

The logo for SNEW (South Norwalk Electric and Water) features the word "SNEW" in a bold, blue, sans-serif font. To the right of the text is a green, curved graphic element that resembles a stylized "D" or a swoosh, starting from the top right and curving back down to the bottom right.

SNEW

P O L I C Y M A N U A L

South Norwalk Electric and Water
Norwalk, Connecticut

Commission Approved To: April 18, 2017

Table of Contents

1.	POLICY ON COMMISSION BUSINESS TRAVEL REIMBURSEMENT	3
2.	POLICY ON MEDIA NOTIFICATION AND PUBLIC STATEMENT	4
3.	MEDIA NOTIFICATION	5
4.	PURCHASING POLICY	6
5.	POLICY ON MISCELLANEOUS MATERIAL SALES	7
6.	LONGEVITY BONUS POLICY	8
7.	SNEW WATER SERVICE CONNECTION FRONTAGE FEE FINANCING POLICY	9
8.	ELECTRIC ACCOUNT RESIDENTIAL RENTAL UNIT DEPOSIT POLICY	10
9.	ELECTRIC RESIDENTIAL COLLECTION POLICY	12
10.	ELECTRIC RESIDENTIAL DEPOSIT POLICY	13
11.	ELECTRIC CUSTOMER NON-RESIDENTIAL DEPOSIT POLICY	15
12.	APPEALS POLICY	18
13.	ACCOUNTING POLICY ELECTRIC RECEIVABLES	20
14.	NON-RESIDENTIAL ELECTRIC ACCOUNT COLLECTION POLICY	22
15.	INFRASTRUCTURE DATA RELEASE POLICY	25
16.	CASH MANAGEMENT POLICY	27
17.	RATE INCREASE NOTIFICATION AND PUBLIC HEARING POLICY	30
18.	PUBLIC PARTICIPATION POLICY	31
19.	CUSTOMER SOLAR PHOTOVOLTAICS DEVELOPMENT & METERING	31

INTRODUCTION

This Policy Manual represents policies of the Department which are formally approved by the Second Taxing District Commission. These policies cover functions of the Department which deal with external groups, entities or customers and may only be modified by the Commission.

1. POLICY ON COMMISSION BUSINESS TRAVEL REIMBURSEMENT

RESOLUTION OF THE SECOND TAXING DISTRICT COMMISSION

WHEREAS, it is appropriate for the Second Taxing District Commission to establish a formal policy regulating travel, seminars and other expenses for the District Commissioners.

NOW, THEREFORE, BE IT RESOLVED BY THE SECOND TAXING DISTRICT COMMISSION, that the following rules will govern the reimbursement by the District of Commissioners for travel, seminars and other business expenses:

1. No Commissioner may obligate the District for the expenditure of any funds for any purpose without the approval of the Commission in a legally convened meeting of the District Commission.
2. In cases where such permission has been granted, the following rules will apply:
 - i) Payment will be limited to travel, seminars and other expenses which are clearly related to District, Electric or Water business.
 - ii) Payment will be limited to expenses incurred by the Commissioner who participates in the seminar or other activity.
 - iii) Payment for meetings and seminars will be limited to expenses for transportation, lodging, seminar registration, and a daily meal stipend for the Commissioner. All additional expenses incurred, such as those that are incurred by the spouse or other guests of the Commissioner, will not be paid by the District, but will be the responsibility of the Commissioner.
 - iv) The Commissioner shall, within one week of the completion of a trip/event or other business expense, file a business expense report reimbursement for any business expenditures incurred.
 - v) Commission business travel shall be, wherever possible, in conformance with the "Business Travel Expenses" section of the Employee Manual.

Commission Approved: March 13, 2012

2. POLICY ON MEDIA NOTIFICATION AND PUBLIC STATEMENT

All media agencies will be provided a copy of any written release via mail, email or pickup.

All Commission issued releases shall be supplied to each Commissioner prior to release for approval and/or comment.

All staff issued releases shall be done through the General Manager.

Employees are not to issue Departmental statements, interviews, or comments concerning Department policy or procedure without permission and approval of the General Manager. Employees shall direct all media questions to their respective department head.

All individual Commissioner's statements or releases shall be issued by Commissioners without Department, staff, or Commission assistance or intervention, but must be identified specifically as a single Commissioner's release position or statement and not that of the Commission or the District.

