

### **R18-08 HOT WATER CAPTURE, COLD WATER ALLOCATION**

(a) Pursuant to G.S. 62-110(g)(1a), if the leased premises are contiguous dwelling units built prior to 1989, and the provider determines that, due to the plumbing configuration of the building, measurement of the lessee's total water usage is impractical or is not economical, the provider may estimate each lessee's total water usage based upon the hot water usage of each lessee as a percentage of all of the lessees' hot water usage.

(b) The provider must file the appropriate application (Application for Certificate of Authority to Charge for Water and/or Sewer Service Utilizing the Hot Water Capture, Cold Water Allocation Method and for Approval of Rates for Apartment Complexes and Manufactured Home Parks) and receive Commission authorization prior to commencing utilization of the hot water capture, cold water allocation method of estimating water usage.

(c) The provider shall not include in a lessee's bill the cost of water and sewer service used in common areas or water loss due to leaks in the provider's water mains. A provider shall not bill or attempt to collect for excess water usage resulting from a plumbing malfunction or other condition that is not known to the lessee or that has been reported to the provider. The provider may choose to satisfy the common area water usage exclusion utilizing one of the following methods (the default method is method 1.):

- (1) The provider shall reduce the total water amount of water purchased by 20%;
- (2) Where all common areas are separately metered, the provider shall subtract the actual common area usage from the total amount of water purchased. The provider shall provide the Commission and the Public Staff with a quarterly report (filed 45 days after the end of each quarter) documenting the common area metered usage, the total amount of water purchased, and the computation of the lessees' bills;
- (3) Where no common areas are separately metered, the provider shall subtract 15% from the total amount of water purchased where there is an installed landscape irrigation system and subtract 5% from the total amount of water purchased for each swimming pool or laundry room. The provider shall provide the Commission and the Public Staff with a quarterly report (filed 45 days after the end of each quarter) documenting the common area allocated usage, the total amount of water purchased, and the computation of the lessees' bills; and
- (4) Where some common areas are separately metered and some are not metered, the provider shall subtract the actual common area usage from the total amount of water purchased and shall subtract 15% from the total amount of water purchased where there is an unmetered installed landscape irrigation system and subtract 5% from the total amount of water purchased for each unmetered swimming pool or laundry room. The provider shall provide the Commission and the Public Staff with a quarterly report (filed 45 days after the end of each quarter) documenting the common area metered usage, common area allocated usage, the total amount of water purchased, and the computation of the lessees' bills.

(d) The provider shall furnish a water/sewer utility bill to the lessees which clearly states that the hot water capture, cold water allocation method of estimating the bill has been utilized and contains the following information for each monthly billing period:

- (1) Total amount of water purchased by the provider;
- (2) Total amount of water purchased less the metered and/or allocated common area usage (utilizing one of the methods above (1-4));
- (3) Total amount of hot water measured for all lessees;
- (4) Amount of hot water measured for the individual lessee;
- (5) Amount of water the individual lessee is being billed;
- (6) Amount owed for the current billing period;
- (7) Beginning and ending dates for the billing period;
- (8) Past due date; and
- (9) A local or toll-free telephone number and address that the lessee can use to obtain more information about the bill.

(e) The provider shall not utilize a ratio utility billing system or other allocation billing system that does not rely on individually submetered hot water usage to determine the allocation of water and sewer usage.

*(NCUC Docket WR-100, Sub 7, 01/10/12; NCUC Docket No. WR-100, Sub 10, 04/04/2018.)*