

**REVISED PROPOSED REGULATION OF THE PUBLIC
UTILITIES COMMISSION OF NEVADA**

LCB File No. R126-02

December 2, 2002

EXPLANATION – Matter in *italics* is new; matter in brackets ~~omitted material~~ is material to be omitted.

AUTHORITY: §§1-15, NRS 703.025, 704.1835 and 704.210.

Section 1. Chapter 704 of NAC is hereby amended by adding thereto the provisions set forth as sections 2 to 15, inclusive, of this regulation.

Sec. 2. *As used in sections 2 to 15, inclusive, of this regulation, unless the context otherwise requires, the words and terms defined in sections 3 to 8, inclusive, of this regulation have the meanings ascribed to them in those sections.*

Sec. 3. *“Customer” means a person:*

- 1. Who receives or applies to receive residential water service from a utility or landlord;*
- 2. In whose name such service is or is to be provided, as evidenced by a signature on the application or contract for the service; or*
- 3. In whose name such service is or is to be provided, as may be established by other demonstrable evidence that the person requested the utility or landlord to provide the service in that person’s name, such as the receipt and payment of bills regularly issued in that person’s name, regardless of the identity of the actual user of the service.*

Sec. 4. *“Division” means the division of consumer complaint resolution of the commission.*

Sec. 5. “Especially dangerous to health” means a condition or event likely to cause serious impairment to the health of a person who appears to be unable, without assistance, to manage his own resources, carry out the activities of daily living, or protect himself from neglect or a hazardous situation.

Sec. 6. “Landlord” means a landlord:

1. Who is subject, in whole or in part, to the provisions of chapter 118A or 118B of NRS; and

2. Who pays a utility for water service and who distributes or resells the water to one or more residential tenants.

Sec. 7. “Termination of service” means the intentional cessation of service by a utility or landlord to a customer which has not been requested by the customer.

Sec. 8. “Utility” means a public utility, as defined in NRS 704.020, that furnishes water service to residential customers.

Sec. 9. 1. Except as otherwise provided in this section, a utility or landlord may not enter into any agreement with a customer under terms that are inconsistent with the provisions of sections 2 to 15, inclusive, of this regulation.

2. The provisions of sections 2 to 15, inclusive, of this regulation do not preclude a utility or landlord from entering into an agreement with a customer under terms that are more favorable to the customer than those provided by those sections.

Sec. 10. A utility or landlord may terminate water service without prior notice only:

1. If an unsafe or hazardous condition related to the service is found to exist on the premises;

2. *If the use of the service on the premises is found to be detrimental or damaging to the facilities or services of the utility or landlord or to other customers;*
3. *Upon the order of any court or the commission;*
4. *If the acts of the customer or the conditions upon the premises are such as to indicate to the utility or landlord that the customer intends to defraud it;*
5. *If the utility or landlord has tried diligently to meet the requirements for notice set forth in section 12 of this regulation but has not been able to give such notice;*
6. *If an event occurs which could not have been reasonably anticipated or controlled and which requires the termination of the service;*
7. *If the location where the service is provided has been abandoned;*
8. *If the customer obtained the service without the specific credit authorization of the utility or landlord; or*
9. *If the termination without prior notice is otherwise authorized pursuant to sections 2 to 15, inclusive, of this regulation.*

Sec. 11. *Except as otherwise provided in sections 2 to 15, inclusive, of this regulation, a utility or landlord may terminate water service to a customer without his permission, after adequate notice has been given pursuant to section 12 of this regulation, for any of the following reasons:*

1. *Nonpayment of a delinquent bill for the service.*
2. *Failure to make, for the service, a security deposit, an installment payment on a delinquent bill, or a security deposit, or a guarantee, when required.*
3. *Negligent or wasteful use of water on the premises of the customer.*
4. *Violation of any rule of the utility or landlord relating to the service.*

Sec. 12. 1. If a utility or landlord has a ground for the termination of service pursuant to section 11 of this regulation and intends to terminate the service, the utility or landlord shall in every case send a written notice of its intended action to the customer at least 10 days before it carries out the action.

2. If the utility or landlord receives no response to the initial notice, it shall send a second notice to the customer using a method which ensures that the notice is delivered to the customer or the customer's premises at least 48 hours before it terminates the service.

3. The initial notice must be served personally upon the customer or mailed, by first-class mail, to him at his last known mailing address. Service of the initial notice shall be deemed complete as of the date of mailing or personal delivery.

4. The initial notice and any second notice of an intended termination of service must contain the following information in clear and understandable language, with the information listed in paragraphs (i) and (j) presented in a larger type size than the balance of the notice:

(a) An identification of the account affected by the intended termination.

(b) The date on or after which the intended termination will occur.

(c) The address of the location where the service will be terminated.

(d) The reason for the intended termination, including, if the intended termination is for nonpayment, a statement designating the bill as one for actual or estimated use and specifying the total amount owed, the period over which that amount was incurred, and the minimum payment required to avoid the termination.

(e) The procedures which are available to dispute or appeal from the intended termination, specifying the address and telephone number of the utility's or landlord's office which is responsible for handling complaints or inquiries.

(f) A statement that the utility or landlord will promptly investigate any complaint or dispute and give the customer its written decision on the matter.

(g) A statement that if the customer wishes to dispute any fact or interpretation of a regulation relied upon by the utility or landlord in its decision to terminate the service, the customer must communicate with the division. The statement must include the mailing address, telephone number, and toll-free telephone number of the division.

(h) A statement that the service will not be terminated before a resolution of the dispute if the customer pays the questioned portion of the bill at the time the dispute arises and pays all subsequent bills.

