

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2009

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HOUSE BILL 982*

Short Title: Contiguous Premises/Allocate Cost for Water. (Public)

Sponsors: Representatives Gibson, Allen (Primary Sponsors); Faison, Lucas, and Samuelson.

Referred to: Water Resources and Infrastructure, if favorable, Public Utilities.

April 2, 2009

1 A BILL TO BE ENTITLED
2 AN ACT AUTHORIZING LESSORS OF CONTIGUOUS PREMISES TO ALLOCATE THE
3 COST FOR WATER AND SEWER SERVICE TO EACH TENANT USING
4 EQUIPMENT THAT MEASURES HOT WATER USAGE.

5 The General Assembly of North Carolina enacts:

6 **SECTION 1.** G.S. 62-110(g) reads as rewritten:

7 "(g) In addition to the authority to issue a certificate of public convenience and necessity
8 and establish rates otherwise granted in this Chapter, for the purpose of encouraging water
9 conservation, the Commission may, consistent with the public interest, adopt procedures that
10 allow a lessor to charge for the costs of providing water or sewer service to persons who
11 occupy the same contiguous premises. The following provisions shall apply:

12 (1) All charges for water or sewer service shall be based on the user's metered
13 consumption of water, which shall be determined by metered measurement
14 of all water consumed and not by any partial measurement of water
15 consumption, unless specifically authorized by the Commission.
16 The rate charged by the lessor shall not exceed the unit consumption rate
17 charged by the supplier of the service.

18 (1a) If the contiguous premises were built prior to 1989 and the lessor determines
19 that the measurement of the tenant's total water usage is impractical or not
20 economical, the lessor may allocate the cost for water and sewer service to
21 the tenant using equipment that measures the tenant's hot water usage. In that
22 case, each tenant shall be billed a percentage of the landlord's water and
23 sewer costs for water usage in the dwelling units based upon the hot water
24 used in the tenant's dwelling unit. The percentage of total water usage
25 allocated for each dwelling unit shall be equal to that dwelling unit's
26 individually submetered hot water usage divided by all submetered hot water
27 usage in all dwelling units. The following conditions apply to billing for
28 water and sewer service under this subdivision:

29 a. A lessor shall not utilize a ratio utility billing system or other
30 allocation billing system that does not rely on individually
31 submetered hot water usage to determine the allocation of water and
32 sewer costs.

33 b. The lessor shall not include in a tenant's bill the cost of water and
34 sewer service used in common areas or water loss due to leaks in the
35 lessor's water mains. A lessor shall not bill or attempt to collect for
36 excess water usage resulting from a plumbing malfunction or other



- 1 condition that is not known to the tenant or that has been reported to
- 2 the lessor.
- 3 c. All equipment used to measure water usage shall comply with
- 4 guidelines promulgated by the American Water Works Association.
- 5 d. The lessor shall maintain records for a minimum of 12 months that
- 6 demonstrate how each tenant's allocated costs were calculated for
- 7 water and sewer service. Upon advanced written notice to the lessor,
- 8 a tenant may inspect the records during reasonable business hours.
- 9 e. Bills for water and sewer service sent by the lessor to the tenant shall
- 10 contain all the following information:
- 11 1. The amount of water and sewer services allocated to the
- 12 tenant during the billing period.
- 13 2. The method used to determine the amount of water and sewer
- 14 services allocated to the tenant.
- 15 3. Beginning and ending dates for the billing period.
- 16 4. The past-due date, which shall not be less than 25 days after
- 17 the bill is mailed.
- 18 5. Any late fee that will be applied if the bill is not paid by the
- 19 past-due date.
- 20 6. A local or toll-free telephone number and address that the
- 21 tenant can use to obtain more information about the bill.
- 22 "

SECTION 2. This act becomes effective July 1, 2010.