Commission Approved: March 13, 2012

3. MEDIA NOTIFICATION

(As of April, 2013)

AGENCY

ADDRESS, PHONE, FAX & EMAIL

Norwalk Hour

One Selleck Street, Norwalk, CT 06855
Phone: (203) 846-3281
Email: news@thehour.com

Stamford Advocate
& Greenwich Times

9A Riverbend Drive South, Stamford, CT 06907
Phone: (203) 964-2257
Fax: (203) 964-2345

WICC/Webe108

2 Lafayette Square, Bridgeport, CT 06604
Phone: (203) 366-6000
Fax: (203) 384-0600

Cablevision of CT/News 12

28 Cross Street, Norwalk, CT 06851
Phone: (203) 846-6666
Fax: (203) 849-1327

Wilton Bulletin

16 Bailey Avenue, Ridgefield, CT 06877
Phone: (203) 894-3333
Email: editor@wiltonbulletin.com

Wilton Villager

One Selleck Street, Norwalk, CT 06855
Phone: (203) 846-3281
Fax: (203) 846-9897
Email: news@thehour.com

Connecticut Post

410 State Street, Bridgeport, CT 06604
Phone: (203) 333-0161
Email: news@ctpost.com

4. PURCHASING POLICY

Purchases of material, supplies, property and equipment of the Second Taxing District shall be made through a competitive process. No employee or officer of the District shall purchase any item unless there is an appropriation either capital or operating in the budget in the year in which the purchase is contracted for. The District shall obtain quotations and/or bids for all purchases in accordance with the following table:

<u>Requests for purchases:</u>	<u>Quotations Minimum requirements</u>
Less than \$750.	One verbal or written.
All over \$750, but less than \$1,500.	Two verbal or written.
All over \$1,500, but less than \$20,000.	Three written on Company letterhead or proposal form.
All over \$20,000.	Three written with/legal ad, formal request for proposal, formal bid or other approved procedure.

When obtaining quotations or bids, The District shall provide potential suppliers with a written description of the item to be purchased to insure that quotations and/or bids are made for like items. In the event that the District is unable to obtain the number of bids or quotations required, the purchase can be made upon issuance of a file memorandum indicating the reasons why the appropriate number of quotations and/or bids were not obtainable. If, the item to be purchased is sought to be obtained from a single source, a memorandum to the purchase file must be issued indicating the reason for the sole source purchase, which approval must be granted by the General Manager in writing. It shall be the policy of the District to purchase from the qualified vendor providing the lowest quotation and/or bid. In the event the District purchases from other than the lowest quotations or bid, and/or disqualifies the bidder based on qualification, a memo shall be issued to the purchase file indicating the reasons for the selection, which must receive a written approval by the General Manager.

Prepaid shipping shall be required in the quoted price or shipping listed as a separate item.

The Department shall disclose the bids and/or quotation on request.

Commission Approved: March 13, 2012

5. POLICY ON MISCELLANEOUS MATERIAL SALES

All miscellaneous material sales will be categorized and billed in one of the three classes:

1. At Cost (No markup)
 - a) Material sold to other utilities or the City of Norwalk.
 - b) All material sold for use on a project which will become the property of the South Norwalk Electric and Water (main water or electric service extensions, etc.).
 - c) SNEW paving adapter for use of SNEW water gate boxes.

2. At 10% Markup
 - a) Material used on customer's facilities which we specify by name accepting (no equals) or are not readily available at local plumbing supplies or electrical supply vendors.
 - b) All repair material billed to contractors for use on SNEW's water or electrical system to repair facilities damaged by the contractor.

3. At 50% Markup

All material not used on the SNEW water or electrical systems and/or not listed above.

Commission Approved: April 17, 2012

6. LONGEVITY BONUS POLICY

Each year, in addition to all other wages and benefits, each employee, who will have completed ten (10) years of service, as of December 1st, shall receive a longevity payment of One Hundred Seventy Five (\$175.00) dollars, and such employee shall receive an additional ten (\$10.00) dollars for each additional year of service in excess of ten (10) years. Longevity payments shall be made the first payday of December.

