

Utility Account Credit/Back-Bill Policy

SUMMARY

The City may have the need to credit or back-bill a utility customer for services provided. Examples of a credit or back-bill may include, but are not limited to: incorrect equipment setup on the part of the City, misleading information provided by the account holder, incorrect account setup, under or over billing on the part of the City, etc.

POLICY

- The City may only credit/back-bill a utility customer for a maximum of three (3) years.
- Once the final amount is calculated, the City will place the credit/back-bill on the customer's next utility bill.
- For an account credit:
 - Active accounts:
 - The customer may ask for a refund check that the City will mail to the customer. If the customer does not ask for a refund check, the credit will remain on the account.
 - Inactive accounts:
 - If the customer has another City utility account, the credit will be placed on the customer's current, active account.
 - If the customer has no other utility account with the City, the customer will be mailed a notification of refund request to the last known mailing address contained in the utility billing system. If the completed notification of refund request is received within 2 months of the initial mailing date, a check will be sent to the account holder. If the notification of refund request is not returned within 2 months of the mailing date, the refund amount will be processed according to the State of Arizona unclaimed property rules.
- For an account back-bill:
 - Active accounts:
 - The customer may ask for a payment arrangement on the amount due to the City. If the customer does not ask for a payment arrangement, the City is not obligated to offer a payment arrangement and the total amount due is payable immediately.
 - Inactive accounts:
 - City staff will review the account and determine if it is worth pursuing the account balance via the collections process or if the account balance should be written off. The Customer Service Manager, in consultation with the Revenue Director, will have final say if a back-bill will be pursued through the collections process.
- Payment arrangements, if requested by the utility customer, can be agreed to at the discretion of the Customer Service Manager, in consultation with the Revenue Director. All payment arrangements must follow these general guidelines:

- The payment arrangement may not be for longer than three (3) years.
- The payment arrangement length must be relative in scope to the length of time the account was back-billed. For example, a back-bill of one month may not have a length of payback longer than one month. A back-bill of two years may not have a length of payback longer than two years.
- If a payment arrangement is broken by the utility customer, the remaining amount is due immediately. The Customer Service Manager, in consultation with the Revenue Director, may opt to create another payment arrangement to replace the broken payment arrangement.
- If a second payment arrangement is approved by the City, failure to comply with the terms of the revised payment arrangement will make the remaining amount due immediately.
- A customer is limited to a maximum of two (2) payment arrangements on any back-bill amount.
- Any account credit/back-bill that does not meet the criteria above must be approved by the Customer Service Manager, in consultation with the Revenue Director.