnected. The total amount of all deposits required for service under this section may not exceed an amount equal to one-sixth ($\frac{1}{6}$) of the annualized estimated regulated utility charges to the customer at the address at which service is rendered.

(e) Requirements for interest upon a deposit shall be as follows:

- (1) A deposit held more than thirty (30) days shall earn interest from the date of deposit. Beginning on the effective date of this rule, the rate of interest shall be set by the commission based upon the then existing rate for one (1) year United States Treasury Constant Maturity securities. The interest rate shall be rounded to the nearest one-half ($\frac{1}{2}$) of one percent (1%). In December of each year, the commission shall issue a general administrative order establishing the interest rate for the next calendar year that shall be paid on all deposits held during all or part of the subsequent year.
- (2) The deposit shall not earn interest after the date it is mailed or personally delivered to the customer, or otherwise lawfully disposed of as provided in subsection (f)(6).

(f) Requirements for refunds shall be as follows:

- (1) Any deposit and accrued interest shall be promptly refunded to the customer without the customer's request when the customer submits satisfactory payment ten (10) out of any twelve (12) consecutive months without late payment.
- (2) A statement of accounting for each transaction affecting the deposit and interest shall accompany refunds of deposits or accrued interest issued under this section.
- (3) Following a customer requested termination of service, the utility shall do the following:
 - (A) Apply the deposit, plus accrued interest, to the final bill.
 - (B) Refund any remaining deposit and accrued interest within fifteen (15) business days after payment of the final bill.
- (4) A utility shall maintain a record of each applicant or customer making a deposit that shows the following:
 - (A) The name of the customer.
 - (B) The current mailing address of the customer.
 - (C) The amount of the deposit.
 - (D) The date the deposit was made.

(E) A record of each transaction affecting the deposit.

(5) Each customer shall be provided a written receipt from the utility at the time the customer's deposit is paid in full or any time the customer makes a partial payment. The utility shall provide a reasonable method by which a customer, who is unable to locate his or her receipt, may establish that he or she is entitled to a refund of the deposit and payment of interest thereon.

(6) Any deposit made by the applicant or customer to the utility (less any lawful deductions to be refunded), or any sum the utility is ordered to refund for gas service that has remained unclaimed for one (1) year after the utility has made a diligent effort to locate the customer who made the deposit or the heirs of the customer, shall be presumed abandoned and treated in accordance with IC 32-34-1 et seq.

(g) A deposit may be used by the utility to cover any unpaid balances owed the utility following disconnection of utility service, provided, however, that any surplus be returned to the customer as provided in this section.

(h) A deposit shall not be applied to satisfy an applicant or customer's bill, prior arrearage, or outstanding indebtedness that is greater than four (4) years old; however, a utility may pursue the unpaid balances via collections or other means provided by applicable law.

(i) At the end of every year of service, if the deposit plus interest is not refunded to the customer, the utility shall automatically refund the accrued interest on the deposit to the customer by crediting the customer's account and stating this credit clearly on the customer's next regular bill.

(j) A customer who fails to pay a bill by the time specified by the regulations of the utility and commission regarding the prompt payment of bills, and who further fails to pay the bill within a reasonable period after presentation of a disconnection of service notice for nonpayment, may be required to pay the bill and to reestablish credit by making a deposit under this rule.

(k) Establishment of credit by deposit shall not relieve a customer from complying with the commission's rules for prompt payment of bills. (*Indiana Utility Regulatory Commission; 170 IAC 5-1.2-4*)

170 IAC 5-1.2-5 Disconnection and prohibited disconnections

Authority: IC 8-1-1-3; IC 8-1-2-34.5; IC 8-1-2-122

Affected: IC 8-1-2-4

Sec. 5. (a) Requirements for disconnection upon a customer's request are as follows:

(1) The customer shall notify the utility at least three (3) business days in advance of the day disconnection is desired. The customer shall remain responsible for all service used and the billing therefor until the date the customer has requested disconnection pursuant to the notice.

(2) Upon request by a customer to a utility to disconnect service in fewer than three (3) business days, the utility shall disconnect the service within three (3) business days of the request. The customer shall not be liable for any service rendered to the address after the expiration of the three (3) days.

(3) The customer shall not charge service or authorize the charging of service to any account that has been disconnected at the customer's request or otherwise. A customer shall be responsible for any services he or she charges or authorizes charged to the disconnected account in violation of the prohibition in this subdivision.

(b) Requirements for disconnection without a customer's request are as follows:

(1) A utility may disconnect service without request by the customer of the service and without prior notice only:

(A) if a condition dangerous or hazardous to life, physical safety, or property exists;

(B) upon order by any court, the commission or other duly authorized public authority;

(C) if fraudulent or unauthorized use of service is detected and the utility has reasonable grounds to believe the affected customer is responsible for the use;

(D) if the utility's equipment has been tampered with and the utility has reasonable grounds to believe that the affected customer is responsible for the tampering; or

- (E) if the utility's equipment is used in a manner disruptive to the service of other customers.
- (2) A utility may disconnect service to a customer based on a delinquent account with the same class of service (such as residential service) for that customer.

(c) Requirements for prohibited disconnections are as follows:

(1) Except as otherwise provided in subsections (a) and (b), a utility shall postpone the disconnection of gas service for thirty (30) days if, before the disconnect date specified in the disconnect notice, the customer provides the utility with a medical statement from a licensed physician or public health official that states that disconnection would be a serious and immediate threat to the health and safety of a designated person in the household of the customer. The postponement of disconnection shall be continued for one (1) additional ten (10) day period upon the provision of an additional medical statement to the utility. The utility shall be required to provide the customer a total of forty (40) days postponement of disconnection for medical reasons under this subsection only once in any twelve (12) month period. Further postponement of disconnection may be made at the utility's discretion.

(2) A utility may not disconnect gas service to the customer for any of the following reasons:

(A) Nonpayment of any nonutility or unregulated utility services.

(B) Upon the customer's failure to pay for services to a previous occupant of the premises being served unless the utility has reasonable grounds to believe that the customer is attempting to defraud the utility.

(C) On the basis of the delinquent character of an account of any other person, except if the customer is the guarantor of that other person's account for gas service.

(D) If the customer makes payment arrangements under section 6 of this rule.

(E) If a customer is unable to pay a bill that is unusually large due to prior incorrect billing, incorrect application of the rate schedule, prior estimates where no actual reading was taken for over two (2) months, or any human or mechanical error of the utility, and the customer:

(i) makes a payment arrangement in accordance with the guidelines set forth in section 6 of this rule; and

(ii) agrees to pay all undisputed future bills for gas service as they become due, provided, however, that the utility may not add to the outstanding bill any late fee and, provided further, that the payment arrangement agreement in item (i) and this item shall be put in writing by the utility and sent by mail to the customer.

(d) No utility may disconnect service unless the disconnecting is done between the hours of 8 a.m. and 3 p.m., prevailing local time. Disconnections under subsections (a) and (b) are not subject to this limitation. The utility may not disconnect service for nonpayment:

(1) on any:

(A) Friday after noon;

(B) Saturday;

(C) Sunday; or

(D) other day the utility's offices are not open for business; or

(2) after noon on any day immediately before a day the utility's office are not open for business.

(e) Requirements for notice required before involuntary disconnection are as follows:

(1) Except as otherwise provided in this section, service to any customer shall not be disconnected for a violation of any rule of the utility or for nonpayment of a bill, except after fourteen (14) days from the postmark date of a written notice sent to the customer at the address shown on the records of the utility or the notice is personally served upon the customer or a responsible member of the customer's household. No disconnect notice for nonpayment may be rendered before the date on which the account becomes delinquent.

(2) The disconnection notice shall be in language that is clear, concise, and easily understandable to a layperson and shall state, in separately numbered large print paragraphs, the following information:

(A) The date of the proposed disconnection.

(B) The specific reason and factual basis for the proposed disconnection.

(C) The telephone number of the utility office at which the customer may call during regular business hours to question the proposed disconnection or seek information concerning the customer's rights.

(D) The local and toll-free telephone numbers and office hours of the commission.

(E) That the customer may refer to the pamphlet furnished under 170 IAC 5-1-18 for information as to the

customer's rights.

(F) Information as to the customer's rights, under this rule, including, but not limited to, the following:

- (i) That the customer may obtain a temporary waiver of disconnection for a serious illness or medical emergency under subsection (c).**
- (ii) That the customer may file a complaint with the utility.**
- (iii) That if the complaint is not resolved by the utility to the customer's satisfaction, the customer may file a complaint with the commission.**
- (iv) That the customer may make payment arrangements under section 6 of this rule.**

(f) Utility employees conducting disconnections of service shall follow the following procedures:

- (1) Immediately preceding the actual disconnection of service, the employee of the utility designated to perform the function shall make a reasonable attempt to identify himself or herself to the customer or any other responsible person then upon the premises and shall announce the purpose of his or her presence and shall make a record thereof to be maintained for at least thirty (30) days.**
- (2) The employee shall have in his or her possession information sufficient to enable the employee to inform the customer or other responsible person the reason for the disconnection, including the amount of any delinquent bill of the customer, and shall request from the customer any available verification that the outstanding bill has been satisfied or is currently in dispute and under review by the utility or the commission. Upon the presentation of such credible evidence, service shall not be disconnected.**
- (3) The employee shall not be required to accept payment from the customer, user, or other responsible person in order to prevent the service from being disconnected. The utility shall notify the customers under 170 IAC 5-1-18 of its policy with regard to the acceptance or nonacceptance of payment from the employee and shall uniformly follow the policy without discrimination.**
- (4) When the employee has disconnected the service, the employee shall give to a responsible person at the customer's premises, or if no one is at home, shall leave at a conspicuous place on the premises, a notice stating that service has been disconnected and stating the address and telephone number of the utility where the user may arrange to have service reconnected.**

(g) If a utility disconnects service in violation of this rule, the service shall immediately be restored at no charge to the customer. (*Indiana Utility Regulatory Commission; 170 IAC 5-1.2-5*)

170 IAC 5-1.2-6 Payment arrangements and reconnection of service

Authority: IC 8-1-1-3; IC 8-1-2-34.5; IC 8-1-2-121; IC 8-1-2-122

Affected: IC 8-1-2; IC 32-34-1-20

Sec. 6. (a) Except in cases where fraudulent or unauthorized use of utility service is detected and the utility has reasonable grounds to believe the customer is responsible for the use, when a residential customer cannot pay an undisputed bill or the undisputed portion of a disputed bill in full, the utility shall continue to serve the customer or reconnect the customer if the customer and the utility agree on a reasonable portion of the outstanding bill to be paid immediately. The manner in which the balance of the outstanding bill will be paid (the "payment arrangement") shall be made in accordance with the following guidelines:

(1) The customer shows just cause for his or her inability to pay (financial hardship shall constitute just cause), and the customer pays a reasonable portion of the amount, not to exceed one-third ($\frac{1}{3}$) of all amounts due (unless the customer agrees to a greater portion) and the customer:

(A) agrees to pay:

- (i) the balance of all amounts due in equal monthly installments; and**
- (ii) all undisputed future bills for utility service as they become due; and**

(B) has not breached any similar agreement with the utility made under this section in the last twelve (12) months.

(2) In deciding on the reasonableness of a particular payment arrangement, the utility shall consider the following:

- (A) The customer's ability to pay.**
- (B) The size of the unpaid balance.**
- (C) The customer's payment history and length of service.**

(D) The amount of time the debt has been and the reasons why the debt is outstanding.

(3) The payment arrangement shall provide the customer with adequate opportunity to apply for and receive the benefits of any available public assistance program.

(4) The payment arrangement is subject to amendment upon the customer's request if there is a change in the customer's financial circumstances.

(5) The utility may add to the outstanding bill a late payment charge not to exceed the amount set under 170 IAC 5-1-13(B); however, only one (1) late payment charge may be assessed against the charges applicable to any given month.

(b) The terms of any payment arrangement made under this section shall be put in writing by the utility and sent by mail to the customer.

(c) If the customer does not meet any of the conditions in subsection (a), the utility may, but is not obligated to, enter into subsequent payment arrangements with the customer.

(d) The utility shall reconnect service to a customer as soon as reasonably possible but at least within one (1) working day after the utility is requested to do so if the customer has satisfied the requirements of this rule.

(e) A utility may charge a reasonable reconnection charge not to exceed the charge approved by the commission in the utility's filed tariffs. A utility shall inform its customers of the reconnection fee under 170 IAC 5-1-18.

(f) Notwithstanding any other provision of this rule, from December 1 to March 15 of any year, any customer of any gas utility shall be reconnected as soon as possible upon:

(1) paying twenty percent (20%) of the amount past due;

(2) paying twenty percent (20%) of any deposit required by the utility; and

(3) entering into a payment arrangement for the balance of past due amounts.

The utility shall allow the customer a minimum of three (3) months or until March 15, whichever is later, to retire the past due balance and the remainder of the deposit. The customer shall also be informed that payment on the amounts past due and the deposit, if any, plus the current bills must be paid by the due date or the customer may face termination of service, subject to the winter moratorium described in section 7(b) of this rule.

(g) No later than September 15 of each year, every public utility shall conduct a survey of all customers whose gas service was used to provide or control the primary source of space heating in the dwelling and whose gas service was terminated for nonpayment of a bill or deposit from December 1 of the previous year to September 1 of the current year and where service at that premises has not been restored. Not later than October 15 of each year, the utility shall notify each of these customers that the gas service will be restored by the company for the coming heating season if the former customer contacts the utility and makes arrangements to pay the past due balance and any deposit required by the utility under the conditions set forth in this rule. A utility shall notify the former customer or an adult member of the household by personal visit, telephone contact, or mailing of a letter by first class mail to the last known address of that customer. The utility shall keep records that indicate the date, form, and results of the contact. The commission may request the utility to report the results of customer contacts made under this subsection. (*Indiana Utility Regulatory Commission; 170 IAC 5-1.2-6*)

170 IAC 5-1.2-7 Home energy assistance; disconnection of service to recipients; notice period

Authority: IC 8-1-1-3; IC 8-1-2-34.5; IC 8-1-2-121; IC 8-1-2-122

Affected: IC 12-14-11

Sec. 7. (a) Without a customer's request, a utility may not, during the period from December 1 through March 15, disconnect gas residential service to any customer who either is:

(1) receiving; or

(2) eligible for and has applied for;

assistance under IC 12-14-11.

(b) During the period from December 1 through March 15, a utility may not disconnect service to such customers if:

- (1) the customer's eligibility to receive benefits under IC 12-14-11 is being determined by the division of family and children or its designee after the submission of a complete application for benefits by the customer; or
- (2) the customer has furnished to the utility proof of his or her application to receive such benefits or the utility has been so notified in writing by the division of family and children or its authorized representative.

(c) This section does not prohibit a utility from terminating residential gas service upon the request of a customer or under any of the following circumstances:

- (1) If a condition dangerous or hazardous to life, physical safety, or property exists.
- (2) Upon order by any court, the commission or other duly authorized public authority.
- (3) If fraudulent or unauthorized use of service is detected and the utility has reasonable grounds to believe the affected customer is responsible for the use.
- (4) If the utility's equipment has been tampered with and the utility has reasonable grounds to believe that the affected customer is responsible for the tampering.
- (5) If the utility's equipment is used in a manner disruptive to the service of other customers.

