

Chapter 10

ELECTRIC UTILITY*

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***Cross references**—Administration, ch. 2; management of city property, § 2-26; master plan, § 2-219 et seq.; buildings and building regulations, ch. 6; Fire-Rescue-EMS Services, fire prevention, ch. 14; licenses and business regulations, ch. 16; subdivisions, ch. 34.

State law references—Criminal acts relating to electric utility, G.S. 14-154 et seq.; powers of Department of Transportation, G.S. 136-18(10); public enterprises, G.S. 160A-311 et seq.

ARTICLE I. IN GENERAL**Sec. 10-1. Authority of City Council.**

All electric utilities, or portions thereof, owned, leased or operated by the city, whether inside or outside of the corporate limits, shall be under the full control of the City Council, pursuant to authorization in Session Laws of 1953, chapter 300 and G.S. 160A-311 et seq. The duty of enacting and enforcing rules and regulations governing the management and control of city properties shall be vested in the City Council, and the duty of enforcing such rules and regulations may be delegated.

(Code 1972, § 25-1; Code 1993, § 6-1)

State law reference—Authority to operate public enterprises, G.S. 160A-312.

Sec. 10-2. Visiting utility stations.

No visitors shall be permitted to enter any electric utility facility unless accompanied by the person in charge. Under no circumstances shall anyone be allowed to handle or in any way come in contact with any portion of the equipment contained therein.

(Code 1972, § 25-2; Code 1993, § 6-2)

Sec. 10-3. Tampering with equipment.

(a) It shall be unlawful for any person to tamper with, remove or otherwise interfere with the electric wires, poles, meters or any other electric equipment, apparatus or materials belonging to the electric system of the city, with the exception of those licensed electrical contractors so designated to do so by the city, and then only in the event of necessary repairs or emergency service to the property of the electric consumers of the city, and with proper notification to the city by such licensed electrical contractor. It shall be unlawful for any person to remove or damage property of any kind belonging to the city.

(b) A reward of up to two hundred fifty dollars (\$250.00) shall be offered to any person furnishing information leading to the arrest and conviction of any person violating this section.

(c) A fee in an amount as established from time to time shall be charged for the city's cost in investigating customers who energize their electric service without permission of the city. Service may be discontinued if this fee is not paid.

(d) For customers who tamper with the electric meters, fees in amount as established from time to time shall be charged, as itemized as follows, to cover the additional costs to the city. Service may be discontinued if these fees are not paid:

- (1) A fee for verification of the accuracy of the meter after tampering has been established.
- (2) A one-hundred-and-fifty-dollar-fee for investigation.
- (3) The amount of estimated lost revenue.
- (4) Meter repair charges, if the meter is damaged.

(e) Electric utility customers shall protect electric meters and related equipment on their premises from vandalism or being tampered with in any way, and shall promptly report to the city's electric department any such vandalism or tampering. If any such vandalism or tampering is not so reported, the same shall constitute prima facie evidence that such vandalism or tampering was by the customer.

(Code 1972, § 25-3; Code 1993, § 6-3; Ord. No. 01-5, 6-11-2001)

Sec. 10-4. Connections and meters to remain property of city.

All electric meters and other equipment furnished and used by the city in installing any electric connection shall be and remain the property of the city.

(Code 1972, § 25-4; Code 1993, § 6-4)

Sec. 10-5. Maintenance of meters.

All electric meters shall be kept in good repair and working order by and at the expense of the city.

(Code 1972, § 25-5; Code 1993, § 6-5)

Sec. 10-6. Right of city to disconnect services.

The city reserves the right at any time to disconnect the electric service in case of accident or for the purpose of making connections or repairs.

(Code 1972, § 25-6; Code 1993, § 6-6)

Sec. 10-7. Extensions to electric system.

Extensions for the purpose of furnishing electric utility service shall be subject to the discretion of the City Manager in accordance with the city's established policy covering extension of such service.

(Code 1972, § 25-7; Code 1993, § 6-7)

Sec. 10-8. Unlawful acts.

(a) It shall be unlawful for any person to extend electric wires or electric service of the city in or outside of any structure or dwelling by attaching thereto additional facility, appliance or equipment.

(b) It shall be unlawful for any person to connect or arrange any electric wire in such a manner as to supply electricity to any electrical facility, appliance or equipment where such electricity is used or can be used without passing through the meter provided or to be provided for registering the quantity of electricity consumed.

