1. PURPOSE
This Director’s Rule establishes the requirements and process for Seattle Public Utilities (SPU) customers to request adjustments to water and sewer charges when a leak occurs in the water system on either the customer’s side or the City side of the water meter.

2. DEFINITIONS

**Leak**: an unintentional water loss caused by broken and/or malfunctioning City equipment or customer plumbing fixtures or pipes at a residence or building.

**Aboveground leak**: a leak on any outdoor customer water pipe or appurtenance including irrigation system accessories and outdoor faucet leaks.

**Underground leak**: a leak on any buried or submerged customer water pipe or appurtenance of any structure on the customer’s property.

**Customer**: an owner of residential or commercial property within SPU’s retail water, wastewater, drainage, and solid waste service area as defined in Director’s Rule FIN-160, Customer Account and Billing Management. For the purposes of this Rule, tenants and renters are excluded and not eligible for leak adjustments.

**City-side leak**: a leak from City-owned property that affects the customer’s measured consumption and resulting charges.

**Customer-side leak**: a leak from any customer-owned pipes, fixtures, or other plumbing equipment that affects the customer’s measured consumption and resulting charges.

**High consumption**: a property’s higher-than-average metered water consumption as evidenced by a customer’s utility service bill. For the purposes of this rule, higher than average water consumption is considered approximately 50 percent or more than the previous year’s usage for the same period.

**Normal consumption**: the customer’s consumption levels for the same billing period from the prior year. If prior water consumption data is not available, SPU may consider post-repair consumption or best available data.

**Billing adjustments**: Forms of adjustments applied to a customer’s account in situations when the customer has been undercharged or overcharged for services rendered.
3. **RULE**

SPU recognizes that leaks in City equipment and private systems can cause a significant financial burden from unexpected water and wastewater usage.

- All leak-based charges for customer-side leaks are adjusted at 100 percent for above-normal consumption, except for commercial sewer bills associated with indoor leaks, which are adjusted for 50 percent above-normal consumption.
- All leak-based charges for City-side leaks are adjusted at 100 percent for above-normal consumption.
- Adjustments for customer-side leaks may be made once per calendar year for a maximum of two (2) billing periods.
- Adjustments for City-side leaks are for all billing periods determined to have been affected by the leak.
- Theft, vandalism, fraud, system tampering, customer’s disregard of SPU advice, and customer negligence are not covered under this rule.
- Exceptions may be considered for extraordinary circumstance through the utility’s appeal process.

4. **NOTIFICATION OF A LEAK**

- A customer may request to adjust an SPU bill when there is a leak, whether on the City’s or on the customer’s property, whether detected or unexplained, that has led to higher than normal consumption.
- SPU may notify customers of any potential leaks through a billing statement, a notice left at the property, a phone call, and/or a postcard delivered to the customer.
- SPU encourages customers to review the utility’s leak detection awareness information at the following web address: [https://www.seattle.gov/utilities/services/water/water-meters/detect-leaks](https://www.seattle.gov/utilities/services/water/water-meters/detect-leaks).
- Once a customer becomes aware of a potential leak, either on the City’s side or on the customer’s property, the customer shall either respond to the City’s notice of a leak or initiate contact with SPU when a leak is on the customer’s side.
- The customer may notify SPU of a leak through any of the following:
  - Phone call to Customer Service at 206-684-3000.
  - Phone call to Account Services at 206-684-5800.
  - Letter addressed to Seattle Public Utilities, PO Box 35177, Seattle, WA 98124-5177.
  - Walk up to any of the Customer Service Centers.
- SPU staff will:
  - Provide and educate customers with information to help identify and repair a leak.
  - Direct customers to notify SPU once repairs and inspections are complete.
  - Document the required customer information listed under section 5 and indicate what was discussed during the intake process.

5. **REQUEST A LEAK ADJUSTMENT**

- For either City-side or customer-side leaks, customers may request adjustments after leaks have been repaired and inspected.
- For customer-side leaks, the following are the guidelines:
  - Reasonable efforts to locate the leak and initiate repair shall be taken within 30 days of the initial notification, by either the City or the customer, of increased usage.
  - Repairs shall be completed within 60 days after the initial notification of increased usage. If additional time is needed, a customer may request an extension.
  - For indoor leak and outdoor aboveground leak adjustment requests, customers shall provide SPU with proof of repairs (e.g., receipt, invoice).
For outdoor underground leak adjustment requests, customers shall coordinate with SPU to schedule an inspection of the repair(s) prior to covering or backfilling of repair(s).

Once repair(s) and inspection(s) are complete, whichever is applicable, the customer contacts SPU to notify completion of work.

SPU will review proof of repairs and inspection notes, whichever is applicable, to determine whether leak adjustments can be approved.

Customers experiencing unexplained high consumption that returns to normal by the next billing cycle, are eligible for a leak adjustment, with no documentation required. If the water consumption does not return to normal by the next bill cycle, the customer will be notified to investigate for a possible leak.

- Customer provides the following required information:
  - Date of request
  - Customer name
  - Account number
  - Service address (including city, state, zip code)
  - Contact information (i.e. home, work, or mobile phone numbers)
  - Date of initial notification of the leak
  - Description of leak (faucet, toilet, underground, etc.)
  - Explanation of how leak was repaired
  - Other documents as requested by SPU

6. **CALCULATE AND PROCESS A LEAK ADJUSTMENT**

After confirming a customer is eligible for a billing adjustment, SPU will adjust utility service bills as follows for a maximum of two billing periods.

<table>
<thead>
<tr>
<th>Customer Class</th>
<th>Water</th>
<th>Sewer</th>
</tr>
</thead>
<tbody>
<tr>
<td>Residential</td>
<td>100 percent</td>
<td>100 percent</td>
</tr>
<tr>
<td>Commercial</td>
<td>100 percent</td>
<td>100 percent (outdoor)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>50 percent (indoor)</td>
</tr>
</tbody>
</table>

Adjustments for City-side leaks are for all billing periods determined to have been affected by the leak.

The final billing adjustment amount will be communicated to the customer by letter.

7. **REPORTING**

SPU shall review leak adjustment transactions to identify and resolve issues. A leak adjustment report shall be submitted to the General Manager / Chief Executive Officer on annual basis. The Chief Financial Officer shall perform an audit of leak transactions on annual basis.

8. **AUTHORITY/REFERENCES**

- FIN-160, Customer Account and Billing Management Director’s Rule
- Leak Adjustment Director’s Rule Job Aid, Utility Accounts Division (final date 5/10/2020)
- CS-104, Customer Dispute Policy and Procedure
- CS-320, Billing Adjustments for Retail and Wholesale Customer
- Seattle Municipal Code 21.04.260 – Accounts to be in name of Owner or Leaseholder
- Seattle Plumbing Code