(Indiana Utility Regulatory Commission; 170 IAC 5-1.2-7)

170 IAC 5-1.2-8 Customer complaints to the utility

Authority: IC 8-1-1-3; IC 8-1-2-34.5

Affected: IC 8-1-2

Sec. 8. (a) An applicant or customer may complain at any time to a utility about any bill, security deposit, disconnection notice, or any other matter relating to installation or service and may request a conference with the utility thereon. The complaints may be made in person, by telephone, in writing, or by completing a written or electronic form available from the utility. A complaint shall be considered filed upon receipt by the utility, except mailed complaints shall be considered filed two (2) calendar days after the postmark date. In making a complaint or request for conference, the applicant or customer shall state, at a minimum, his or her name, service address, telephone number, and the general nature of his or her complaint.

(b) Upon receiving each such complaint or request for conference, the utility shall take the following actions:

- (1) Immediately notify a customer that any undisputed portion of a bill shall be paid by the date due in order to avoid disconnection of service in accordance with section 5 of this rule.
- (2) Promptly, thoroughly, and completely investigate the complaint in good faith, attempt to confer with the applicant or customer when requested, and notify the applicant or customer of the utility's proposed disposition of the complaint. During the investigation, no collection action shall be taken for items that are being disputed, and there shall be no negative impact on the applicant or customer's credit rating.
- (3) Without the applicant or customer's permission, the utility shall not disconnect, remove, or restrict any service that is the subject matter of the complaint while investigating the complaint or making a good faith attempt to resolve the complaint.
- (4) Charges that are disputed by the customer shall not be treated as delinquent while an investigation is pending.
- (5) After investigation, the utility may rebill the disputed charges in the next billing cycle if the investigation determined that the charges were appropriate; however, the utility shall not assess any late payment charge that may have accrued while the investigation was pending.
- (6) If the utility's proposed disposition is not in the applicant or customer's favor, the utility shall notify the applicant or customer of the disposition in writing if the complaint was made in writing. If the utility's proposed disposition is not in the applicant or customer's favor, the utility shall notify the applicant or customer in writing or orally, if the complaint was made orally. The notification shall include contact information for the commission, including the commission's mailing address, toll-free complaint number, and local telephone number. A utility shall direct its personnel engaged in contact with an applicant or customer to inform the applicant or customer, if he or she expresses dissatisfaction with the decision of the personnel, of the right to have the problem considered and acted upon by supervisory personnel of the utility. A utility shall further direct the supervisory personnel to notify the applicant or customer who expresses dissatisfaction

with the decision of the supervisory personnel of the right to have the problem reviewed by the commission's consumer affairs division and shall furnish him or her the business address and telephone number of the commission. The notification shall advise the applicant or customer that if he or she is dissatisfied with the utility's disposition, the applicant or customer may, within twenty-one (21) days, file a complaint with the commission's consumer affairs division (under section 9 of this rule). The payment of a deposit as requested by the utility shall not foreclose or in any manner affect the applicant or customer's right to appeal under IC 8-1-2-34.5 or other applicable law.

(c) If at any time the applicant or customer files a complaint with the commission regarding a dispute with a utility, the procedures set forth in section 9 of this rule shall apply. Any disconnection of the applicant or customer's service shall be governed by section 5 of this rule.

(d) A utility shall retain a written record of complaints and requests for conferences for at least eighteen (18) months after the complaint or request for conference is made. The records shall be maintained at the office or branch office of the utility or in the respective department office thereof where the complaints were received or any conferences were subsequently held. The written records are to be readily available upon request by the:

- (1) concerned applicant or customer;
- (2) applicant or customer's agent possessing written authorization; or
- (3) commission.

(e) A utility shall, at the request of the commission, submit a report covering the previous twelve (12) month period to the commission that shall state and classify the following:

- (1) The number of complaints made to the utility under this rule.
- (2) The general nature of the subject matter thereof.
- (3) How the complaint was received.
- (4) Whether a commission review was conducted thereon.

(Indiana Utility Regulatory Commission; 170 IAC 5-1.2-8)

170 IAC 5-1.2-9 Customer complaints to the commission

Authority: IC 8-1-1-3; IC 8-1-2-34.5

Affected: IC 8-1-2-88

Sec. 9. (a) An individual or entity may informally complain to the commission's consumer affairs division with respect to any matter within the jurisdiction of the commission. The complaints may be made in person, by telephone, in writing, or by completing a written or electronic form available from the consumer affairs division. A complaint shall be considered filed upon receipt by the commission, except mailed complaints shall be considered filed as of the postmark date. In making a complaint, the applicant or customer shall state, at a minimum, the following:

- (1) His or her name.
- (2) The service address.
- (3) His or her telephone number.
- (4) The name of the utility involved.
- (5) The general nature of his or her complaint.

(b) Without the applicant or customer's permission, the utility shall not disconnect, remove, or restrict any service that is the subject matter of the complaint while any commission review or investigation of the complaint is pending. The applicant or customer shall continue to pay all undisputed charges. In those instances when the applicant or customer and the utility cannot agree as to what portion of a bill is undisputed, the applicant or customer shall pay on the disputed bill an amount equal to the applicant or customer's average bill for the twelve (12) months immediately preceding the disputed bill. In those cases where the applicant or customer has received fewer than twelve (12) bills, the applicant or customer shall pay an amount equal to one-twelfth ($\frac{1}{12}$) of the estimated annual billing for service to be rendered to the applicant or customer.

(c) If the applicant or customer is dissatisfied with a utility's notice of the utility's proposed disposition of the

complaint as provided in section 8 of this rule, the applicant or customer may, within twenty-one (21) days after the postmark date of the notice, file an informal complaint with the commission's consumer affairs division.

(d) Upon receiving an informal complaint, the following actions shall be taken:

- (1) The utility shall be notified that a complaint has been made.
- (2) The complaint shall be investigated.
- (3) The applicant or customer and the utility shall be notified of the decision made on the complaint in accordance with applicable law.

(e) Requirements for an informal review are as follows:

- (1) The applicant or customer or the utility may make a written request that a decision made under subsection (d) be reviewed informally by the consumer affairs director or designee. The written request shall be made within fourteen (14) days of the decision. The records of the commission relating to the reviews shall be kept in a systematic order.
- (2) Upon receiving a request for an informal review, the consumer affairs director or designee shall provide an informal review in a timely manner. The review shall consist of not less than a prompt and thorough investigation of the dispute and shall result in a written decision to be mailed to the applicant or customer and the utility. Upon request by either party or the consumer affairs director or designee, the parties shall be required to meet and confer to the extent and at a place the consumer affairs director or designee considers appropriate.

(f) The applicant or customer may make a written request that the commission investigate the disposition of the informal review. The written request shall be made within twenty (20) days of the consumer affairs division's notice of disposition. Before entering an order upon a commission investigation, the commission shall afford the applicant or customer and the utility notice and an opportunity to be heard.

(g) Without the applicant or customer's permission, the utility shall not disconnect, remove, or restrict any disputed service until at least twenty (20) days have elapsed from the postmark date of the consumer affairs division's disposition or the commission's order upon investigation, if any.

(h) The time frames provided in this section may be extended at the discretion of the consumer affairs division. *(Indiana Utility Regulatory Commission; 170 IAC 5-1.2-9)*

170 IAC 5-1.2-10 Estimated bills

Authority: IC 8-1-1-3; IC 8-1-2-34.5

Affected: IC 8-1-2-4

Sec. 10. (a) Each estimated bill shall be clearly and conspicuously identified as such. Unless otherwise requested by a customer, estimated bills shall not be issued for more than three (3) consecutive months. After three (3) consecutive months of estimating the customer's bill, the utility shall secure an accurate reading of the meter. Failure on the part of the customer to comply with a reasonable request for meter access may lead to discontinuance of service.

(b) A utility or billing entity may not render a bill based on estimated usage if:

- (1) the billing would be the customer's first or final bill for service;
- (2) the customer has supplied meter readings to the utility; or
- (3) the customer has requested an actual meter read.

(c) When a utility or billing entity renders an estimated bill in accordance with this article, the utility or billing entity shall maintain accurate records of the reasons therefor and efforts made to secure an actual reading.

(d) When a utility underestimates a customer's usage, the customer shall be given the opportunity to make payment arrangements as provided in this rule.

(e) A utility may estimate a bill because a meter malfunctioned or failed. If the time when the meter malfunction or error began cannot be reasonably determined to have occurred within a specific billing period, the corrected billings shall not exceed the most recent six (6) months before the discovery of the malfunction or error. If the time when the malfunction or error began can be reasonably determined, the corrected billings shall go back to that time but shall not exceed twelve (12) months. (*Indiana Utility Regulatory Commission; 170 IAC 5-1.2-10*)

SECTION 3. 170 IAC 6-1.2 IS ADDED TO READ AS FOLLOWS:

Rule 1.2. Water Customer Service Rights and Responsibilities

170 IAC 6-1.2-1 Applicability and scope

Authority: IC 8-1-1-3; IC 8-1-2-34.5

Affected: IC 8-1-2

Sec. 1. (a) This rule applies to any water public utility that is now, or may hereafter be, engaged in the business of rendering service to the public under the jurisdiction of the commission.

(b) This rule creates the minimum level of service that a utility is expected to meet when providing reasonable quality water utility services to the public and to establish the obligations of both the utility and the customer.

(c) No utility shall discriminate against or penalize a customer for exercising any right granted by this rule. If a utility's tariff on file with the commission contains provisions that conflict with this rule, this rule shall supersede any conflicting tariff provisions.

(d) Any utility subject to this rule that fails to meet the standards herein shall be subject to all legal remedies provided by law. Upon complaint or its own motion and after notice and hearing, the commission may order lawful enforcement mechanisms against a public utility that fails to meet the requirements or standards established in this rule. Nothing in this rule shall prevent the commission from exercising any authority it may have under applicable law to enforce this rule in the event any public utility fails to comply.

(e) The adoption of this rule shall in no way preclude the commission, upon complaint by a customer, upon its own motion or upon the petition of any utility or the office of the utility consumer counselor, after notice and hearing, from taking any of the following actions:

- (1) Altering or amending this rule in whole or in part.
- (2) Requiring any other or additional service, equipment, facility, or standard.
- (3) Making such modifications with respect to the application of this rule as may be found necessary to meet exceptional conditions.
- (4) Requiring a utility to comply with any other service standards.
- (5) At its sole discretion, granting, in whole or in part, permanent or temporary waivers from this rule on an expedited basis.

The adoption of this rule shall not in any way relieve any utility from any of its duties under the law of this state or rules and orders of the commission.

(f) If any provision of this rule is determined by competent authority to be prohibited or unenforceable, the provision shall be ineffective to the extent of the prohibition or unenforceability without invalidating the remaining provisions hereof. (*Indiana Utility Regulatory Commission; 170 IAC 6-1.2-1*)

170 IAC 6-1.2-2 Definitions

Authority: IC 8-1-1-3; IC 8-1-2-34.5

Affected: IC 8-1-2-1

Sec. 2. The following definitions apply throughout this rule:

- (1) "Applicant" means any person or designated agent who seeks to become a customer for residential water

utility service.

(2) "Commission" means the Indiana utility regulatory commission.

(3) "Customer" means any person who requests and obtains residential utility service and is responsible for the payment of charges, compliance with filed tariffs, and rules of the utility.

(4) "Disconnection" means the termination or discontinuance of utility service.

(5) "Late payment charge" means the one-time penalty assessed by a utility on a customer's account when the account becomes delinquent.

(6) "Residential service" means water utility service for household purposes that is billed under a residential rate.

(7) "Utility" or "public utility" means any public utility (as defined in IC 8-1-2-1) that furnishes water service to the public under the jurisdiction of the commission.

(Indiana Utility Regulatory Commission; 170 IAC 6-1.2-2)

170 IAC 6-1.2-3 Creditworthiness guidelines

Authority: IC 8-1-1-3; IC 8-1-2-34.5

Affected: IC 8-1-2

Sec. 3. (a) A utility shall determine the creditworthiness of an applicant or customer in an equitable and nondiscriminatory manner:

(1) without regard to:

(A) race;

(B) color;

(C) creed;

(D) religion;

(E) national origin;

(F) sex;

(G) marital status;

(H) receipt of public assistance; or

(I) the economic character of the area wherein the applicant or customer resides; and

(2) solely upon the credit risk of the individual applicant or customer without regard to the:

(A) collective credit reputation of the area in which he or she lives; and

(B) credit history of any other individual residing in the household or the applicant or customer's spouse.

(b) A utility may require a residential service applicant or customer to satisfactorily establish his or her financial responsibility (creditworthiness). The utility may require a deposit or other reasonable guarantor to secure payment of bills before providing utility service if the applicant or customer is not deemed creditworthy due to any of the following circumstances:

(1) The applicant or customer does not meet or exceed the predetermined minimum credit score selected by the utility using a credit scoring system as provided in the utility's tariff.

(2) The applicant or customer has failed to pay for past due water service furnished to him or her at the same or at another address within the past four (4) years.

(c) A bill for one (1) class of service (such as commercial) shall not be transferred to a bill for another class of service (such as residential), nor shall a bill for one (1) form of utility service (such as water) be transferred to a bill for another form of utility service (such as gas). Utility service shall not be denied for nonpayment of bills for merchandise or other nonutility or unregulated services.

(d) Utilities shall treat customers who have filed bankruptcy under federal law in accordance with the protective provisions of 11 U.S.C. 366, effective October 22, 1994. *(Indiana Utility Regulatory Commission; 170 IAC 6-1.2-3)*

170 IAC 6-1.2-4 Deposits

Authority: IC 8-1-1-3; IC 8-1-2-34.5

Affected: IC 8-1-2; IC 32-34-1

Sec. 4. (a) If the applicant or customer fails to establish that he or she is creditworthy under section 3 of this rule, the applicant or customer may be required to make a reasonable deposit. The deposit shall not exceed one-sixth ($\frac{1}{6}$) of the estimated annual billings for regulated utility service at the address at which service is rendered to the applicant or customer and shall be paid in full before establishment of service, subject to the provisions of section 6 of this rule; provided, however, that a deposit shall be based upon estimated regulated water service charges only. If a deposit is greater than one hundred fifty dollars (\$150), the utility shall advise the applicant or customer simultaneously with making a demand for a deposit that the applicant or customer may pay the deposit in equal installment payments over a period of no fewer than three (3) months, and service shall be connected upon receipt by the utility of the first payment. For example, if the total deposit required by a utility under this section is one hundred eighty dollars (\$180), the applicant or customer could make three (3) payments of sixty dollars (\$60) over a three (3) month period, and service would be connected after the first sixty dollar (\$60) payment. The applicant or customer shall not be required to make any advanced payments in addition to or in lieu of a deposit required by this rule in order to receive service. An initial deposit made by a customer shall be subject to reevaluation upon the request of either the utility or the customer, based upon actual charges for services rendered, at any time after service has been provided.

(b) The utility may elect to accept a written guarantee, signed by a third party guarantor acceptable to the utility within its discretion, of payment for all utility service rendered or requested to be rendered to the applicant or customer. The guarantor may terminate the guarantee upon thirty (30) days prior written notice. The guarantee shall be in full force and effect up to and including the date the guarantee shall terminate, and the guarantor shall be obligated, as provided in the written guarantee, respecting the payment of the amount of the applicant or customer's bill on the date of termination. A guarantee shall terminate when the customer submits satisfactory payment for a period of ten (10) out of any twelve (12) consecutive months.