(c) It shall be unlawful for any person knowingly to permit the existence or continuance upon any premises owned, occupied or controlled by him of any connection, arrangement or service of wires by means of which electricity is used or can be used without passing through the meter provided for measuring the amount of electricity consumed.

(d) It shall be unlawful for any person to break the seal on any electric meter or to do any other act to obstruct, alter, injure or prevent the action of a meter used to measure the quantity of electricity consumed while such meter is in use for such purpose.

(Code 1972, § 25-16; Code 1993, § 6-8)

Sec. 10-9. Service policies.

Policies of providing all electric service shall be adopted by the City Council and shall be made a part of the minutes in which the action was taken. Certified copies of the official service policies shall be on file with the City Clerk and the business office manager, and copies shall be available for the customers of the electric system. Specific individual variation from adopted service policies may be made only by the City Manager.

(Code 1972, § 25-17; Code 1993, § 6-9)

Sec. 10-10. Inspections.

The Electrical Inspector of the city is hereby specifically authorized to inspect any premises where it is known or suspected that electricity is being consumed without being properly metered. Such inspection may be made during any reasonable hours. It shall be unlawful for any person to refuse to permit such examination or to obstruct the Electrical Inspector in the performance of his duty. In any case in which the Electrical Inspector shall discover that the wires on any premises are so arranged that electricity is or can be used without being properly metered, the supply of electricity shall be cut off, and no additional electricity shall be supplied to the premises until an outside meter has been installed at the expense of the owner of the premises.

(Code 1972, § 25-18; Code 1993, § 6-10)

Sec. 10-11. Meter regulations.

(a) All electric meters may be read in units of ten (10) kilowatt-hours and bills rendered accordingly to the nearest ten (10) kilowatt-hours.

(b) Electric meters shall be located on the outside of buildings. The location and mounting height of such a meter is subject to the approval of the Director of electric utilities.

(Code 1972, § 25-19; Code 1993, § 6-11)

Sec. 10-12. Attachments to electric facilities.

It shall be unlawful for any person to attach nonutility articles or items to city-owned or city-leased utility structures, poles, or facilities without prior approval of the City Manager.

(Code 1993, § 6-12)

Secs. 10-13—10-42. Reserved.

ARTICLE II. RATES AND CHARGES

Sec. 10-43. Service fees—New customers.

(a) New customers to the electric system will be charged a service fee in an amount as established from time to time and any deposit which is required of all customers.

(b) New residential customer structures connected to the electric system will be charged a service fee in an amount as established from time to time for the purpose of offsetting the incurred metering costs of new structures.

(c) New nonresidential customer structures connected to the electric system will be charged a service fee in an amount as established from time to time for the purpose of offsetting the incurred metering costs of new structures.

(Code 1972, § 25-8; Code 1993, § 6-31; Ord. No. 90-7, § 1, 3-12-1990; Ord. No. 93-2, § 1, 3-8-1993; Ord. No. 04-11, § 1, 6-28-2004)

Sec. 10-44. Service fees—Transfers.

(a) Customers moving from one location to another within the electric system shall be charged a service fee in an amount as established from time to time and any deposit which is required of all customers.

(b) Customers requesting a change in existing service which requires electric utility personnel to disconnect the electrical service shall be charged a service fee in an amount as established from time to time.

(Code 1972, § 25-9; Code 1993, § 6-32; Ord. No. 90-7, § 1, 3-12-1990; Ord. No. 93-2, § 1, 3-8-1993; Ord. No. 04-11, § 2, 6-28-2004)

Sec. 10-45. Deposits.

(a) *Residential.* Any person or entity applying for electricity to be furnished to residential premises shall make a deposit in accordance with a schedule as adopted from time to time or at the city's discretion one-twelfth (1/12) annual charges based on payment history at specific location of service request. Such deposit requirement may be satisfied as follows:

- (1) A cash deposit which shall be refunded by credit to the customer's account at the end of the first fourteen-month period during which the customer has paid at least twelve (12) bills on time and service has not been disconnected for failure to pay;
- (2) Proof that the deposit refund requirements of subsection (a)(1) of this section have been met at another location for which the customer is responsible; or
- (3) A personal, written guarantee of payment by a current city customer who has satisfied the deposit refund requirements of subsection (a)(1) of this section.

