

Leak Adjustment Policy

Entranosa utilizes a three-tiered rate structure to encourage conservation and to help offset increased wear and tear on pumps and motors, as well as increased demand charges for electricity. The rate structure means that as members use more water per month, the rate per unit of water goes up. Based upon the average use in our area, which is significantly less than use in municipal areas, the policy appears to be effective in encouraging conservation.

Leaks. Entranosa may, upon written request by a "member" (hereinafter referring to a member of the Association or the tenant of a member) which is supported by repair bills or other appropriate documentation, adjust monthly water bills driven higher by the loss of water due to circumstances beyond the control of the member such as mechanical malfunction, blind leak, theft of water, vandalism, unexplained water loss or other unusual or emergency conditions (hereinafter "water loss"). Adjustments shall not be made for faucet leaks, nor will adjustments less than ten dollars be accommodated.

Billing adjustments due to water loss consist of lowering the bill for water to the first (lowest) tier, and the option of a payment plan. In the event Entranosa determines that water loss may have been associated with high pressure due to failure of a pressure regulator belonging to Entranosa, the member may file a claim with Entranosa.

- a. A determination of whether an adjustment is granted shall be made at the sole discretion of the Administrative Manager, and shall be final. Bills that have been adjusted and still exceed \$1,000 may be appealed to the Chief Operating Officer if the member can provide evidence that the payment of the bill would result in a financial hardship for the member. Only the portion of the bill calculated to be due to the water loss may be appealed. In making a determination, the Administrative Manager and the Chief Operating Officer may take into account the cause of water loss, the member's opportunity (if any) to detect it, any negligence or fault of the member in connection herewith, and the promptness with which the water loss was discovered, stopped, and repairs made.
- b. The following considerations will be reviewed to calculate the adjusted value of a bill associated with water loss:
 - 1) The meter was operating properly.
 - 2) There was no evidence that the water loss was due to negligence or intentional act of the member.
 - 3) The member took prompt and reasonable action to ascertain the cause of the water loss and to correct it, after being notified. "Notified" can consist of billing documents, letter, door hanger, phone call or other means, and "prompt" means that the member initiated corrective action within 48 hours of discovering, or receiving notice of, the water loss.

- 4) The member asks for an adjustment, in writing, and provides proof of repair within 20 days of the billing date for the period in which the water loss occurred.
- c. The amount of the water loss will be determined by Entranosa using the average metered quantity delivered in the previous month and the corresponding month in the two previous years (if available). Additional data sources may be utilized if available and deemed appropriate by Entranosa.
- d. No adjustment shall be made for a charge, surcharge, or fee which is not based on the quantity of water delivered, such as the septic program fee or administrative fee. Late fees may be waived if determined appropriate by Entranosa.
- e. Water loss adjustments will be limited to no more than three consecutive billing periods and will also be limited to one adjustment every twenty-four (24) months. The 24-month period begins with the billing period following the billing period for which a water loss adjustment was made.