(c) If the utility requires a deposit or a written guarantee as a condition of providing service, the utility shall advise the applicant or customer of the reason upon which the utility bases its decision and provide the applicant or customer with an opportunity to rebut the facts and show other facts demonstrating creditworthiness.

(d) A utility may require an existing customer to make a reasonable deposit, or an additional deposit in cases where a deposit has been made and exhausted under this rule, under any of the following circumstances:

(1) The customer has been mailed disconnect notices for two (2) consecutive months.

(2) The customer has been mailed disconnect notices for any three (3) months within the preceding twelve (12) month period.

(3) The service to the customer has been disconnected within the past forty-five (45) days for nonpayment. In such cases, notice of the need for a deposit shall be in writing, and the customer shall be given ten (10) business days from the mailing date of the notice within which to make the deposit. When the service has been disconnected within the past four (4) years under section 5 of this rule, the deposit shall be provided before the service will be reconnected. The total amount of all deposits required for service under this section may not exceed an amount equal to one-sixth ($\frac{1}{6}$) of the annualized estimated billings for regulated utility service to the customer at the address at which service is rendered.

(e) Requirements for interest upon a deposit shall be as follows:

(1) A deposit held more than thirty (30) days shall earn interest from the date of deposit. Beginning on the effective date of this rule, the rate of interest shall be set by the commission based upon the then existing rate for one (1) year United States Treasury Constant Maturity securities. The interest rate shall be rounded to the nearest one-half ($\frac{1}{2}$) of one percent (1%). In December of each year, the commission shall issue a general administrative order establishing the interest rate for the next calendar year that shall be paid on all deposits held during all or part of the subsequent year.

(2) The deposit shall not earn interest after the date it is mailed or personally delivered to the customer or otherwise lawfully disposed of as provided in subsection (f)(6).

(f) Requirements for refunds shall be as follows:

(1) Any deposit and accrued interest shall be promptly refunded to the customer without the customer's request when the customer submits satisfactory payment ten (10) out of any twelve (12) consecutive months

without late payment.

(2) A statement of accounting for each transaction affecting the deposit and interest shall accompany refunds of deposits or accrued interest issued under this section.

(3) Following a customer requested termination of service, the utility shall do the following:

(A) Apply the deposit, plus accrued interest, to the final bill.

(B) Refund any remaining deposit and accrued interest within fifteen (15) business days after payment of the final bill.

(4) A utility shall maintain a record of each applicant or customer making a deposit that shows the following:

(A) The name of the customer.

(B) The current mailing address of the customer.

(C) The amount of the deposit.

(D) The date the deposit was made.

(E) A record of each transaction affecting the deposit.

(5) Each customer shall be provided a written receipt from the utility at the time the customer's deposit is paid in full or any time the customer makes a partial payment. The utility shall provide a reasonable method by which a customer, who is unable to locate his or her receipt, may establish that he or she is entitled to a refund of the deposit and payment of interest thereon.

(6) Any deposit made by the applicant or customer to the utility (less any lawful deductions to be refunded), or any sum the utility is ordered to refund for water service that has remained unclaimed for one (1) year after the utility has made a diligent effort to locate the customer who made the deposit or the heirs of the customer, shall be presumed abandoned and treated in accordance with IC 32-34-1 et seq.

(g) A deposit may be used by the utility to cover any unpaid balances owed the utility following disconnection of utility service, provided, however, that any surplus be returned to the customer as provided in this section.

(h) A deposit shall not be applied to satisfy an applicant or customer's bill, prior arrearage, or outstanding indebtedness that is greater than four (4) years old; however, a utility may pursue the unpaid balances via collections or other means provided by applicable law.

(i) At the end of every year of service, if the deposit plus interest is not refunded to the customer, the utility shall automatically refund the accrued interest on the deposit to the customer by crediting the customer's account and stating this credit clearly on the customer's next regular bill.

(j) A customer who fails to pay a bill by the time specified by the regulations of the utility and commission regarding the prompt payment of bills, and who further fails to pay the bill within a reasonable period after presentation of a disconnection of service notice for nonpayment, may be required to pay the bill and to reestablish credit by making a deposit under this rule.

(k) Establishment of credit by deposit shall not relieve a customer from complying with the commission's rules for prompt payment of bills. (*Indiana Utility Regulatory Commission; 170 IAC 6-1.2-4*)

170 IAC 6-1.2-5 Disconnection and prohibited disconnections

Authority: IC 8-1-1-3; IC 8-1-2-34.5; IC 8-1-2-122

Affected: IC 8-1-2-4

Sec. 5. (a) Requirements for disconnection upon a customer's request are as follows:

(1) The customer shall notify the utility at least three (3) business days in advance of the day disconnection is desired. The customer shall remain responsible for all service used and the billing therefor until the date the customer has requested disconnection pursuant to the notice.

(2) Upon request by a customer to a utility to disconnect service in fewer than three (3) business days, the utility shall disconnect the service within three (3) business days of the request. The customer shall not be liable for any service rendered to the address after the expiration of the three (3) days.

(3) The customer shall not charge service or authorize the charging of service to any account that has been disconnected at the customer's request or otherwise. A customer shall be responsible for any services he or

she charges or authorizes charged to the disconnected account in violation of the prohibition in this subdivision.

(b) Requirements for disconnection without a customer's request are as follows:

(1) A utility may disconnect service without request by the customer of the service and without prior notice only:

- (A) if a condition dangerous or hazardous to life, physical safety, or property exists;**
- (B) upon order by any court, the commission or other duly authorized public authority;**
- (C) if fraudulent or unauthorized use of service is detected and the utility has reasonable grounds to believe the affected customer is responsible for the use;**
- (D) if the utility's equipment has been tampered with and the utility has reasonable grounds to believe that the affected customer is responsible for the tampering; or**
- (E) if the utility's equipment is used in a manner disruptive to the service of other customers.**

(2) A utility may disconnect service to a customer based on a delinquent account with the same class of service (such as residential service) for that customer.

(c) Requirements for prohibited disconnections are as follows:

(1) Except as otherwise provided in subsections (a) and (b), a utility shall postpone the disconnection of water service for thirty (30) days if, before the disconnect date specified in the disconnect notice, the customer provides the utility with a medical statement from a licensed physician or public health official that states that disconnection would be a serious and immediate threat to the health and safety of a designated person in the household of the customer. The postponement of disconnection shall be continued for one (1) additional ten (10) day period upon the provision of an additional medical statement to the utility. The utility shall be required to provide the customer a total of forty (40) days postponement of disconnection for medical reasons under this subsection only once in any twelve (12) month period. Further postponement of disconnection may be made at the utility's discretion.

(2) A utility may not disconnect water service to the customer for any of the following reasons:

- (A) Nonpayment of any nonutility or unregulated utility services.**
- (B) Upon the customer's failure to pay for services to a previous occupant of the premises being served unless the utility has reasonable grounds to believe that the customer is attempting to defraud the utility.**
- (C) On the basis of the delinquent character of an account of any other person, except if the customer is the guarantor of that other person's account for water service.**
- (D) If the customer makes payment arrangements under section 6 of this rule.**
- (E) If a customer is unable to pay a bill that is unusually large due to prior incorrect billing, incorrect application of the rate schedule, prior estimates where no actual reading was taken for over two (2) months, or any human or mechanical error of the utility, and the customer:
 - (i) makes a payment arrangement in accordance with the guidelines set forth in section 6 of this rule; and**
 - (ii) agrees to pay all undisputed future bills for water service as they become due, provided, however, that the utility may not add to the outstanding bill any late fee and, provided further, that the payment arrangement agreement in item (i) and this item shall be put in writing by the utility and sent by mail to the customer.****

(d) No utility may disconnect service unless the disconnecting is done between the hours of 8 a.m. and 3 p.m., prevailing local time. Disconnections under subsections (a) and (b) are not subject to this limitation. The utility may not disconnect service for nonpayment:

(1) on any:

- (A) Friday after noon;**
- (B) Saturday;**
- (C) Sunday; or**
- (D) other day the utility's offices are not open for business; or**

(2) after noon on any day immediately before a day the utility's office are not open for business.

(e) Requirements for notice required before involuntary disconnection are as follows:

(1) Except as otherwise provided in this section, service to any customer shall not be disconnected for a

violation of any rule of the utility or for nonpayment of a bill, except after fourteen (14) days from the postmark date of a written notice sent to the customer at the address shown on the records of the utility or the notice is personally served upon the customer or a responsible member of the customer's household. No disconnect notice for nonpayment may be rendered before the date on which the account becomes delinquent.

(2) The disconnection notice shall be in language that is clear, concise, and easily understandable to a layperson and shall state, in separately numbered large print paragraphs, the following information:

(A) The date of the proposed disconnection.

(B) The specific reason and factual basis for the proposed disconnection.

(C) The telephone number of the utility office at which the customer may call during regular business hours to question the proposed disconnection or seek information concerning the customer's rights.

(D) The local and toll-free telephone numbers and office hours of the commission.

(E) That the customer may refer to the pamphlet furnished under 170 IAC 6-1-18 for information as to the customer's rights.

(F) Information as to the customer's rights, under this rule, including, but not limited to, the following:

(i) That the customer may obtain a temporary waiver of disconnection for a serious illness or medical emergency under subsection (c).

(ii) That the customer may file a complaint with the utility.

(iii) That if the complaint is not resolved by the utility to the customer's satisfaction, the customer may file a complaint with the commission.

(iv) That the customer may make payment arrangements under section 6 of this rule.

(f) Utility employees conducting disconnections of service shall follow the following procedures:

(1) Immediately preceding the actual disconnection of service, the employee of the utility designated to perform the function shall make a reasonable attempt to identify himself or herself to the customer or any other responsible person then upon the premises and shall announce the purpose of his or her presence and shall make a record thereof to be maintained for at least thirty (30) days.

(2) The employee shall have in his or her possession information sufficient to enable the employee to inform the customer or other responsible person the reason for the disconnection, including the amount of any delinquent bill of the customer, and shall request from the customer any available verification that the outstanding bill has been satisfied or is currently in dispute and under review by the utility or the commission. Upon the presentation of such credible evidence, service shall not be disconnected.

(3) The employee shall not be required to accept payment from the customer, user, or other responsible person in order to prevent the service from being disconnected. The utility shall notify the customers under 170 IAC 6-1-18 of its policy with regard to the acceptance or nonacceptance of payment from the employee and shall uniformly follow the policy without discrimination.

(4) When the employee has disconnected the service, the employee shall give to a responsible person at the customer's premises, or if no one is at home, shall leave at a conspicuous place on the premises, a notice stating that service has been disconnected and stating the address and telephone number of the utility where the user may arrange to have service reconnected.

(g) If a utility disconnects service in violation of this rule, the service shall immediately be restored at no charge to the customer. (*Indiana Utility Regulatory Commission; 170 IAC 6-1.2-5*)

170 IAC 6-1.2-6 Payment arrangements and reconnection of service

Authority: IC 8-1-1-3; IC 8-1-2-34.5; IC 8-1-2-121; IC 8-1-2-122

Affected: IC 8-1-2; IC 32-34-1-20

Sec. 6. (a) Except in cases where fraudulent or unauthorized use of utility service is detected and the utility has reasonable grounds to believe the customer is responsible for the use, when a residential customer cannot pay an undisputed bill or the undisputed portion of a disputed bill in full, the utility shall continue to serve the customer or reconnect the customer if the customer and the utility agree on a reasonable portion of the outstanding bill to be paid immediately. The manner in which the balance of the outstanding bill will be paid (the "payment arrangement") shall be made in accordance with the following guidelines:

(1) The customer shows just cause for his or her inability to pay (financial hardship shall constitute just cause),

and the customer pays a reasonable portion of the amount, not to exceed one-third ($\frac{1}{3}$) of all amounts due (unless the customer agrees to a greater portion) and the customer:

(A) agrees to pay:

- (i) the balance of all amounts due in equal monthly installments; and
- (ii) all undisputed future bills for utility service as they become due; and

(B) has not breached any similar agreement with the utility made under this section in the last twelve (12) months.

(2) In deciding on the reasonableness of a particular payment arrangement, the utility shall consider the following:

(A) The customer's ability to pay.

(B) The size of the unpaid balance.

(C) The customer's payment history and length of service.

(D) The amount of time the debt has been and the reasons why the debt is outstanding.

(3) The payment arrangement shall provide the customer with adequate opportunity to apply for and receive the benefits of any available public assistance program.

(4) The payment arrangement is subject to amendment upon the customer's request if there is a change in the customer's financial circumstances.

(5) The utility may add to the outstanding bill a late payment charge not to exceed the amount set under 170 IAC 6-1-13(B); however, only one (1) late payment charge may be assessed against the charges applicable to any given month.

(b) The terms of any payment arrangement made under this section shall be put in writing by the utility and sent by mail to the customer.

(c) If the customer does not meet any of the conditions in subsection (a), the utility may, but is not obligated to, enter into subsequent payment arrangements with the customer.

(d) The utility shall reconnect service to a customer as soon as reasonably possible but at least within one (1) working day after the utility is requested to do so if the customer has satisfied the requirements of this rule.

(e) A utility may charge a reasonable reconnection charge not to exceed the charge approved by the commission in the utility's filed tariffs. A utility shall inform its customers of the reconnection fee under 170 IAC 6-1-18. (*Indiana Utility Regulatory Commission; 170 IAC 6-1.2-6*)

170 IAC 6-1.2-7 Customer complaints to the utility

Authority: IC 8-1-1-3; IC 8-1-2-34.5

Affected: IC 8-1-2

Sec. 7. (a) An applicant or customer may complain at any time to a utility about any bill, security deposit, disconnection notice, or any other matter relating to installation or service and may request a conference with the utility thereon. The complaints may be made in person, by telephone, in writing, or by completing a written or electronic form available from the utility. A complaint shall be considered filed upon receipt by the utility, except mailed complaints shall be considered filed two (2) calendar days after the postmark date. In making a complaint or request for conference, the applicant or customer shall state, at a minimum, his or her name, service address, telephone number, and the general nature of his or her complaint.

(b) Upon receiving each such complaint or request for conference, the utility shall take the following actions:

(1) Immediately notify an applicant or customer that any undisputed portion of a bill shall be paid by the date due in order to avoid disconnection of service in accordance with section 5 of this rule.

(2) Promptly, thoroughly, and completely investigate the complaint in good faith, attempt to confer with the applicant or customer when requested, and notify the applicant or customer of the utility's proposed disposition of the complaint. During the investigation, no collection action shall be taken for items that are being disputed, and there shall be no negative impact on applicant or customer's credit rating.

(3) Without the applicant or customer's permission, the utility shall not disconnect, remove, or restrict any

service that is the subject matter of the complaint while investigating the complaint or making a good faith attempt to resolve the complaint.

(4) Charges that are disputed by the applicant or customer shall not be treated as delinquent while an investigation is pending.

(5) After investigation, the utility may rebill the disputed charges in the next billing cycle if the investigation determined that the charges were appropriate; however, the utility shall not assess any late payment charge that may have accrued while the investigation was pending.