(i) An explanation of any arrangements for payment which the utility or landlord offers to customers who have difficulty in paying their bills, including the program of deferred payments described in section 13 of this regulation.

(j) If the location where the service will be terminated is in a county whose population is 50,000 or more, a list that contains:

(1) The appropriate addresses and telephone numbers of the welfare division of the department of human resources; and

(2) The names, addresses and telephone numbers of other organizations which have notified the utility that they will help customers who are unable to pay their bills.

(k) An explanation of the restrictions on the termination as set forth in section 15 of this regulation.

(l) An explanation of the utility's or landlord's fee schedule and procedures for reconnecting the service.

5. In addition to the notice required by the other provisions of this section, if a utility or landlord intends to terminate the service at a location having a master meter, the utility or landlord shall use its best efforts to post notice of its intended action in a conspicuous place at the location and:

(a) If the location is a mobile home park having a master meter, the utility or landlord shall use its best efforts to provide notice of its intended action to each mobile home in the park.

(b) If the location is a multiunit residential complex having a master meter, the utility or landlord shall provide notice to each unit within the multiunit residential complex in the same manner that the utility or landlord is required by the provisions of this section to provide notice to the customer of record for the master meter.

6. If a utility or landlord intends to terminate the service to a multiunit residential complex and the provisions of subsection 5 do not otherwise apply to the intended termination, the utility or landlord, in addition to the notice required by the other provisions of this section, shall use its best efforts to provide notice of its intended action to each unit within the multiunit residential complex:

(a) By posting a written notice on the main entrance door of each unit; or

(b) If the utility or landlord does not have unrestricted access to the main entrance door of each unit, by posting a written notice in a conspicuous location on or near the entryway that provides access to the main entrance door of each unit.

7. The utility or landlord shall post the written notice required by subsection 6 on the same day that the customer of record who pays for the service to the multiunit residential

complex is given notice of the intent to terminate the service. The written notice required by subsection 6 must state:

(a) The grounds for the termination of service;

(b) The deadline for making any delinquent payments or for taking any corrective action that is necessary to avoid the termination of service; and

(c) The date scheduled for the termination of service in the event that any delinquent payments are not made or corrective action is not taken.

Sec. 13. 1. *Except as otherwise provided in this section, if a utility or landlord intends to terminate the service to a residential customer because of nonpayment, the utility or landlord shall first offer the customer a program of deferred payments.*

2. A program of deferred payments must require the customer to pay:

(a) The arrearage within 60 days after the execution of the agreement, in three equal payments, with the first payment to be made upon the execution of the agreement; and

(b) All future bills when due.

3. Except as otherwise provided in subsection 4, the utility or landlord shall offer the customer a program of deferred payments in each notice of intent to terminate the service because of nonpayment which is provided to the customer pursuant to section 12 of this regulation.

4. The service of a customer who enters into an agreement for deferred payments pursuant to this section may be terminated without notice for any failure of the customer to make payment as provided by the agreement.

Sec. 14. 1. *If a utility or landlord intends to terminate the service to a residential customer or multiunit residential complex because of nonpayment, the utility or landlord shall*

postpone the termination if the termination would occur during a forecasted period of extreme heat for the local geographical area which encompasses the location where the service is provided and which typically experiences similar temperature conditions as the location where the service is provided.

2. As used in this section:

(a) “Forecasted period of extreme heat” means any period of 24 hours for which the National Weather Service has issued a forecast predicting that, at some point during the period of 24 hours, the outside temperature will be 105 degrees Fahrenheit or higher.

(b) “National Weather Service” means the National Weather Service of the National Oceanic and Atmospheric Administration of the United States Department of Commerce.

Sec. 15. *1. If a utility or landlord intends to terminate the service to a residential customer because of nonpayment, the utility or landlord shall postpone the termination for 30 days after the day on which it receives both of the following:*

(a) A statement from a licensed physician or public health official certifying that any termination of the service would be especially dangerous to the health of the customer or another person who is a permanent resident of the premises where the service is being provided and would constitute an emergency affecting the health of the person. The physician or health official may consider the feebleness, advanced age, physical disability or handicap, mental incapacity, serious illness, or other infirmity of the person affected and may also consider the necessity of cooling to maintain the health of the person affected, such as the necessity of cooling provided by an evaporative cooler or similar device. Except as otherwise provided in this paragraph, the statement must be in writing and include:

(1) The address where the service is provided;

(2) The name of the person whose health would be especially endangered;

(3) A clear description of the nature of the emergency; and

(4) The name, title, and signature of the physician or official certifying the emergency.

FLUSH *The statement may be made by telephone if a written statement is sent for confirmation to the utility or landlord within 5 days after the oral statement is made.*

(b) A statement signed by the customer:

(1) That he is unable to pay for the service in accordance with the requirements of the utility's or landlord's billing; or

(2) That he is able to pay for the service only in installments. The utility or landlord shall allow an installment plan of up to 60 days for the customer to pay his bills. The installment plan must consist of three equal payments with the first payment to be made when the customer presents the signed statement to the utility or landlord.

2. The postponement may be extended for an additional 30 days if the utility or landlord receives a renewed medical certificate before the expiration of the original period of postponement.

3. If a utility or landlord again intends to terminate the service after a customer has obtained a postponement pursuant to subsection 1, the utility or landlord shall give written notice of its intended action:

(a) To the division;

(b) To the customer; and

(c) To each governmental agency or other organization which has notified the utility or landlord that it will help customers who are unable to pay their bills.

4. Before the period of postponement expires, the customer must arrange with the utility or landlord to pay his bills in accordance with its applicable rules.