(b) *Commercial.* Any person or entity applying for electricity to be furnished to commercial premises shall make a deposit in an amount equal to two-twelfths of the estimated annual charges. The initial deposit shall be based upon the city's estimate of customer's usage. After six (6) billing periods following the initial deposit, the customer's actual usage will be reviewed, and the deposit adjusted to reflect such actual usage. If the amount of the required deposit is decreased, the difference shall be credited to the customer's account; if the amount of the required deposit is increased, the difference shall be billed to the customer.

(1) Such deposit requirement may be satisfied as follows:

- a. A cash deposit, which shall be refunded by credit to the customer's account at the end of the first twenty-six-month period during which the customer has paid at least twenty-four (24) bills on time and service has not been disconnected for failure to pay;
- b. Proof that the deposit refund requirements of subsection (b)(1)a of this section, have been met at another location within the city's system for which the customer is responsible; or
- c. A surety bond or letter of credit issued by an entity satisfactory to the city; such bond or letter of credit shall be in the amount of the cash deposit and shall be irrevocable for a period of at least twenty-four (24) months from the date of the application.

(2) If the customer chooses to use his credit history at other locations to satisfy the deposit requirement, the customer shall designate all such locations. If service is disconnected at any such location for nonpayment, the city may disconnect service to any or all such locations until the customer pays its account in full.

(c) *Contractors.* Building contractors requesting temporary electric services will not be required to provide a deposit. However, each building contractor or his representative will be required to make a written request showing the date, the location of the service and the name in which the service is required.

(d) *Reconnections.* A deposit may be required on any account not having a deposit if the customer fails to pay his bill and service is disconnected for failure to pay. Such deposit must be made before service is reconnected.

(e) *Increases.* A deposit may be increased, in the city's discretion, upon the customer's third failure to pay a bill in a timely manner, having service terminated for nonpayment or having a check or draft returned because of insufficient funds or a closed account. This increase shall be an amount equal to one-twelfth (1/12) of the estimated annual charges for residential premises or two-twelfths (2/12) of the estimated annual charges for commercial premises.

(f) *Credit, refund, transfer.* When service is disconnected at the customer's request, the deposit shall be credited to the customer's final bill. If any deposit remains, the city will hold the final bill and mail it, along with a city check, to the customer at the address given by customer. If the departing customer does not leave a valid forwarding address with the city, any refund will be held for thirty (30) days at City Hall before being placed into an inactive

status file. Deposit returns apply only to customers who are moving off of the city's system and not to those customers who are transferring service from one location to another within the system; the deposit shall be transferred with the service.

(g) *Termination of service.* Each customer must appear personally to apply for or terminate electric service with the city.

(Code 1972, § 25-11; Code 1993, § 6-33; Ord. No. 86-23, § 1, 11-10-1986; Ord. No. 88-15, § 2, 11-14-1988; Ord. No. 93-2, § 2, 3-8-1993)

Sec. 10-46. Rate schedule.

(a) A schedule of rates for the sale of electricity to all customers shall be adopted by the City Council and made a part of the minutes of the meeting in which the action was taken. Certified copies of the electric rate schedule shall be on file with the City Clerk and the Electric Director, and copies shall be available for the customers of the electric system.

(b) The electric rate schedule shall be reviewed and adjusted by the City Council, as needed, or upon recommendation of the City Manager.

(Code 1972, § 25-15; Code 1993, § 6-34)

Sec. 10-47. Billing; payment; penalties.

(a) All electric meters shall be read on a regular schedule established by the Electric Utility Director and bills shall be mailed on a cycle basis.

(b) Every bill shall be due when mailed to the customer at the last address provided by the customer. A bill shall reflect a due date of fifteen (15) days from the billing date shown on the bill. The same notice will serve as a notice of possible disconnect if payment is not received within thirty-two (32) days of the billing date.

(c) A late payment penalty in the amount of five (5) percent per month shall be imposed upon any outstanding unpaid balance twenty-five (25) days after the billing date shown on the bill. The late payment penalty will be reflected on the bill rendered the following month.

(d) An automated telephone reminder system will attempt to contact all delinquent accounts prior to disconnection as a courtesy if the customer has provided a phone number.