(6) If the utility's proposed disposition is not in the applicant or customer's favor, the utility shall notify the applicant or customer of the disposition in writing if the complaint was made in writing. If the utility's proposed disposition is not in the applicant or customer's favor, the utility shall notify the applicant or customer in writing or orally, if the complaint was made orally. The notification shall include contact information for the commission, including the commission's mailing address, toll-free complaint number, and local telephone number. A utility shall direct its personnel engaged in contact with an applicant or customer to inform the applicant or customer, if he or she expresses dissatisfaction with the decision of the personnel, of the right to have the problem considered and acted upon by supervisory personnel of the utility. A utility shall further direct the supervisory personnel to notify the applicant or customer who expresses dissatisfaction with the decision of the supervisory personnel of the right to have the problem reviewed by the commission's consumer affairs division and shall furnish him or her the business address and telephone number of the commission. The notification shall advise the applicant or customer that if he or she is dissatisfied with the utility's disposition, the applicant or customer may, within twenty-one (21) days, file a complaint with the commission's consumer affairs division (under section 8 of this rule). The payment of a deposit as requested by the utility shall not foreclose or in any manner affect the applicant or customer's right to appeal under IC 8-1-2-34.5 or other applicable law.

(c) If at any time the applicant or customer files a complaint with the commission regarding a dispute with a utility, the procedures set forth in section 8 of this rule shall apply. Any disconnection of the applicant or customer's service shall be governed by section 5 of this rule.

(d) A utility shall retain a written record of complaints and requests for conferences for at least eighteen (18) months after the complaint or request for conference is made. The records shall be maintained at the office or branch office of the utility or in the respective department office thereof where the complaints were received or any conferences were subsequently held. The written records are to be readily available upon request by the:

- (1) concerned applicant or customer;
- (2) applicant or customer's agent possessing written authorization; or
- (3) commission.

(e) A utility shall, at the request of the commission, submit a report covering the previous twelve (12) month period to the commission that shall state and classify the following:

- (1) The number of complaints made to the utility under this rule.
- (2) The general nature of the subject matter thereof.
- (3) How the complaint was received.
- (4) Whether a commission review was conducted thereon.

(Indiana Utility Regulatory Commission; 170 IAC 6-1.2-7)

170 IAC 6-1.2-8 Customer complaints to the commission

Authority: IC 8-1-1-3; IC 8-1-2-34.5

Affected: IC 8-1-2-88

Sec. 8. (a) An individual or entity may informally complain to the commission's consumer affairs division with respect to any matter within the jurisdiction of the commission. The complaints may be made in person, by telephone, in writing, or by completing a written or electronic form available from the consumer affairs division. A complaint shall be considered filed upon receipt by the commission, except mailed complaints shall be considered filed as of the postmark date. In making a complaint, the applicant or customer shall state, at a minimum, the following:

- (1) His or her name.
- (2) The service address.
- (3) His or her telephone number.
- (4) The name of the utility involved.
- (5) The general nature of his or her complaint.

(b) Without the applicant or customer's permission, the utility shall not disconnect, remove, or restrict any service that is the subject matter of the complaint while any commission review or investigation of the complaint is pending. The applicant or customer shall continue to pay all undisputed charges. In those instances when the applicant or customer and the utility cannot agree as to what portion of a bill is undisputed, the applicant or customer shall pay on the disputed bill an amount equal to the applicant or customer's average bill for the twelve (12) months immediately preceding the disputed bill. In those cases where the applicant or customer has received fewer than twelve (12) bills, the applicant or customer shall pay an amount equal to one-twelfth ($\frac{1}{12}$) of the estimated annual billing for service to be rendered to the applicant or customer.

(c) If the applicant or customer is dissatisfied with a utility's notice of the utility's proposed disposition of the complaint as provided in section 7 of this rule, the applicant or customer may, within twenty-one (21) days after the postmark date of the notice, file an informal complaint with the commission's consumer affairs division.

(d) Upon receiving an informal complaint, the following actions shall be taken:

- (1) The utility shall be notified that a complaint has been made.
- (2) The complaint shall be investigated.
- (3) The applicant or customer and the utility shall be notified of the decision made on the complaint in accordance with applicable law.

(e) Requirements for an informal review are as follows:

- (1) The applicant or customer or the utility may make a written request that a decision made under subsection (d) be reviewed informally by the consumer affairs director or designee. The written request shall be made within fourteen (14) days of the decision. The records of the commission relating to the reviews shall be kept in a systematic order.
- (2) Upon receiving a request for an informal review, the consumer affairs director or designee shall provide an informal review in a timely manner. The review shall consist of not less than a prompt and thorough investigation of the dispute and shall result in a written decision to be mailed to the applicant or customer. Upon request by either party or the consumer affairs director or designee, the parties shall be required to meet and confer to the extent and at a place the consumer affairs director or designee considers appropriate.

(f) The applicant or customer may make a written request that the commission investigate the disposition of the informal review. The written request shall be made within twenty (20) days of the consumer affairs division's notice of disposition. Before entering an order upon a commission investigation, the commission shall afford the applicant or customer and the utility notice and an opportunity to be heard.

(g) Without the applicant or customer's permission, the utility shall not disconnect, remove, or restrict any disputed service until at least twenty (20) days have elapsed from the postmark date of the consumer affairs division's disposition or the commission's order upon investigation, if any.

(h) The time frames provided in this section may be extended at the discretion of the consumer affairs division.
(Indiana Utility Regulatory Commission; 170 IAC 6-1.2-8)

170 IAC 6-1.2-9 Estimated bills

Authority: IC 8-1-1-3; IC 8-1-2-34.5

Affected: IC 8-1-2-4

Sec. 9. (a) Each estimated bill shall be clearly and conspicuously identified as such. Unless otherwise requested

by a customer, estimated bills shall not be issued for more than three (3) consecutive months. After three (3) consecutive months of estimating the customer's bill, the utility shall secure an accurate reading of the meter. Failure on the part of the customer to comply with a reasonable request for meter access may lead to discontinuance of service.

(b) A utility or billing entity may not render a bill based on estimated usage if:

- (1) the billing would be the customer's first or final bill for service;
- (2) the customer has supplied meter readings to the utility; or
- (3) the customer has requested an actual meter read.

(c) When a utility or billing entity renders an estimated bill in accordance with this article, the utility or billing entity shall maintain accurate records of the reasons therefor and efforts made to secure an actual reading.

(d) When a utility underestimates a customer's usage, the customer shall be given the opportunity to make payment arrangements as provided in this rule.

(e) A utility may estimate a bill because a meter malfunctioned or failed. If the time when the meter malfunction or error began cannot be reasonably determined to have occurred within a specific billing period, the corrected billings shall not exceed the most recent six (6) months before the discovery of the malfunction or error. If the time when the malfunction or error began can be reasonably determined, the corrected billings shall go back to that time but shall not exceed twelve (12) months. (*Indiana Utility Regulatory Commission; 170 IAC 6-1.2-9*)

SECTION 4. 170 IAC 7-1.3-2 IS AMENDED TO READ AS FOLLOWS:

170 IAC 7-1.3-2 Definitions

Authority: IC 8-1-1-3

Affected: IC 8-1-2-1

Sec. 2. The following definitions apply throughout this rule:

- (1) "Applicant" means any person, company, or designated agent who seeks to become a customer for basic residential or small business telephone services.
- (2) "Basic local service" means the provision to a customer of an access line that transmits two-way interactive switched voice or communication within a local calling area.
- (3) "Business days" means all days other than a:
 - (A) Saturday;
 - (B) Sunday;
 - (C) legal holiday as defined by statute; or
 - (D) day that the utility (or service provider) office is closed during regular business hours.
- (4) "Clear and conspicuous notification" means notice that would be apparent to a reasonable consumer.
- (5) "Commission" means the Indiana utility regulatory commission.
- (6) "Competitive local exchange carrier" or "CLEC" means a local service telephone utility that provides telephone service to customers in the geographic territory served by the local exchange and does not qualify as an ~~incumbent local exchange carrier ILEC~~ under subdivision ~~(9)~~ (10).
- (7) "Customer" means the following:
 - (A) Any person that requests and obtains telephone service and is responsible for the **following**:
 - (i) The payment of charges.
 - (ii) Compliance with filed tariffs. ~~and~~
 - (iii) Rules of the utility.
 - (B) Any business or institutional entity, whether an individual, partnership, corporation, association, or other business or institutional form that:
 - (i) does or will operate with four (4) or fewer single access lines;
 - (ii) requests and obtains telephone service for occupational, professional, or institutional purposes; and
 - (iii) is responsible for the payment of charges, compliance with filed tariffs, and rules of the utility.

(C) Any customer whose service has been temporarily disconnected shall continue to be a customer for purposes of this rule until such time as service is permanently disconnected and the customer must reapply for new service.
(8) "Deniable charges" means charges for basic local service. Delinquency in payment of deniable charges may result in disconnection of basic local service.

(9) "Disconnection" means the termination or discontinuance of utility service.

~~(9)~~ **(10) "Incumbent local exchange carrier" or "ILEC" means a local service telephone utility that provides telephone service to customers in the geographic territory served by the local exchange and that:**

(A) on February 8, 1996, provided telephone exchange service in such area and was deemed to be a member of the exchange carrier association under 47 CFR 69.601(b); or

(B) is a person or entity that on or after February 8, 1996, became a successor or assignee of a member described in clause (A).

(11) "Late payment charge" means the one-time penalty assessed by a utility on a customer's account when the account becomes delinquent.

~~(10)~~ **(12) "Local exchange carrier" or "LEC" means a local serving telephone utility that provides telephone service to customers in the geographic territory served by the local exchange, and excluding those services provided pursuant to a CTA issued for a radio common carrier or commercial mobile radio service.**

~~(11)~~ **(13) "Long distance service" or "toll service" means the transmission of two-way interactive switched voice communication between local exchange areas for which charges are made on a per-unit basis.**

~~(12)~~ **(14) "New service provider" means a service provider that did not bill the customer for service during the service provider's last billing cycle. The term includes only providers that have continuing relationships with the customer that will result in periodic charges on the customer's bill unless the service is subsequently canceled.**

~~(13)~~ **(15) "Nondeniable charges" means charges for toll service and unregulated telecommunications services. Delinquency in payment of nondeniable charges shall not result in disconnection of basic local service.**

~~(14)~~ **(16) "Temporary disconnection" means a disconnection that has not yet resulted in the customer's account being permanently removed from the telephone provider's network.**

~~(15)~~ **(17) "Utility" means any public utility (as defined in IC 8-1-2-1) or municipal utility (as defined in IC 8-1.5-1-10) that furnishes telephone service to the public under the jurisdiction of the commission.**

(Indiana Utility Regulatory Commission; 170 IAC 7-1.3-2; filed Aug 7, 2002, 10:05 a.m.: 25 IR 4066, eff one hundred eighty (180) days after filing with the secretary of state or January 1, 2003, whichever is later; errata, 26 IR 1565; errata, 26 IR 2375)

SECTION 5. 170 IAC 7-1.3-3 IS AMENDED TO READ AS FOLLOWS:

170 IAC 7-1.3-3 Creditworthiness of residential customer; deposit; refund

Authority: IC 8-1-1-3

Affected: IC 8-1-2-4; IC 8-1-2-88; IC 32-34-1

Sec. 3. (a) ~~Each~~ **A** LEC shall determine the creditworthiness of applicants or customers in an equitable and nondiscriminatory manner:

(1) without regard to: ~~the~~

(A) race;

(B) color;

(C) creed;

(D) religion;

(E) sex;

(F) national origin; ~~or~~

(G) marital status; ~~of the applicant or customer; or the economic character of the area wherein the applicant or customer resides or operates; and~~

(H) receipt of public assistance; ~~or~~

(I) the economic character of the area wherein the applicant or customer resides or operates; ~~and~~

(2) solely upon the credit risk of the **individual** applicant or customer without regard to the:

(A) collective credit reputation of the area in which the applicant or customer resides or operates; **and**

(B) credit history of any other individual residing in the household or the applicant or customer's spouse.

(b) Each new applicant for residential telephone service shall be deemed creditworthy and shall not be required to make a cash deposit as a condition of receiving basic local service if the applicant satisfies either of the following criteria:

(1) The applicant has been a customer of a public or municipal utility in the United States within the last two (2) years, and the applicant:

(A) owes no outstanding bills for service rendered within the past four (4) years by such utility;

(B) during the last twelve (12) consecutive months that the service was provided, did not have more than two (2) bills that were delinquent to such utility or, if service was rendered for a period for less than twelve (12) months, did not have more than one (1) delinquent bill in such period; and

(C) within the last two (2) years did not have a service disconnected by such utility for nonpayment of a bill for services rendered by that utility.

(2) The applicant has not been a customer of a utility during the previous two (2) years and any of the following criteria are met:

(A) The applicant either has been employed by:

(i) his or her present employer for two (2) years;

(ii) his or her present employer for less than two (2) years, but has been employed by only one (1) other employer during the past two (2) years; or

(iii) the present employer for less than two (2) years and has no previous employment due to recently:

(AA) graduating from a school, university, or vocational program; or

(BB) being discharged from military service.

(B) The applicant either:

(i) owns or is buying his or her home; or

(ii) is renting a home or an apartment and has occupied the premises for more than two (2) years.

(b) A LEC may require a residential service applicant or customer to satisfactorily establish his or her financial responsibility (creditworthiness). The LEC may require a deposit or other reasonable guarantor to secure payment of bills before providing local exchange service if the applicant or customer is not deemed creditworthy because the applicant or customer:

(1) does not meet or exceed the predetermined minimum credit score selected by the LEC using a credit scoring system as provided in the LEC's tariff; or

(2) has failed to pay for past due telephone service furnished to him or her at the same or at another address within the past four (4) years.

(c) A bill for one (1) class of service (such as commercial) shall not be transferred to a bill for another class of service (such as residential), nor shall a bill for one (1) form of utility service (such as telephone) be transferred to a bill for another form of utility service (such as electric). Local exchange service shall not be denied for nonpayment of bills for merchandise or other nonutility or unregulated services.

(d) If the applicant or customer fails to establish that he or she is creditworthy under subsection (b), the applicant or customer may be required to make a reasonable initial cash deposit. Such initial deposit shall not exceed one-sixth ($\frac{1}{6}$) of the estimated annual billings for local service at the address at which service is rendered to the applicant or customer and shall be paid in full before installation of service, such subject to the provisions of section 11 of this rule; provided, however, that a deposit shall be based upon estimated local regulated telecommunications service charges only. If a deposit is greater than one hundred fifty dollars (\$150), the LEC shall advise the applicant or customer simultaneously with making a demand for a deposit that the applicant or customer may pay the deposit in equal installment payments over a period of no fewer than three (3) months, and service shall be connected upon receipt by the LEC of the first payment. For example, if the total deposit required by a LEC under this section is one hundred eighty dollars (\$180), the applicant or customer could make three (3) payments of sixty dollars (\$60) over a three (3) month period, and service would be connected after the first sixty dollar (\$60) payment. The applicant or customer shall not be required to make any advanced payments in addition to or in lieu of a deposit required by this rule in order to receive service. An initial deposit made by a customer shall be subject to reevaluation upon the request of either the LEC or the customer, based upon actual charges for services rendered, at any time after service has been provided.

