SWEETWATER UTILITIES BOARD

SWEETWATER TENNESSEE

CUSTOMER SERVICE AND COLLECTION POLICY

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PURPOSE
The purpose of this policy is to establish procedures for providing service(s) to residential and commercial customers and to establish procedures for the collection of bills rendered for services.

OBJECTIVE
The objective of this policy is to develop standards for customer deposits that provide fairness and equity to the customer and minimize revenue loss from non-payment of utility bills.

IMPLEMENTATION
Operational procedures shall be implemented to insure adherence to the standards of this policy.

APPLICATION
An application for service shall be signed by the customer and spouse if applicable. Said application shall contain pertinent identification information; I.e. Social Security number, a copy of a valid Driver's License, copy of deed/lease agreement, and other information necessary for billing and collecting of the account.

SERVICE CHARGE
A non-refundable service charge of $20.00 shall be charged for connecting service(s) to an established location.

DEPOSITS
(A) Nondiscrimination: Deposits shall be required from customers without regard to race, color, creed, sex, age, national origin, or marital status.

(B) Residential Amount: Deposits for residential customers shall be $300.00. SUB may obtain a credit report from an approved Credit Bureau to determine whether a deposit is required. Annually upon written request of the customer or at the discretion of SUB, the deposit requirement may be re-evaluated based on the most recent account activity.

(C) Commercial: Deposits for commercial establishments shall be two times the highest monthly bill in a 12 to 24 month period. Deposits may be paid in cash or secured by an acceptable Irrevocable Letter of Credit from a reputable financial institution or a Utility Guaranty Bond from a reputable insurance Company. Irrevocable letters of credit that have an expiration date shall be renewed prior to that expiration date so that the account is always secured by a valid instrument. Failure or refusal to provide an updated irrevocable letter of credit will constitute grounds for interruption of service.

DEPOSIT REFUNDS
(A) Deposits including earned interest may be returned to residential customers upon request after completion of twenty-four (24) consecutive months of not paying a late charge. Deposit balance including earned interest is subject to review by customer and SUB. Customers who do not qualify for a refund within the initial twenty four (24) month period

will be eligible to have their payment record reviewed every twelve (12) months thereafter to determine if refund requirements have been met.

(B) Commercial deposits including earned interest may be refunded upon request not required after completion of sixty (60) consecutive months of paying bill without a late charge.

(C) Upon termination of service, any retained deposit and accrued interest will be applied against unpaid bills of customer and, if any balance remains after such application, said balance shall be refunded to the customer.

INTEREST

Any deposit which is retained longer than twelve (12) months shall earn interest at a rate equal to the interest earned on SUB's primary bank account, which shall be applied as credit on customer's bill on the June following the 12 month anniversary.

PAST DUE FINAL NOTICE

Customer's net payment shall be made due no sooner than 15 days from the date the bill is mailed. Past due and/or final notices shall be mailed to the customer for all unpaid accounts approximately five (5) days after due date. The final notice will allow an additional five (5) days to pay the bill before terminating service. This notice states instructions to follow to prevent disconnection of services.

TERMINATION

Customers who have not paid their delinquent bills by the date stipulated on the final notice shall have utilities terminated until delinquent account is paid in full plus applicable reconnection fees. Any customer whose utilities have been posted for termination due to non-payment will be required to pay a reconnection/collection fee of $60.00 during regular working hours (Mon. – Fri., 8:00 a.m. – 5:00 p.m.) or $150.00 after regular working hours.

EXCEPTIONS TO THE RULE

(A) Medical Hardship Cases, upon SUB's approval of a Medical Certification Form, disconnection of service can be postponed for 30 days from the original scheduled due date. This form must be completed by a medical doctor or nurse practitioner licensed in the state of TN, certifying that the disconnection of utility service would create a life-threatening medical situation. SUB will only grant this postponement for termination 2 times in a 12 month period. This form or the life threatening medical condition does not relieve the customer of their obligation to pay for utility services including late fees.

(B) Accounts in question as to the validity of amount of bill. Customers having a bill dispute should contact SUB customer service office immediately.

(C) Accounts that are extremely abnormal for reasons such as water leaks, bad weather equipment malfunctions and substantial payments are being made on bill.

(D) Accounts with an amount due greater than $100, may be allowed to make a 50% payment and commitment to have account paid in full before succeeding next bill is delinquent.

SUB will allow only 5 extensions in a calendar year and once a promise has been made it cannot be changed.

(E) Accounts that have been approved for payment by government agencies or charitable organizations.

(F) SUB evaluates weather conditions daily at www.weather.com for Sweetwater, TN 37874. In the event that the forecasted temperature is to go below 32 degrees F or is to exceed 90 degrees F on that day, SUB will not discontinue service of residential customers for nonpayment.

BAD CHECKS

A service charge of $25.00 shall be charged for all returned checks. Service shall be terminated if check is not paid after appropriate notification to customer that check was returned. If service is terminated the same reconnect fees shall apply as those of non-payment customers. After a payment has been returned using a customer checking account and applied back to the customer account for the third time in 12 consecutive months, Sweetwater Utilities Board shall notify the customer that we will not accept any form of payment using that account. After the notification if we receive a check on that checking account in the office, through the mail, or in the night drop box the check will then be mailed back to the customer

FINAL BILL & CHARGE OFFS

Each account that is final and/or charged off shall be rendered a letter of intent to collect through legal proceedings. In the event the account is not paid within thirty (30) days after the bill is final, said accounts over $25.00 may be turned over to an attorney or collection agency, at which time, an additional thirty percent (30%) of the bill amount will be added.

WATER AND SEWER LEAK PROTECTION PROGRAM

As of December 1, 2025 Sweetwater Utilities Board now offers protection against costly water and sewer bills caused by unexpected leaks. The Leak Loss Protection Program covers pipes up to 2" diameter. High water and sewer bills due to leaks will be adjusted through this program. The cost of the program is $1.75 for residential and commercial water customers and $1.09 for residential and commercial sewer customers per month.

In the event of a costly water or sewer bill caused by high water usage due to a qualifying leak or line break, Sweetwater Utilities Board's Leak Loss Protection Program covers the costly utility bill once the active cause of leak has been repaired.

All eligible Sweetwater Utilities Board customers are automatically enrolled in our optional expanded Water and Sewer Leak Loss Protection Program charges will appear on you utility bill. Call us at 423-561-2679 to decline protection and accept full responsibility for all excess water and sewer charges caused by a leak.

The financial obligations of the Sweetwater Utilities Board Leak Loss Protection Program are backed by an insurance policy procured as part of the ServLine program.