(e) If payment has not been received within thirty-two (32) days from the original billing date, services will be disconnected on the thirty-third (33rd) day. After payments in the night deposit are posted and the cutoff person has left the office for the purpose of disconnecting a delinquent customer, a service fee, in an amount as established from time to time, will be charged on that date, whether services are disconnected or not.

(f) A customer whose services are disconnected for such delinquency may have services restored during regular working hours by the payment of the bill in full plus the service fee. If a customer requests that services is reconnected after regular working hours, their service fee shall be as established from time to time. Payment must be received by 11:00 a.m., the following day or services will be disconnected.

(g) The customer shall pay all billed utility charges before transferring service from one location to another. The final bill shall be mailed to the customer's new billing address. If a customer fails to pay his utility bills for any account where he is listed as the customer and such account becomes delinquent, the city may transfer the amount owed to any other account where the customer is a primary recipient of utilities and cut off utilities to such account for nonpayment. The city may also refuse to transfer an account to a new customer's name or connect services to a new account where the delinquent customer will be a primary recipient of utilities. A customer is a primary recipient of utilities wherever listed as a customer, resides as a head of household, resides as a contributor to the household or conducts a trade or business. The city's determination that a customer is a primary recipient of utilities shall be effective until the customer proves otherwise.

(h) Any customer who has a check or draft returned from any financial institution because of insufficient funds or a closed account shall be charged a service charge fee in accordance with G.S. 25-3-506.

(i) Customers requesting alternate payment due dates must make such request of the city and utilize the city's bank draft service. The customer may choose one of the following periods of the month for their bill to be drafted:

- (1) Between the 7th and 16th of the month.
- (2) Between the 14th and 24th of the month.
- (3) Between the 22nd and 31st of the month.
- (4) Between the 28th and 9th of the month.

(Code 1972, § 25-10; Code 1993, § 6-35; Ord. No. 88-15, § 1, 11-14-1988; Ord. No. 88-19, § 1, 12-12-1988; Ord. No. 89-1, §§ 1, 2, 3-13-1989; Ord. No. 89-23, § 1, 11-13-1989; Ord. No. 90-7, § 1, 3-12-1990; Ord. No. 93-2, § 1, 3-8-1993; Ord. No. 95-5, § 1, 2-13-1995; Ord. No. 95-16, § 1, 9-11-1995; Ord. No. 3-15, § 1, 10-6-2003; Ord. No. 04-11, § 3, 6-28-2004; Ord. No. 06-08, §§ 1, 2, 4-10-2006)

Sec. 10-48. City held harmless.

It is expressly agreed between the city and users and consumers of electric utilities that no claim for damages shall be made against the city due to any wire connection or any other equipment malfunctioning or for the accidental failure to supply electric service.

(Code 1972, § 25-12; Code 1993, § 6-36)

Sec. 10-49. Meter testing; protested bills.

If an electric customer has an excessive bill and feels that it is caused by a faulty meter, the customer may, by making a deposit, in an amount as established from time to time with the city, request that the meter be removed and checked. If the meter is found to be in error, the deposit will be refunded and the bill adjusted for three (3) months. The adjustment will be based on the percentage of error in the meter.

(Code 1972, § 25-13; Code 1993, § 6-37; Ord. No. 93-2, § 3, 3-8-1993)

Sec. 10-50. Adjustment of bill.

(a) If the city determines that it has overcharged or undercharged a customer on account of its error, the city shall refund or recover the difference, subject to the following:

- (1) The adjustment period shall be limited to the lesser of the actual period during which the error occurred or twelve (12) months;
- (2) The amount of adjustment shall be determined by the electric utility Director based upon such evidence as deemed appropriate; and,
- (3) Any overcharge may be either refunded or credited to the customer and any undercharge shall be billed to the customer.

(b) If the city determines that it has undercharged a customer on account of any unlawful or materially misleading act of such customer, the undercharge shall be determined and collected as set out in subsection (a) of this section, except the adjustment period shall be the actual period during which the error occurred (up to thirty-six (36) months) or twelve (12) months, if the adjustment period cannot be determined. The city shall, in addition to collecting such undercharge, have the right to take such other action against such customer as is permitted by law.

(Code 1972, § 25-14; Code 1993, § 6-38; Ord. No. 89-23, § 2, 11-13-1989)

Chapter 11

RESERVED