~~(d)~~ (e) The utility LEC may elect to accept a written guarantee, signed by a third party guarantor acceptable to the utility LEC **within its discretion**, of payment for all telephone service rendered or **requested** to be rendered to the applicant **or customer**. The guarantor may terminate the guarantee upon thirty (30) days prior written notice. ~~Said~~ **The** guarantee shall be in full force and effect up to and including the date the guarantee shall terminate, and the guarantor shall be obligated, as provided in the written guarantee, respecting the payment of the amount of the ~~applicant's~~ **applicant or customer's** bill on the date of termination. A guarantee shall terminate when the customer submits satisfactory payment for a period of ~~either:~~

- (1) ~~nine (9) consecutive months;~~ or
- (2) ten (10) out of any twelve (12) consecutive months.

~~(e)~~ (f) If the utility LEC requires a ~~cash~~ deposit or a written guarantee as a condition of providing service, the utility LEC shall advise the applicant **or customer** of the reason upon which ~~it~~ **the LEC** bases its decision and provide the applicant **or customer** with an opportunity to rebut ~~such the~~ facts and show other facts demonstrating creditworthiness.

~~(f)~~ (g) The LEC may require ~~a present~~ **an existing** customer to make a reasonable ~~cash~~ deposit, or an additional deposit in cases where a deposit has been made ~~when and exhausted under this rule, under any of the following circumstances:~~

- (1) The customer has been mailed disconnect notices for:
 - (A) two (2) consecutive months; or
 - (B) any three (3) months within the preceding twelve (12) month period.

(2) **The service to the customer has been disconnected within the past forty-five (45) days for nonpayment.**

In such cases, notice of the need for a deposit shall be in writing, and the customer shall be given ten (10) business days from the mailing date of the notice within which to make ~~said the~~ deposit. When the service has been disconnected within the past four (4) years ~~pursuant to under~~ section 11 of this rule, the deposit shall be provided before the service will be reconnected. The total amount of all deposits required for local service ~~pursuant to under~~ this section may not exceed an amount equal to one-sixth ($\frac{1}{6}$) of the annualized estimated billings for **local service** to the customer at the address at which service is rendered. **The applicant or customer shall not be required to make any advanced payments in addition to or in lieu of a deposit required by this rule.**

~~(g)~~ (h) The LEC shall treat customers who have filed bankruptcy under federal law in accordance with the protective provisions of 11 U.S.C. 366, **effective October 22, 1994.**

~~(h)~~ (i) Requirements for interest upon a deposit shall be as follows:

- (1) A deposit held more than thirty (30) days shall earn interest from the date of deposit. Beginning on the effective date of this rule, the rate of interest shall be set by the commission based upon the then existing rate for one (1) year United States treasury bills. The interest rate will be rounded to the nearest one-half ($\frac{1}{2}$) of one percent (1%). In December of each year, the commission shall issue a general administrative order establishing the interest rate for the next calendar year that shall be paid on all deposits held during all or part of the subsequent year.
- (2) The deposit shall not earn interest after the date ~~it the deposit~~ is mailed or personally delivered to the customer, or otherwise lawfully disposed of as provided in subsection ~~(i)(6)~~ (j)(6).

~~(i)~~ (j) Requirements for refunds shall be as follows:

- (1) Any deposit and accrued interest shall be promptly refunded to the customer without the customer's request when the customer submits satisfactory payment ten (10) out of any twelve (12) consecutive months without late payment.
- (2) A statement of accounting for each transaction affecting the deposit and interest shall accompany refunds of deposits or accrued interest issued under this section.
- (3) Following a customer requested termination of service, the LEC shall **do the following:**
 - (A) Apply the deposit, plus accrued interest, to the final bill. ~~or~~
 - (B) ~~upon specific request from the customer,~~ Refund ~~the any remaining~~ deposit, plus accrued interest, within fifteen (15) business days after payment of the final bill.
- (4) ~~Each~~ **A** LEC shall maintain a record of each applicant or customer making a deposit that shows the following:
 - (A) The name of the customer.
 - (B) The current mailing address of the customer.

- (C) The amount of the deposit.
- (D) The date the deposit was made.
- (E) A record of each transaction affecting ~~such the~~ deposit.

(5) ~~Each~~ **A** customer shall be provided a written receipt from the LEC at the time the customer's deposit is paid in full or ~~when any time~~ the customer makes a ~~cash~~ partial payment. The LEC shall provide a reasonable method by which a customer, who is unable to locate his or her receipt, may establish that he or she is entitled to a refund of the deposit and payment of interest thereon.

(6) Any deposit made by the applicant or customer to the LEC (less any lawful deductions to be refunded), or any sum the LEC is ordered to refund for telephone services that has remained unclaimed for one (1) year after the LEC has made a diligent effort to locate the customer who made ~~such the~~ deposit or the heirs of ~~such the~~ customer, shall be presumed abandoned and treated in accordance with ~~IC 32-34-1-20(e)~~; **IC 32-34-1 et seq.**

(7) A deposit may be used by the LEC to cover any unpaid balances owed the LEC following disconnection of any service under section 11 of this rule, provided, however, that any surplus be returned to the customer as provided in this ~~subsection~~; **section**.

(8) Establishment of credit by ~~cash~~ deposit shall not relieve a customer from complying with the commission's rules for prompt payment of bills.

(k) A deposit shall not be applied to satisfy an applicant or customer's bill, prior arrearage, or outstanding indebtedness that is greater than four (4) years old; however, a LEC may pursue the unpaid balances via collections or other means provided by applicable law.

(l) At the end of every year of service, if the deposit plus interest is not refunded to the customer, the LEC shall automatically refund the accrued interest on the deposit to the customer by crediting the customer's account and stating this credit clearly on the customer's next regular bill.

(m) A customer who fails to pay a bill by the time specified by the regulations of the LEC and commission regarding the prompt payment of bills, and who further fails to pay the bill within a reasonable period after presentation of a disconnection of service notice for nonpayment, may be required to pay the bill and to reestablish credit by making a deposit under this rule. *(Indiana Utility Regulatory Commission; 170 IAC 7-1.3-3; filed Aug 7, 2002, 10:05 a.m.: 25 IR 4067, eff one hundred eighty (180) days after filing with the secretary of state or January 1, 2003, whichever is later; errata filed Oct 8, 2002, 12:54 p.m.: 26 IR 382)*

SECTION 6. 170 IAC 7-1.3-8 IS AMENDED TO READ AS FOLLOWS:

170 IAC 7-1.3-8 Customer complaints to the utility

Authority: IC 8-1-1-3; IC 8-1-2-34.5

Affected: IC 8-1-2

Sec. 8. (a) ~~★~~ **An applicant or** customer may complain at any time to a utility about any bill, security deposit, disconnection notice, or any other matter relating to installation or service and may request a conference with the utility thereon. ~~Such The~~ complaints may be made in person, by telephone, in writing, or by completing a **written or electronic** form available from the utility. ~~at its business offices~~. A complaint shall be considered filed upon receipt by the utility, except mailed complaints shall be considered filed two (2) calendar days after the postmark date. In making a complaint or request for conference, the **applicant or** customer shall state, at a minimum, **the following:**

- (1) His or her name.
- (2) **The** service address.
- (3) **His or her** telephone number. ~~and~~
- (4) The general nature of his or her complaint.

(b) Upon receiving each such complaint or request for conference, the utility shall take the following actions:

- (1) Immediately notify ~~a~~ **an applicant or** customer that any undisputed portion of a bill shall be paid by the date due in order to avoid disconnection of service in accordance **with** section 11 of this rule.
- (2) Promptly, thoroughly, and completely investigate ~~such the~~ complaint in good faith, attempt to confer with the **applicant or** customer when requested, and notify the **applicant or** customer of ~~its the~~ **the utility's** proposed disposition

of the complaint. During the investigation, no collection action shall be taken for items that are being disputed, and there shall be no negative impact on **the applicant or** customer's credit rating.

(3) Without the **applicant or** customer's permission, the utility shall not disconnect, remove, or restrict any service that is the subject matter of the complaint while investigating the complaint or making a good faith attempt to resolve the complaint.

(4) Charges that are disputed by the **applicant or** customer shall not be treated as delinquent while an investigation is pending.

(5) After investigation, the utility may rebill the disputed charges in the next billing cycle if the investigation determined that the charges were appropriate; **however, the utility shall not assess any late payment charge that may have accrued while the investigation was pending.**

(6) If the utility's proposed disposition is not in the **applicant or** customer's favor, the utility shall notify the **applicant or** customer of ~~such the~~ disposition in writing if the complaint was made in writing. If the utility's proposed disposition is not in the **applicant or** customer's favor, the utility shall notify the **applicant or** customer in writing or orally, if the complaint was made orally. **A utility shall direct its personnel engaged in contact with an applicant or customer to inform the applicant or customer, if he or she expresses dissatisfaction with the decision of the personnel, of the right to have the problem considered and acted upon by supervisory personnel of the utility. A utility shall further direct the supervisory personnel to notify the applicant or customer who expresses dissatisfaction with the decision of the supervisory personnel of the right to have the problem reviewed by the commission's consumer affairs division and shall furnish him or her the business address and telephone number of the commission.** The notification shall advise the customer or applicant that if he or she is dissatisfied with the telephone company's disposition, the customer or applicant may, within twenty-one (21) days, file a complaint with the commission's consumer affairs division (~~pursuant to~~ **(under** section 9 of this rule). ~~Such The~~ notification shall include contact information for the commission, including the commission's mailing address, toll-free complaint number, and local telephone number. **The payment of a deposit as requested by the utility shall not foreclose or in any manner affect the applicant or customer's right to appeal under IC 8-1-2-34.5 or other applicable law.**

(c) If at any time the **applicant or** customer files a complaint with the commission regarding a dispute with a utility, the procedures set forth in section 9 of this rule shall apply. Any disconnection of the **applicant or** customer's service shall be governed by section 11 of this rule.

(d) ~~Each~~ **A** utility shall retain a written record of complaints and requests for conferences for at least eighteen (18) months after the complaint or request for conference is made. ~~Such The~~ records shall be maintained at the office or branch office of the utility or in the respective department office thereof where ~~such the~~ complaints were received or any conferences were subsequently held. ~~Such The~~ written records are to be readily available upon request by the:

- (1) concerned **applicant or** customer; ~~the~~
- (2) **applicant or** customer's agent possessing written authorization; or ~~the~~
- (3) commission.

(e) ~~Each~~ **A** utility shall, at the request of the commission, submit a report covering the previous twelve (12) month period to the commission that shall state and classify **the following:**

- (1) The number of complaints made to the utility ~~pursuant to~~ **under** this rule.
- (2) The general nature of the subject matter thereof.
- (3) How the complaint was received. ~~and~~
- (4) Whether a commission review was conducted thereon.

(Indiana Utility Regulatory Commission; 170 IAC 7-1.3-8; filed Aug 7, 2002, 10:05 a.m.: 25 IR 4070, eff one hundred eighty (180) days after filing with the secretary of state or January 1, 2003, whichever is later)

SECTION 7. 170 IAC 7-1.3-9 IS AMENDED TO READ AS FOLLOWS:

170 IAC 7-1.3-9 Customer complaints to the commission

Authority: IC 8-1-1-3; IC 8-1-2-34.5

Affected: IC 8-1-2-34.5; IC 8-1-2-88

Sec. 9. (a) An individual or entity may informally complain to the commission's consumer affairs division with respect to any matter within the jurisdiction of the commission. ~~Such~~ **The** complaints may be made in person, by telephone, in writing, or by completing a **written or electronic** form available from the consumer affairs division. A complaint shall be considered filed upon receipt by the commission, except mailed complaints shall be considered filed as of the postmark date. In making a complaint, the **applicant or** customer shall state, at a minimum, **the following**:

- (1) His or her name.
- (2) **The** service address.
- (3) **His or her** telephone number. ~~and~~
- (4) **The name of the utility involved.**
- (5) The general nature of his or her complaint.

(b) Without the **applicant or** customer's permission, the utility shall not disconnect, remove, or restrict any service that is the subject matter of the complaint while any commission review or investigation of ~~such the~~ complaint is pending. The **applicant or** customer shall continue to pay all undisputed charges. In those instances when the **applicant or** customer and **the** utility cannot agree as to what portion of a bill is undisputed, the **applicant or** customer shall pay on the disputed bill an amount equal to the **applicant or** customer's average bill for the twelve (12) months immediately preceding the disputed bill. In those cases where the **applicant or** customer has received fewer than twelve (12) bills, the **applicant or** customer shall pay an amount equal to one-twelfth ($1/12$) of the estimated annual billing for service to be rendered to the **applicant or** customer.

(c) If the **applicant or** customer is dissatisfied with a utility's notice of ~~its~~ **the utility's** proposed disposition of the complaint as provided in section 8 of this rule, the customer or applicant may, within twenty-one (21) days after the postmark date of the notice, file a ~~consumer~~ **an informal** complaint with the commission's consumer affairs division.

(d) Upon receiving a ~~consumer~~ **an informal** complaint, the following actions shall be taken:

- (1) The utility shall be notified that a complaint has been made.
- (2) The complaint shall be investigated.
- (3) The **applicant or** customer and the utility shall be notified of the decision made on the complaint in accordance with applicable law.

(e) Requirements for an informal review are as follows:

(1) The **applicant or** customer or the utility may make a written request that a decision made ~~pursuant to~~ **under** subsection (d) be reviewed informally by the consumer affairs director or designee. ~~Such~~ **The** written request shall be made within fourteen (14) days of the decision. The records of the commission relating to ~~such the~~ reviews shall be kept in a systematic order.

(2) Upon receiving a request for an informal review, the consumer affairs director or designee shall provide an informal review ~~within thirty (30) days.~~ **in a timely manner.** The review shall consist of not less than a prompt and thorough investigation of the dispute and shall result in a written decision to be mailed to the **applicant or** customer and the utility. ~~within thirty (30) days after its receipt of the customer's request.~~ Upon request by either party or the consumer affairs director or designee, the parties shall be required to meet and confer to the extent and at ~~such a~~ **place** as the consumer affairs director or designee ~~may consider~~ **considers** appropriate.

(f) The **applicant or** customer may make a written request that the commission investigate the disposition of the informal review. ~~Such~~ **The** written request shall be made within ~~fourteen (14)~~ **twenty (20)** days of the consumer affairs division's notice of disposition. ~~Prior to~~ **Before** entering an order upon a commission investigation, the commission shall afford the **applicant or** customer and the utility notice and an opportunity to be heard.

(g) Without the **applicant or** customer's permission, the utility shall not disconnect, remove, or restrict any disputed service until at least ~~fourteen (14)~~ **twenty (20)** days have elapsed from the postmark date of the consumer affairs ~~division~~ **division's** disposition or the commission's order upon investigation, if any.

