

**Arch Cape Water Supply District**  
**Extraordinary Water Usage Appeal Policy**  
**Policy #2024-1017 WD**

Objective

This policy is to be used when a ratepayer is appealing the cost of extraordinary water usage (very unusual or remarkable) for a given month due to an “accident”, an “oversite” or “poor maintenance”.

The maximum amount subject to an appeal is 40,000 gallons in a month (the usage over the 5,000 base usage in a month). As a water conservation district, this maximum cap protects the District against undue water consumption in that water usage above this “cap” amount will be charged at excess usage fees rather than the current per gallon base rate.

This policy applies to those situations when a rate payer discovers that, for a given month, their actual water usage significantly exceeded any of their previously established water usage levels AND that the extraordinary usage level WAS NOT the result of a leak, as determined by the District Manager (addressed in the Water Leak Policy). An extraordinary usage level could have any number of causes, including but not be limited to water accidentally left running during an absence from the property, faulty washing machine or dishwasher left unattended, sprinkler system settings, etc.

It is not the intention of the District to create a financial hardship on homeowners by assessing the standard, authorized excess usage fees for reasonable water consumption that is over and above previously established usage due to an accident or oversight of the homeowner.

Policy

If the extraordinary usage was related to an accident, oversight or poor maintenance related to an irrigation system (as defined in the Water Leak Policy) that was not shut off from November 1 through April 30, no relief shall be granted for usage occurring during that period.

Otherwise, the objective of this policy is to separate the actual monthly usage that is over the 5,000-gallon base into a previously established usage component that will be charged according to the established fee structure and an extra-ordinary usage component that will be charged at a significantly discounted rate.

1. The ratepayer will submit a completed Billing Appeal Request Form (Policy 16-06 WD) and provide specific information about the cause of the extraordinary usage and the steps that have been taken to ensure it doesn't happen again.
2. The District will determine any 'Over-Cap Usage', 'Previously Established Usage' and the 'Extraordinary Usage' amounts for the month as described below.

Note: Excess Usage = Actual Amount of Usage for a month that is over the 5,000-gallon base

Over-Cap Usage: The 'Over-Cap Usage' will be the amount of excess usage for the month that is over the 40,000 gallons maximum.

Previously Established Usage: Based upon historical meter readings, District staff will identify the highest actual non-leak usage month volume in the past three years and will add a 5% surcharge to the excess usage amount for that month. The intent of this surcharge is to provide for reasonable growth in usage and/or to discourage appeals of relatively small increases in usage. The 'Previously Established Usage' will be EITHER 5,000 gallons (the smallest billable usage volume) OR the highest month non-leak excess usage volume in the past three years plus the 5% surcharge, whichever is HIGHER.

Extraordinary Usage: The 'Extraordinary Usage' will be determined by subtracting the 'Over-Cap Usage' along with the 'Previously Established Usage' from the Excess Water Usage for the month being appealed.

3. The 'Over-Cap Usage' will be added to the 'Previously Established Usage' and charged according to the excess usage fees in effect for the actual month of usage being appealed.
4. The 'Extraordinary Water Usage' will be charged at the District's current per gallon base rate (e.g., \$67.63 / 5,000 gallons = \$.0127)
5. The Actual Water Usage for the month will remain on the patient's account for future reference.
6. The District retains the ability to review all excessive billing matters resulting from accidents and oversights and apply relief in manners they see appropriate due to unforeseen circumstances outside the policy as stated herein.

**Example A:** (Under 40,000 gallons excess usage in a month)

Description	Volume in Gallons	Charges
Actual Water Usage during month being appealed	15,000	
<b>Excess Usage</b> monthly volume (Actual Usage - 5,000 gallons)	<b>10,000</b>	<b>\$ 422</b>
Over-Cap Usage (Cap is 40,000 gallons)	0	
Highest Actual Month Usage over the past 3 years	8,000	

<b>Excess Usage</b> monthly volume (Actual Usage - 5,000 gallons)	3,000	
5% Surcharge	150	
Previously Established Usage	3,150	
'Over-Cap Usage' + 'Previously Established Usage'	<b>3,150</b>	\$ 19
Extraordinary Water Usage	<b>6,850</b>	\$ 87
Total Adjusted Billing	10,000	<b>\$ 107</b>
Bill Reduction		\$ 315

**Example B:** (Over 40,000 gallons excess usage in a month)

Description	Volume in Gallons	Charges
Actual Water Usage during month being appealed	50,000	
<b>Excess Usage</b> monthly volume (Actual Usage - 5,000 gallons)	<b>45,000</b>	<b>\$10,794</b>
Over-Cap Usage (Cap is 40,000 gallons)	5,000	
Highest Actual Month Usage over the past 3 years	23,000	
<b>Excess Usage</b> monthly volume (Actual Usage - 5,000 gallons)	18,000	
5% Surcharge	900	
Previously Established Usage	18,900	
'Over-Cap Usage' + 'Previously Established Usage'	<b>23,900</b>	\$ 3,673
Extraordinary Water Usage	<b>21,100</b>	\$ 269
Total Adjusted Billing	45,000	<b>\$ 3,942</b>
Bill Reduction		\$ 6,853

*W.E. Campbell, III*

William E. Campbell III, Chair

Date	Policy	Action	Signatory
October 17, 2024	Policy #2024-1017 WD	Initial Policy Adopted	W.E. Campbell, III
November 21, 2024	Policy #2024-1017 WD	Policy Updated	W.E. Campbell, III