(h) The time frames provided in this section may be extended at the discretion of the consumer affairs division.
(Indiana Utility Regulatory Commission; 170 IAC 7-1.3-9; filed Aug 7, 2002, 10:05 a.m.; 25 IR 4071, eff one hundred

eighty (180) days after filing with the secretary of state or January 1, 2003, whichever is later)

SECTION 8. 170 IAC 7-1.3-10 IS AMENDED TO READ AS FOLLOWS:

170 IAC 7-1.3-10 Customer payments

Authority: IC 8-1-1-3

Affected: IC 8-1-2-4; IC 8-1-2-88

Sec. 10. (a) **Except in cases where fraudulent or unauthorized use of utility service is detected and the LEC has reasonable grounds to believe the customer is responsible for the use**, when a residential customer cannot pay an undisputed bill or the undisputed portions of a disputed bill in full, the LEC shall continue to serve the customer **or shall reconnect the customer** if the customer and the LEC agree on a reasonable portion of the outstanding bill to be paid immediately. The manner in which the balance of the outstanding bill will be paid (**the “payment arrangement”**) **shall be made** in accordance with the following guidelines:

(1) ~~If~~ The customer shows just cause for his or her inability to pay deniable charges (financial hardship shall constitute just cause), and the customer pays a reasonable portion of ~~such the~~ amount, not to exceed ~~the greater of either twenty dollars (\$20) or twenty-five percent (25%)~~ **one-third ($1/3$)** of all amounts due for deniable charges (**unless the customer agrees to a greater portion**).

(2) In deciding on the reasonableness of a particular agreement, the LEC shall consider the following:

(A) The customer's ability to pay.

(B) The size of the unpaid balance.

(C) The customer's payment history and length of service.

(D) The amount of time **the debt has been** and **the** reasons why the debt is outstanding.

(E) The customer:

(i) agrees to pay:

(AA) the balance of all amounts due in equal monthly installments; **and**

(ii) ~~agrees to pay~~ **(BB)** all undisputed future bills for local service as they become due; and

~~(iii)~~ **(ii)** has not breached any similar agreement with the LEC made ~~pursuant to~~ **under** this section in the last twelve (12) months.

(3) The payment arrangement shall provide the customer with adequate opportunity to apply for and receive the benefits of any available public assistance program.

(4) The payment arrangement is subject to amendment upon the customer's request if there is a change in the customer's financial circumstances.

(5) The LEC may add to the outstanding bill a late payment charge not to exceed the amount set ~~pursuant to section 6(d)~~ **under section 6(c) of this rule.**

(b) The terms of any payment arrangement made ~~pursuant to~~ **under** this section shall be put in writing by the LEC and sent by mail to the customer.

(c) Only one (1) late payment charge may be assessed against the charges applicable to any given month.

(d) If the customer does not meet any of the conditions in subsection (a), the LEC may, but is not obligated to, enter into subsequent payment arrangements with the customer.

~~(e) If a customer makes a partial payment on a bill, the LEC shall first apply that payment to any deniable charges. A partial payment may only be applied to nondeniable charges when all deniable charges have been paid in full.~~

(e) The LEC shall reconnect service to a customer as soon as reasonably possible but at least within one (1) working day after the LEC is requested to do so if the customer has satisfied the requirements of this rule.

(f) A LEC may charge a reasonable reconnection charge not to exceed the charge approved by the commission in the LEC's filed tariffs. A LEC shall inform its customers of the reconnection fee under section 5 of this rule.

(g) Partial payments applied toward any past due amount on a bill or on the balance due on a disconnection

notice shall be apportioned to past due regulated local service charges, then to any current local charges, before being applied by the LEC to any toll or nonregulated charges, unless the customer pays the entire amount past due or more for regulated services. In that case, any amount paid over the amount past due shall be applied first to current local charges. (*Indiana Utility Regulatory Commission; 170 IAC 7-1.3-10; filed Aug 7, 2002, 10:05 a.m.: 25 IR 4072, eff one hundred eighty (180) days after filing with the secretary of state or January 1, 2003, whichever is later*)

SECTION 9. 170 IAC 8.5-2-1 IS AMENDED TO READ AS FOLLOWS:

170 IAC 8.5-2-1 Applicability and scope; billing for service

Authority: IC 8-1-1-3; IC 8-1-2-47; IC 8-1-2-69; IC 8-1-2-89

Affected: IC 8-1-1-3

Sec. 1. ~~Bills for~~ **(a) This rule applies to any sewage disposal company that is now, or may hereafter be, engaged in the business of rendering service ~~(a)~~ to the public under the jurisdiction of the commission.**

(b) This rule creates the minimum level of service that a sewage disposal company is expected to meet when providing reasonable quality sewage disposal services to the public and to establish the obligations of both the sewage disposal company and the customer.

(c) No sewage disposal company shall discriminate against or penalize a customer for exercising any right granted by this rule. If a sewage disposal company's tariff on file with the commission contains provisions that conflict with this rule, this rule shall supersede any conflicting tariff provisions.

(d) Any sewage disposal company subject to this rule that fails to meet the standards established in this rule shall be subject to all legal remedies provided by law. Upon complaint or its own motion and after notice and hearing, the commission may order lawful enforcement mechanisms against a public sewage disposal company that fails to meet the requirements or standards established in this rule. Nothing in this rule shall prevent the commission from exercising any authority it may have under applicable law to enforce this rule in the event any public sewage disposal company fails to comply.

(e) The adoption of this rule shall in no way preclude the commission, upon complaint by a customer, upon its own motion or upon the petition of any sewage disposal company or the office of the utility consumer counselor, after notice and hearing, from taking any of the following actions:

- (1) Altering or amending this rule in whole or in part.**
- (2) Requiring any other or additional service, equipment, facility, or standard.**
- (3) Making such modifications with respect to the application of this rule as may be found necessary to meet exceptional conditions.**
- (4) Requiring a sewage disposal company to comply with any other service standards.**
- (5) At its sole discretion, granting, in whole or in part, permanent or temporary waivers from this rule on an expedited basis.**

The adoption of this rule shall not in any way relieve any sewage disposal company from any of its duties under the law of this state or rules and orders of the commission.

(f) If any provision of this rule is determined by competent authority to be prohibited or unenforceable, the provision shall be ineffective to the extent of the prohibition or unenforceability without invalidating the remaining provisions hereof.

(g) Bills rendered periodically to customers for sewage disposal service shall show at least the following information:

- (1) The date of the bill, the time period for which the bill is rendered, or the dates and readings of the water meter, if used as the basis for the sewage bill, at the beginning and end of the billing period.**
- (2) The number and kind of units of service supplied, if based upon metered water consumption.**
- (3) The billing rate code, if any.**
- (4) The previous balance, if any.**

- (5) The amount of the bill.
- (6) The sum of the amount of the bill and the late payment charge, if any.
- (7) The date on which the bill becomes delinquent and on which a late payment charge will be added to the bill.
- (8) If an estimated bill of a customer whose sewage bill is based on metered water service, a clear and conspicuous coding or other indication identifying the bill as an estimated bill.
- (9) Printed statements ~~and/or~~ **or** actual figures, **or both**, on either side of the bill shall inform the customer of the seventeen (17) day nonpenalty period.
- (10) An explanation, which can be readily understood, of all codes ~~and/or~~ **or** symbols, **or both**, used on the bill.

~~(b)~~ **(h) Requirements concerning delinquencies shall be as follows:**

- (1) A sewage disposal service bill ~~which that~~ has remained unpaid for a period of more than seventeen (17) days following the mailing of the bill shall be a delinquent bill.
- (2) A sewage disposal bill shall be rendered as a net bill. If the net bill is not paid within seventeen (17) days after the bill is mailed, ~~it the bill~~ shall become a delinquent bill and a late payment charge may be added in the amount of ten ~~(10)~~ percent **(10%)** of the first three ~~(3)~~ dollars **(\$3)** and three ~~(3)~~ percent **(3%)** of the excess of three ~~(3)~~ dollars **(\$3)**.

~~(c)~~ **Estimated Billing:** **(i)** A sewage disposal company may estimate the bill of any customer whose sewage bill is based on metered water service ~~pursuant to~~ **under** a billing procedure approved by the commission or for other good cause, including, but not limited to, **the following:**

- (1)** Request of **the** customer.
- (2)** Inclement weather.
- (3)** Labor or union disputes.
- (4)** Inaccessibility of a customer's meter if the company has made a reasonable attempt to read ~~it~~ **and the meter**.
- (5)** Other circumstances beyond the control of the sewage disposal company, its agents, and employees.

(Indiana Utility Regulatory Commission; Service for Utilities Rendering Sewage Disposal Service in Ind; Rule 13; filed Dec 9, 1981, 10:20 a.m.: 5 IR 15; readopted filed Jul 11, 2001, 4:30 p.m.: 24 IR 4233)

SECTION 10. 170 IAC 8.5-2-3 IS AMENDED TO READ AS FOLLOWS:

170 IAC 8.5-2-3 Creditworthiness guidelines; deposit to ensure payment of bill

Authority: IC 8-1-1-3

Affected: IC 32-34-1-20

Sec. 3. (a) ~~Each~~ **A** sewage disposal company shall determine the creditworthiness of residential applicants or customers in an equitable and nondiscriminatory method:

- (1) without regard to:
 - (A) race;**
 - (B) color;**
 - (C) creed;**
 - (D) religion;**
 - (E) national origin;**
 - (F) sex;**
 - (G) marital status;**
 - (H) receipt of public assistance; or**
 - (I) the economic character of the area wherein the applicant or customer resides; and**
- (2) solely upon the credit risk of the individual **applicant or customer** without regard to the:
 - (A) collective credit reputation of the area in which he or she lives; and**
 - (B) credit history of any other individual residing in the household or the applicant or customer's spouse.**

~~(b)~~ Each new applicant for residential sewage disposal service shall be deemed creditworthy and shall not be required to make a cash deposit as a condition of receiving service if the applicant satisfies the following criteria:

- ~~(1)~~ **If the applicant has been a customer of any utility within the last two (2) years, the applicant:**
 - (A) owes no outstanding bills for service rendered within the past four (4) years by any such utility;**

(B) during the last twelve (12) consecutive months that the service was provided, did not have more than two (2) bills that were delinquent to any utility or; if service was rendered for a period for less than twelve (12) months, did not have more than one (1) delinquent bill in such period; and
(C) within the last two (2) years did not have a service disconnected by a utility for nonpayment of a bill for services rendered by that utility.

(2) If the applicant has not been a customer of a utility during the previous two (2) years, the applicant shall be deemed creditworthy if any two (2) of the following criteria are met:

(A) The applicant either:

- (i) has been employed by his or her present employer for two (2) years;
- (ii) has been employed by his or her present employer for less than two (2) years, but has been employed by only one (1) other employer during the past two (2) years; or
- (iii) has been employed by the present employer for less than two (2) years and has no previous employer due to recently:

(AA) graduating from a school, university, or vocational program; or

(BB) being discharged from military service.

(B) The applicant either:

(i) owns or is buying his or her home; or

(ii) is renting a home or an apartment and has occupied the premises for more than two (2) years.

(C) The applicant has credit cards, charge accounts, or has been extended credit by a bank or commercial concern unless a credit check shows that the applicant has been in default on any such account more than twice within the last twelve (12) months.

(b) A sewage disposal company may require a residential service applicant or customer to satisfactorily establish his or her financial responsibility (creditworthiness). The sewage disposal company may require a deposit or other reasonable guarantor to secure payment of bills before providing sewage disposal service if the applicant or customer is not deemed creditworthy due to any of the following circumstances:

(1) The applicant or customer does not meet or exceed the predetermined minimum credit score selected by the sewage disposal company using a credit scoring system as provided in the sewage disposal company's tariff.

(2) The applicant or customer has failed to pay for past due sewage disposal service furnished to him or her at the same or at another address within the past four (4) years.

(c) A bill for one (1) class of service (such as commercial) shall not be transferred to a bill for another class of service (such as residential), nor shall a bill for one (1) form of sewage disposal service (such as sewer) be transferred to a bill for another form of sewage disposal service (such as water). Sewage disposal service shall not be denied for nonpayment of bills for merchandise or other nonutility or unregulated services.

(d) Sewage disposal companies shall treat customers who have filed bankruptcy under federal law in accordance with the protective provisions of 11 U.S.C. 366, effective October 22, 1994.

(e) If the applicant or customer fails to establish that he or she is creditworthy under subsection (b), the applicant or customer may be required to make a reasonable cash deposit. Such The deposit shall not exceed one-sixth ($\frac{1}{6}$) of the estimated annual cost of billings for regulated sewage disposal service at the address at which service to be is rendered to the applicant or customer and shall be paid in full before establishment of service, subject to the provisions of section 4 of this rule; provided, however, that a deposit shall be based upon estimated regulated sewage disposal service charges only. If a deposit is greater than seventy one hundred fifty dollars (\$70); (\$150), the sewage disposal company shall advise the applicant or customer simultaneously with making a demand for a deposit that he or she the applicant or customer may pay such the deposit in equal installment payments over a period of no less fewer than eight (8) weeks; three (3) months, and service shall be connected upon receipt by the sewage disposal company of the first such payment. For example, if the total deposit required by a sewage disposal company under this section is one hundred eighty dollars (\$180), the applicant or customer could make three (3) payments of sixty dollars (\$60) over a three (3) month period, and service would be connected after the first sixty dollar (\$60) payment. The applicant or customer shall not be required to make any advanced payments in addition to or in lieu of a deposit required by this rule in order to receive service. An initial deposit made by

a customer shall be subject to reevaluation upon the request of either the sewage disposal company or the customer, based upon actual charges for services rendered, at any time after service has been provided.

~~(d)~~ **(f)** If the **sewage disposal** company requires a ~~cash~~ deposit **or a written guarantee** as a condition of providing service, then ~~it~~ **the sewage disposal company** must immediately notify the applicant **or customer** in writing stating the precise facts upon which ~~it~~ **the sewage disposal company** based its decision and provide the applicant **or customer** with an opportunity to rebut ~~such~~ **the** facts and show other facts demonstrating his or her creditworthiness. ~~as provided under subsection (b):~~

~~(e)~~ **(g)** A sewage disposal company may require a ~~present~~ **an existing** customer to make a reasonable ~~cash~~ deposit, ~~when~~ **or an additional deposit in cases where a deposit has been made and exhausted under this rule under any of the following circumstances:**

- (1) The customer has been mailed disconnect notices for two (2) consecutive months.
- (2) The customer has been mailed disconnect notices for any three (3) months within the preceding twelve (12) month period. ~~or~~
- (3) The service to the customer has been disconnected within the past four ~~(4)~~ **years pursuant to forty-five (45) days under** section 4 of this rule.

In such cases, notice of the need for a deposit shall be in writing, and the customer shall be given ten (10) business days from the mailing date of the notice within which to make the deposit. The amount of ~~such~~ the deposit may not exceed an amount equal to one-sixth ($\frac{1}{6}$) of the expected annual billings for **regulated sewage disposal service** to the customer at the address at which **sewage disposal** service is rendered. ~~In the event the required deposit is in excess of seventy dollars (\$70), the sewage disposal company shall advise the customer that he or she may pay such deposit in equal installment payments over a period of up to eight (8) weeks, except where such deposit is required as a result of a disconnection for nonpayment, in which case full payment of the deposit may be required prior to reconnection.~~ **When the service has been disconnected within the past four (4) years under section 4 of this rule, the deposit shall be provided before the service will be reconnected. The applicant or customer shall not be required to make any advanced payments in addition to or in lieu of a deposit required by this rule.**

~~(f)~~ **(h)** Requirements for interest upon deposits shall be as follows:

- (1) ~~Deposits~~ **A deposit** held more than ~~twelve (12) months~~ **thirty (30) days** shall earn interest from the date of deposit. ~~at a rate of six percent (6%) per annum or at such other rate of interest as the commission may prescribe following a public hearing.~~ **Beginning on the effective date of this rule, the rate of interest shall be set by the commission based upon the then existing rate for one (1) year United States Treasury Constant Maturity securities. The interest rate shall be rounded to the nearest one-half ($\frac{1}{2}$) of one percent (1%). In December of each year, the commission shall issue a general administrative order establishing the interest rate for the next calendar year that shall be paid on all deposits held during all or part of the subsequent year.**
- (2) The deposit shall not earn interest after the date it is mailed or personally delivered to the customer, or otherwise lawfully disposed **of under subsection (i).**

~~(g)~~ **(i)** Requirements for refunds shall be as follows:

- (1) Any deposit or accrued interest shall be promptly refunded to the customer without the customer's request when the customer
 - ~~(A)~~ **submits satisfactory payment for a period of either:**
 - ~~(i)~~ **nine (9) successive months; or**
 - ~~(ii)~~ **ten (10) out of any twelve (12) consecutive months without late payment. in two (2) consecutive months; or**
 - ~~(B)~~ **demonstrates his or her creditworthiness as provided by subsection (b):**
- (2) Refunds of deposits or accrued interest issued under this section must be accompanied by a statement of accounting for each transaction affecting the deposit and interest.
- (3) Following customer requested termination of service, the ~~utility~~ **sewage disposal company shall do the following:**
 - (A) Apply the deposit, plus accrued interest, to the final bill. ~~or~~
 - (B) ~~upon specific request from the customer,~~ Refund the **remaining** deposit **plus and** accrued interest within fifteen (15) days after the payment of the final bill.

(4) Each sewage disposal company shall maintain a record of each applicant or customer making a deposit that shows the following:

(A) The name of the customer.

(B) The current **mailing** address of the customer. ~~so long as he or she maintains an active account with the sewage disposal company in his or her name.~~

(C) The amount of the deposit.

(D) The date the deposit was made.

(E) A record of each transaction affecting ~~such the~~ deposit.

(5) Each customer shall be provided a written receipt from the **sewage disposal** company at the time his or her deposit is paid in full or when he or she makes a ~~cash~~ partial payment. The **sewage disposal** company shall provide a reasonable method by which a customer who is unable to locate his or her receipt may establish that he or she is entitled to a refund of the deposit and payment of interest thereon.

(6) Any deposit made by the applicant, ~~the~~ customer, or any other person to the **sewage disposal** company (less any lawful deductions **to be refunded**), or any sum the **sewage disposal** company is ordered to refund for sewage disposal service, that has remained unclaimed for one (1) year after the company has made diligent efforts to locate the person who made ~~such the~~ deposit or the heirs of ~~such the~~ person, shall be presumed abandoned and treated in accordance with ~~IC 32-9-1.5-20(c)(10)~~: **IC 32-34-1 et seq.**

(7) A deposit may be used by the sewage disposal company to cover any unpaid balance following disconnection of service ~~under section 16 of this rule~~ provided, however, that any surplus be returned to the customer as provided in ~~subsection (f) and this subsection~~: **section.**

(j) A deposit shall not be applied to satisfy an applicant or customer's bill, prior arrearage, or outstanding indebtedness that is greater than four (4) years old; however, a sewage disposal company may pursue the unpaid balances via collections or other means provided by applicable law.

(k) At the end of every year of service, if the deposit plus interest is not refunded to the customer, the sewage disposal company shall automatically refund the accrued interest on the deposit to the customer by crediting the customer's account and stating this credit clearly on the customer's next regular bill.

(l) A customer who fails to pay a bill by the time specified by the regulations of the sewage disposal company and commission regarding the prompt payment of bills, and who further fails to pay the bill within a reasonable period after presentation of a disconnection of service notice for nonpayment, may be required to pay the bill and to reestablish credit by making a deposit under this rule.

(m) Establishment of credit by deposit shall not relieve a customer from complying with the commission's rules for prompt payment of bills. (*Indiana Utility Regulatory Commission; Service for Utilities Rendering Sewage Disposal Service in Ind; Rule 15; filed Dec 9, 1981, 10:20 a.m.: 5 IR 16; filed Oct 19, 1998, 10:14 a.m.: 22 IR 736; errata filed Sep 10, 1999, 10:39 a.m.: 23 IR 25; readopted filed Jul 11, 2001, 4:30 p.m.: 24 IR 4233*)

SECTION 11. 170 IAC 8.5-2-4 IS AMENDED TO READ AS FOLLOWS:

170 IAC 8.5-2-4 Disconnection and prohibited disconnections

Authority: IC 8-1-1-3; IC 8-1-2-47; IC 8-1-2-69; IC 8-1-2-89

Affected: IC 8-1-1-3

Sec. 4. (a) ~~Without~~ **Requirements for disconnection upon a customer's request are as follows:**

(1) The customer shall notify the sewage disposal company at least three (3) business days in advance of the day disconnection is desired. The customer shall remain responsible for all sewage disposal service used and the billing therefor until the date the customer has requested disconnection pursuant to the notice.

(2) Upon request by a customer to a sewage disposal company to disconnect sewage disposal service in fewer than three (3) business days, the sewage disposal company shall disconnect the sewage disposal service within three (3) business days of the request. The customer shall not be liable for any sewage disposal service rendered to the address after the expiration of the three (3) days.

(3) The customer shall not charge sewage disposal service or authorize the charging of sewage disposal service

to any account that has been disconnected at the customer's request or otherwise. A customer shall be responsible for any services he or she charges or authorizes charged to the disconnected account in violation of the prohibition in this subdivision.

(b) Requirements for disconnection without the customer's request are as follows:

(1) A **sewage disposal** company may disconnect **sewage disposal** service without request by the customer and without prior notice only:

(A) if a condition dangerous or hazardous to life, physical safety, or property exists; ~~or~~

(B) upon order by any court, the commission, or other duly authorized public authority; ~~or~~

(C) if fraudulent or unauthorized use of sewage disposal service is detected and the **sewage disposal** company has reasonable grounds to believe the affected customer is responsible for ~~such the~~ use; ~~or~~

(D) if the **sewage disposal** company's ~~regulating or measuring~~ equipment has been tampered with and the **sewage disposal** company has reasonable grounds to believe that the affected customer is responsible for ~~such the~~ tampering; ~~or~~

(E) if the sewage disposal company's equipment is used in a manner disruptive to the sewage disposal service of other customers.

(2) ~~In all other instances,~~ A sewage utility upon providing the customer with proper notice (as defined in Rule 16(E)) **disposal company** may disconnect **sewage disposal** service ~~subject to the other provisions of these rules: to a customer based on a delinquent account with the same class of service (such as residential service) for that customer.~~

~~(b)~~ **(c) Requirements for prohibited disconnection are as follows:**

(1) Except as otherwise provided in ~~Rule 16(B)~~ **subsections (a) and (b)**, a sewage disposal company shall postpone the disconnection of **sewage disposal** service for ~~ten (10)~~ **thirty (30)** days if, ~~prior to~~ **before** the disconnect date specified in the disconnect notice, the customer provides the **sewage disposal** company with a medical statement from a licensed physician or public health official ~~which that~~ states that a disconnection would be a serious and immediate threat to the health or safety of a designated person in the household of the customer. The postponement of disconnection shall be continued for one ~~(1)~~ **additional ten (10)** day period upon the provision of an additional ~~such~~ **medical statement to the sewage disposal company. The sewage disposal company shall be required to provide the customer a total of forty (40) days postponement of disconnection for medical reasons under this subsection only once in any twelve (12) month period. Further postponement of disconnection may be made at the sewage disposal company's discretion.**

(2) A **sewage disposal** company may not disconnect **sewage disposal** service to the customer **for any of the following reasons:**

~~(A) Upon his failure to pay for the service rendered at a different metering point, residence, or location if such bill has remained unpaid for less than forty-five (45) days;~~

(A) Nonpayment of any nonutility or unregulated utility services.

~~(B) Upon his the customer's failure to pay for services to a previous occupant of the premises to be being served, unless the sewage disposal company has good reason reasonable grounds to believe the that customer is attempting to defraud the sewage disposal company. by using another name;~~

~~(C) Upon his failure to pay for a different form or class~~ **On the basis of the delinquent character of an account of any other person, except if the customer is the guarantor of that other person's account for sewage disposal service.** ~~or~~

(D) If the customer makes payment arrangements under clause (F).

(E) If a customer is unable to pay a bill that is unusually large due to prior incorrect billing, incorrect application of the rate schedule, prior estimates where no actual reading was taken for over two (2) months, or any human or mechanical error of the sewage disposal company, and the customer:

(i) makes a payment arrangement in accordance with the guidelines set forth in clause (F); and

(ii) agrees to pay all undisputed future bills for sewage disposal service as they become due, provided, however, that the sewage disposal company may not add to the outstanding bill any late fee and, provided further, that the payment arrangement agreement in item (i) and this item shall be put in writing by the sewage disposal company and sent by mail to the customer.

~~(F)~~ **(F) Except in cases where fraudulent or unauthorized use of sewage disposal service is detected and the sewage disposal company has reasonable grounds to believe the customer is responsible for the use, when**

a residential customer cannot pay an undisputed bill or the undisputed portion of a disputed bill in full, the sewage disposal company shall continue to serve the customer or reconnect the customer if the customer and the sewage disposal company agree on a reasonable portion of the outstanding bill to be paid immediately. The manner in which the balance of the outstanding bill will be paid (the “payment arrangement”) shall be made in accordance with the following guidelines:

(i) ~~If~~ The customer shows **just** cause for his **or her** inability to pay the full amount due (financial hardship shall constitute **just** cause), and ~~said~~ the customer

~~(i)~~ pays a reasonable portion (not to exceed \$10 ~~or one tenth (1/10)~~ of the bill, ~~whichever is less~~ **one third (1/3) of all amounts due**, unless the customer agrees to a greater portion) of the bill and **the customer:**

~~(ii)~~ **(AA)** agrees to pay the remainder of the outstanding bill ~~within three (3) months; and in equal monthly installments;~~

~~(iii)~~ **(BB)** agrees to pay all undisputed future bills for **sewage disposal** service as they become due; and

~~(iv)~~ **(CC)** has not breached any similar agreement with the ~~utility~~ **sewage disposal company** made ~~pursuant to~~ **under** this rule within the past twelve **(12)** months. ~~Provided, however that~~

(ii) In deciding on the reasonableness of a particular payment arrangement, the sewage disposal company shall consider the following:

(AA) The customer’s ability to pay.

(BB) The size of the unpaid balance.

(CC) The customer’s payment history and length of service.

(DD) The amount of time the debt has been and the reasons why the debt is outstanding.

(iii) The payment arrangement shall provide the customer with adequate opportunity to apply for and receive the benefits of any available public assistance program.

(iv) The payment arrangement is subject to amendment upon the customer’s request if there is a change in the customer’s financial circumstances.

(v) The sewage disposal company may add to the outstanding bill a late payment charge not to exceed the amount set pursuant to Rule 13(B): **under section 1(h) of this rule. Provided further, that the above terms of the agreement shall be put in writing by the **sewage disposal** company and ~~signed by~~ **sent by mail to** the customer. ~~and by a representative of the company.~~ Only one **(1)** late payment charge may be made to the customer under this section.**

(G) If the customer does not meet any of the conditions in clause (F), the sewage disposal company may, but is not obligated to, enter into subsequent payment arrangements with the customer.

(H) The sewage disposal company shall reconnect sewage disposal service to a customer as soon as reasonably possible but at least within one (1) working day after the sewage disposal company is requested to do so if the customer has satisfied the requirements of this rule.

~~(E)~~ **(I)** If a customer is unable to pay a bill, which is unusually large due to prior incorrect ~~reading of the water meter, billing,~~ incorrect application of the rate schedule, incorrect connection or functioning of the water meter, prior estimates where no actual reading was taken for over two **(2)** months, stopped or slow water meter, or any human or mechanical error of the sewage disposal company, and the customer:

~~(i)~~ Pays a reasonable portion of the bill, not to exceed an amount equal to the customer’s average bill for the ~~twelve (12) bills immediately preceding the bill in question; and~~

~~(ii)~~ Agrees to pay the remainder at a reasonable rate, and

(i) makes a payment arrangement in accordance with the guidelines set forth in clause (F); and

~~(iii)~~ **(ii)** agrees to pay all undisputed future bills for **sewage disposal** service as they become due;

provided, however, that the **sewage disposal** company may not add to the outstanding bill any late fee. Provided, further, that the above terms of the agreement shall be put in writing by the **sewage disposal** company and ~~signed by~~ **sent by mail to** the customer. ~~and a representative of the company.~~

~~(3)~~ If a customer proceeds with a review pursuant to Rule 16.1(B), the sewage disposal company may disconnect only as provided in Rule 16.1(C).

~~(e)~~ **(d) The time requirements for disconnections are as follows:**

(1) No sewage utility disposal company may disconnect sewage disposal service unless it the disconnecting is done between the hours of 8:00 a.m. and 3:00 p.m., prevailing local time. Disconnections pursuant to Rule 16(B) under subsections (a) and (b) are not subject to this limitation.

(2) ~~A~~ The sewage disposal company may not disconnect service for nonpayment:

(A) on any:

(i) **Friday after noon;**

(ii) **Saturday;**

(iii) **Sunday; or**

(iv) **other day on which the company office is closed to the public sewage disposal company's offices are not open for business; or**

(B) ~~after twelve noon (12:00 noon) of the~~ **on any day immediately preceding any before a day on which the company office is sewage disposal company's offices are not open to the public for business.**

~~(d)~~ **(e) Requirements for notice required prior to before involuntary disconnection are as follows:**

(1) Except as otherwise provided herein, **sewage disposal** service to any residential customer shall not be disconnected for a violation of any rule or regulation of a sewage disposal company or for the nonpayment of a bill, except after seven (7) days prior written notice to ~~such the~~ customer by either:

(A) mailing the notice to ~~such the~~ residential customer at the address shown on the records of the ~~utility;~~ **sewage disposal company;** or

(B) personal delivery of the notice to the residential customer or a responsible member of his **or her** household at the address shown on the records of the sewage ~~utility.~~ **disposal company.**

~~(e)~~ No disconnect notice for nonpayment may be rendered ~~prior to before~~ the date on which the account becomes delinquent.

(2) The notice must be in language ~~which that~~ is clear, concise, and easily understandable to a ~~layman lay~~ person and shall state **the following** in separately numbered large type or printed paragraphs:

(A) The date of ~~the~~ proposed disconnection.

(B) The specific actual basis and reason for the proposed disconnection.

(C) The telephone number of the sewage disposal company office at which the customer may call during ~~the~~ regular business hours in order to question the proposed disconnection or seek information concerning his **or her** rights.

(D) The local and toll-free telephone numbers and office hours of the commission.

~~(E)~~ **(E)** A reference to the pamphlet or the copy of the rules furnished to the customer ~~pursuant to Rule 16.2 under section 6 of this rule~~ for information as to the customer's rights.

(F) Information as to the customer's rights, under this rule, including, but not limited to, the following:

(i) **That the customer may obtain a temporary waiver of disconnection for a serious illness or medical emergency under subsection (c).**

(ii) **That the customer may file a complaint with the sewage disposal company or the commission.**

(iii) **That if the complaint is not resolved by the sewage disposal company to the customer's satisfaction, the customer may file a complaint with the commission.**

(iv) **That the customer may make payment arrangements under subsection (c)(2)(F).**

~~(e)~~ **(f) The procedure for involuntary disconnection shall be as follows:**

(1) Immediately preceding the actual disconnection of **sewage disposal** service, the employee of the sewage disposal company designated to perform ~~such the~~ function shall make a reasonable attempt to identify himself **or herself** to the customer or any other responsible person then upon the premises and shall make a record thereof to be maintained for at least thirty (30) days.

(2) The employee shall have in his **or her** possession information sufficient to enable him **or her** to inform the customer or other responsible person of the reason for disconnection, including the amount of any delinquent bill of the customer, and shall request from the customer any available verification that the outstanding bill has been satisfied or is currently in dispute pursuant to review under ~~Rule 16.1(B);~~ **section 5 of this rule.** Upon the presentation of such credible evidence, **sewage disposal** service shall not be disconnected.

(3) The employee shall not be required to accept payment from the customer or other responsible person in order to prevent the **sewage disposal** service from being disconnected. The sewage disposal company shall notify its customers ~~pursuant to Rule 16.2 under section 6 of this rule~~ of its policy with regard to the acceptance or nonacceptance of payment by ~~such the~~ employee, and shall uniformly follow ~~such the~~ policy without discrimination.

(4) When the employee has disconnected the **sewage disposal** service, he **or she** shall give to a responsible person at the customer's premises, or if no one is at home, shall leave at a conspicuous place on the premises, a notice stating that **sewage disposal** service has been disconnected and stating the address and telephone number of the **sewage**

disposal company where the customer may arrange to have **sewage disposal** service reconnected.

(g) Requirements for reconnection are as follows:

(1) A sewage disposal company may charge a reasonable reconnection charge, not to exceed the charge approved by the commission in the **sewage disposal** company's filed tariffs, to compensate the **sewage disposal** company for the costs of disconnecting and reconnecting the **sewage disposal** service. The **sewage disposal** company shall inform its customers of ~~such the~~ reconnection charge pursuant to ~~Rule 16.2:~~ **under section 6 of this rule.**

(2) If the **sewage disposal** company disconnects **sewage disposal** service in violation of the rules, the **sewage disposal** service shall immediately be restored at no charge to the customer.

(3) The **sewage disposal** company must reconnect the **sewage disposal** service to the customer as soon as reasonably possible but at least within five (5) working days after requested if conditions permit; provided, however, that the **sewage disposal** company shall not be required to reconnect the **sewage disposal** service until:

(A) the conditions, circumstances, or practices ~~which that~~ caused the disconnection have been corrected; and

(B) payment of all delinquent and reconnection charges owed the ~~utility~~ **sewage disposal company** by the customer and any deposit authorized by ~~these rules~~ **this article** has been made.

(Indiana Utility Regulatory Commission; Service for Utilities Rendering Sewage Disposal Service in Ind; Rule 16; filed Dec 9, 1981, 10:20 a.m.: 5 IR 17; readopted filed Jul 11, 2001, 4:30 p.m.: 24 IR 4233)

SECTION 12. 170 IAC 8.5-2-5 IS AMENDED TO READ AS FOLLOWS:

170 IAC 8.5-2-5 Complaints and review

Authority: IC 8-1-1-3; IC 8-1-2-47; IC 8-1-2-69; IC 8-1-2-89

Affected: IC 8-1-2-34.5

Sec. 5. ~~Complaints and Review:~~ (a) ~~Complaint~~ **The procedure for customer complaints to the sewage disposal company is as follows:**

(1) ~~A~~ **An applicant or** customer may complain at any time to a sewage disposal company about any bill, ~~which is not delinquent at that time;~~ security deposit, disconnection notice, or any other matter relating to its **sewage disposal** service and may request a conference thereon. ~~Such~~ **The** complaints may be made in person, **by telephone**, in writing, or by completing a **written or electronic** form available ~~from either the Commission or~~ from the **sewage disposal** company. ~~at its business offices.~~ A complaint shall be considered filed upon receipt by the sewage disposal company, except mailed complaints shall be considered filed ~~as of two~~ **(2) calendar days after** the postmark date. In making a complaint ~~and/or~~ or request for conference, the **applicant or** customer shall state at a minimum, **the following:**

(A) His ~~or her~~ name.

(B) The service address. ~~and~~

(C) His ~~or her~~ telephone number.

(D) The general nature of ~~this~~ **his or her** complaint.

(2) Upon receiving ~~each such~~ the complaint or request for conference, the **sewage disposal** company shall take the following actions:

(A) **Immediately notify the applicant or customer that any undisputed portion of a bill shall be paid by the date due in order to avoid disconnection of sewage disposal service in accordance with section 4 of this rule.**

~~(A) Shall~~ (B) Promptly, thoroughly, and completely investigate ~~such the~~ complaint, **attempt to** confer with the **applicant or** customer when requested and notify ~~in writing,~~ the **applicant or** customer of the results of ~~its the~~ **sewage disposal** company's proposed disposition of the complaint after having made a good faith attempt to resolve the complaint. **During the investigation, no collection action shall be taken for items that are being disputed, and there shall be no negative impact on the applicant or customer's credit rating.**

(C) **Without the applicant or customer's permission, the sewage disposal company shall not disconnect, remove, or restrict any sewage disposal service that is the subject matter of the complaint while investigating the complaint or making a good faith attempt to resolve the complaint.**

(D) **Charges that are disputed by the applicant or customer shall not be treated as delinquent while an investigation is pending.**

(E) **After investigation, the sewage disposal company may rebill the disputed charges in the next billing cycle if the investigation determined that the charges were appropriate.**

~~(B) Such written~~ (F) If the sewage disposal company's proposed disposition is not in the applicant or customer's favor, the sewage disposal company shall notify the applicant or customer of the disposition in writing if the complaint was made in writing. If the sewage disposal company's proposed disposition is not in the applicant or customer's favor, the sewage disposal company shall notify the applicant or customer in writing or orally, if the complaint was made orally. The notification shall include contact information for the commission, including the commission's mailing address, toll-free complaint number, and local telephone number. A sewage disposal company shall direct its personnel engaged in contact with an applicant or customer to inform the applicant or customer, if he or she expresses dissatisfaction with the decision of the personnel, of the right to have the problem considered and acted upon by supervisory personnel of the sewage disposal company. A sewage disposal company shall further direct the supervisory personnel to notify the applicant or customer who expresses dissatisfaction with the decision of the supervisory personnel of the right to have the problem reviewed by the commission's consumer affairs division and shall furnish him or her the business address and telephone number of the commission. The notification shall advise the applicant or customer that if he or she is dissatisfied with the sewage disposal company's disposition, the applicant or customer may, within seven ~~(7)~~ twenty-one (21) days, following the date in which such notification is mailed, request a review of such proposed disposition by the Commission: ~~file a complaint with the~~ commission's consumer affairs division (under section 9 of this rule). The payment of a deposit as requested by the sewage disposal company shall not foreclose or in any manner affect the applicant or customer's right to appeal under IC 8-1-2-34.5 or other applicable law.

(G) If at any time the applicant or customer files a complaint with the commission regarding a dispute with a sewage disposal company, the procedures set forth in subsection (b) shall apply. Any disconnection of the applicant or customer's sewage disposal service shall be governed by section 4 of this rule.

(H) A sewage disposal company shall retain a written record of complaints and requests for conferences for at least eighteen (18) months after the complaint or request for conference is made. The records shall be maintained at the office or branch office of the sewage disposal company or in the respective department office thereof where the complaints were received or any conferences were subsequently held. The written records are to be readily available upon request by the:

- (i) concerned applicant or customer;
- (ii) applicant or customer's agent possessing written authorization; or
- (iii) commission.

(I) A sewage disposal company shall, at the request of the commission, submit a report covering the previous twelve (12) month period to the commission that shall state and classify the following:

- (i) The number of complaints made to the sewage disposal company under this rule.
- (ii) The general nature of the subject matter thereof.
- (iii) How the complaint was received.
- (iv) Whether a commission review was conducted thereon.

~~(b) Review:~~ The procedure for customer complaints to the commission is as follows:

(1) An individual or entity may informally complain to the commission's consumer affairs division with respect to any matter within the jurisdiction of the commission. The complaints may be made in person, by telephone, in writing, or by completing a written or electronic form available from the consumer affairs division. A complaint shall be considered filed upon receipt by the commission, except mailed complaints shall be considered filed as of the postmark date. In making a complaint, the applicant or customer shall state, at a minimum, the following:

- (A) His or her name.
- (B) The service address.
- (C) His or her telephone number.
- (D) The name of the sewage disposal company involved.
- (E) The general nature of his or her complaint.

(2) Without the applicant or customer's permission, the sewage disposal company shall not disconnect, remove, or restrict any sewage disposal service that is the subject matter of the complaint while any commission review or investigation of the complaint is pending. The applicant or customer shall continue to pay all undisputed charges. In those instances when the applicant or customer and the sewage disposal company cannot agree as to what portion of a bill is undisputed, the applicant or customer shall pay on the

disputed bill an amount equal to the applicant or customer's average bill for the twelve (12) months immediately preceding the disputed bill. In those cases where the applicant or customer has received fewer than twelve (12) bills, the applicant or customer shall pay an amount equal to one-twelfth ($1/12$) of the estimated annual billing for sewage disposal service to be rendered to the applicant or customer.

(1) (3) If the applicant or customer is dissatisfied with the sewage disposal company's notice of the sewage disposal company's proposed disposition of the complaint as provided in Rule 16.1(A)(2), he subsection (a), the applicant or customer may, request the Commission in writing within seven (7) ~~twenty-one~~ (21) days following the date on which such notification is mailed; to informally review the disputed issue and the company's proposed disposition thereof. Such request shall certify that the customer has also sent a copy of his request for review to the sewage disposal company involved: **after the postmark date of the notice, file an informal complaint with the commission's consumer affairs division.**

(4) Upon receiving an informal complaint, the following actions shall be taken:

(A) The sewage disposal company shall be notified that a complaint has been made.

(B) The complaint shall be investigated.

(C) The applicant or customer and the sewage disposal company shall be notified of the decision made on the complaint in accordance with applicable law.

(5) Requirements for an informal review are as follows:

(A) The applicant or customer or the sewage disposal company may make a written request that a decision made under subdivision (4) be reviewed informally by the consumer affairs director or designee. Such written request shall be made within fourteen (14) days of the decision. The records of the commission relating to the reviews shall be kept in a systematic order.

(B) Upon receiving such a request for an informal review, the Commission consumer affairs director or designee shall provide an informal review within ~~twenty-one~~ (21) days: **in a timely manner.** The review shall consist of not less than a prompt and thorough investigation of the dispute and shall result in a written decision to be mailed to the applicant or customer and the sewage disposal company. ~~within thirty~~ (30) days after its receipt of the customer's request. Upon request by either party or the Commission, ~~consumer affairs director or designee,~~ the parties shall be required to meet and confer to the extent and at such a place as the Commission may consider ~~to be consumer affairs director or designee considers~~ appropriate.

(2) The records of the Commission relating to such review shall be kept in a systematic order.

(6) The applicant or customer may make a written request that the commission investigate the disposition of the informal review. The written request shall be made within twenty (20) days of the consumer affairs division's notice of disposition. Before entering an order upon a commission investigation, the commission shall afford the applicant or customer and the sewage disposal company notice and an opportunity to be heard.

(7) Without the applicant or customer's permission, the sewage disposal company shall not disconnect, remove, or restrict any disputed sewage disposal service until at least twenty (20) days have elapsed from the postmark date of the consumer affairs division's disposition or the commission's order upon investigation, if any.

(8) The time frames provided in this section may be extended at the discretion of the consumer affairs division.

(c) Continuation of Service Pending Disposition of Complaint:

(1) If the customer is receiving service at the time the complaint and/or request for conference provided for in Rule 16.1(A)(1) above is received by the sewage disposal company, his service shall not be disconnected until ten (10) days have elapsed from the date of mailing of the notification of the company's proposed disposition of his complaint. Provided, however, that if a review by the Commission of the company's proposed disposition of the complaint is requested by the customer as provided by Rule 16.1(B)(1) within seven (7) days after the mailing of such proposed disposition of the complaint, the company shall not disconnect the customer's service until at least three (3) days have elapsed from the date of mailing of the Commission's decision upon and pursuant to such review if the customer who has requested such review has paid and continues to pay all future undisputed bills prior to their becoming delinquent.

(2) In those instances when the customer and the company cannot agree as to what portion of a bill is undisputed; it shall be sufficient that the customer pay on the disputed bill an amount equal to his average bill for the twelve (12) months immediately preceding the disputed bill except in those cases where the customer has received fewer than twelve (12) bills; in which event the customer shall pay an amount equal to $1/12$ of the estimated annual cost of service to be rendered to the customer.

(d) Record of Complaints:

(1) Each sewage disposal company shall keep a written record of complaints and requests for conference pursuant to Rule 16.1. Such records shall be retained at the office or branch office of the company or in the respective department office thereof where such complaints were received and/or any conferences were subsequently held. Such written records are to be readily available upon request by the concerned customer, his agent possessing written authorization or the Commission:

(2) Each sewage disposal company shall annually submit a report to the Commission which shall state and classify the number of complaints made to the company pursuant to Rule 16.1, the general nature of the subject matter thereof, how received (in person, by letter, etc.) and whether a Commission review was conducted thereon:

(Indiana Utility Regulatory Commission; Service for Utilities Rendering Sewage Disposal Service in Ind; Rule 16.1; filed Dec 9, 1981, 10:20 a.m.: 5 IR 19; readopted filed Jul 11, 2001, 4:30 p.m.: 24 IR 4233)

SECTION 13. THE FOLLOWING ARE REPEALED: 170 IAC 4-1-15; 170 IAC 4-1-16; 170 IAC 4-1-16.5; 170 IAC 4-1-16.6; 170 IAC 4-1-17; 170 IAC 5-1-15; 170 IAC 5-1-16; 170 IAC 5-1-16.5; 170 IAC 5-1-16.6; 170 IAC 5-1-17; 170 IAC 6-1-15; 170 IAC 6-1-16; 170 IAC 6-1-17.

SECTION 14. **SECTIONS 1 through 13 of this document take effect one hundred eighty (180) days after filing with the secretary of state.**

Notice of Public Hearing

Under IC 4-22-2-24, notice is hereby given that on September 22, 2004 at 10:30 a.m., at the Indiana Government Center-South, 302 West Washington Street, Training Center Room 10, Indianapolis, Indiana the Indiana Utility Regulatory Commission will hold a public hearing on proposed amendments to the customer service rights and responsibilities rules for utilities. Copies of these rules are now on file at the Indiana Government Center-South, 302 West Washington Street, Room E306 and Legislative Services Agency, One North Capitol, Suite 325, Indianapolis, Indiana and are open for public inspection.

William D. McCarty
Commission Chairman
Indiana Utility Regulatory Commission