LONGEVITY SCHEDULE

Upon completion of ten (10) years by December 1st, each year - \$ 175.00

<u>11 years</u>	<u>\$ 185.00</u>	<u>26 years</u>	<u>\$ 335.00</u>
<u>12 years</u>	<u>\$ 195.00</u>	<u>27 years</u>	<u>\$ 345.00</u>
<u>13 years</u>	<u>\$ 205.00</u>	<u>28 years</u>	<u>\$ 355.00</u>
<u>14 years</u>	<u>\$ 215.00</u>	<u>29 years</u>	<u>\$ 365.00</u>
<u>15 years</u>	<u>\$ 225.00</u>	<u>30 years</u>	<u>\$ 375.00</u>
<u>16 years</u>	<u>\$ 235.00</u>	<u>31 years</u>	<u>\$ 385.00</u>
<u>17 years</u>	<u>\$ 245.00</u>	<u>32 years</u>	<u>\$ 395.00</u>
<u>18 years</u>	<u>\$ 255.00</u>	<u>33 years</u>	<u>\$ 405.00</u>
<u>19 years</u>	<u>\$ 265.00</u>	<u>34 years</u>	<u>\$ 415.00</u>
<u>20 years</u>	<u>\$ 275.00</u>	<u>35 years</u>	<u>\$ 425.00</u>
<u>21 years</u>	<u>\$ 285.00</u>	<u>36 years</u>	<u>\$ 435.00</u>
<u>22 years</u>	<u>\$ 295.00</u>	<u>37 years</u>	<u>\$ 445.00</u>
<u>23 years</u>	<u>\$ 305.00</u>	<u>38 years</u>	<u>\$ 455.00</u>
<u>24 years</u>	<u>\$ 315.00</u>	<u>39 years</u>	<u>\$ 465.00</u>
<u>25 years</u>	<u>\$ 325.00</u>	<u>40 years</u>	<u>\$ 475.00</u>

Commission Approved: April 17, 2012

7. SNEW WATER SERVICE CONNECTION FRONTAGE FEE FINANCING POLICY

The Rules and Regulations of South Norwalk Electric and Water requires that any property that connects to the water distribution system must have a water main across the full front footage of the parcel being served and the connecting party must pay for the installation of a water main to meet this requirement when there is no existing water main. In the event there is an existing water main paid for by a developer under a Main Extension Agreement in which a rebate is due, the connecting customer must pay the Frontage Amount as called for in the Agreement prior to connection. In the event that the main extension rebate has expired after the ten year life of a Main Extension Agreement or the water main was paid for by SNEW previously, SNEW will charge the connecting party one-half of the cost per foot times the front footage of the connecting parcel.

Recognizing that the payment of the Frontage Fee prior to connection can be a financial burden on a connecting party, SNEW may finance for the customer, the Frontage Fee over five years interest free to be paid in 60 equal monthly payments, which will be placed on the connecting party's water account.

To ensure payment by the connecting party and the connecting party's successors in the event of a title transfer, SNEW will require a Frontage Fee Payment Agreement to be executed by the property owner spelling out the terms, conditions and payment schedule, which document after execution shall be filed on the Norwalk Land Records through the procedures required by the Norwalk Town Clerk.

Commission Approved: April 17, 2012

8. ELECTRIC ACCOUNT RESIDENTIAL RENTAL UNIT DEPOSIT POLICY

(Owners, Landlords and Management Agents)

BE IT RESOLVED, that the Commissioners of the Second Taxing District hereby adopt the following as its Residential Rental Unit Deposit Policy.

All owners, landlords, management agents and other businesses involved in the management of residential rental units who are electric customers of South Norwalk Electric and Water shall be required when placing the account for electric service into the name of the landlord/management agency, management company, etc to place a deposit with South Norwalk Electric Works in the amount equal to the following:

▪ For one apartment unit	\$ 225.00
▪ For two to four units	300.00
▪ For five to 10	500.00
▪ For 11 to 50	1,000.00
▪ For 51 or greater	2,000.00

The following procedures will be utilized by SNEW to administer the deposit program:

1. SNEW staff will use an application filled out by the management agent, landlord, etc, detailing each premises covered by the deposit.
2. The deposit shall remain in the security deposit fund of South Norwalk Electric Works permanently to cover the rental units.
3. The security deposit shall accrue interest on the last day of each month at a rate equal to the annual approved rate. The rate shall be from time-to-time be set by the District Commission.
4. On June 30th of each year, SNEW shall return to each management agency, landlord, etc, an amount equal to the monthly interest accrued on the sum deposited.
5. The management agent, landlord, etc, may at any time increase or decrease the number of premises covered by the security deposit, at which time SNEW will adjust the amount of the security deposit, based on the number of premises covered.
6. A separate security arrangement and deposit must be executed for each individual management company or landlord, etc based on the legal name of the entity placing the deposit and managing the residential units.
7. Any landlord or management company, etc may at any point discontinue utilizing the rental unit deposit policy and revert to the standard residential deposit policy.

8. SNEW, at any point in time it determines any outstanding balance on the group of premises covered by an individual deposit is in arrears, may refuse to continue electric service on any residential rental unit until the management agent or landlord brings all of its accounts up-to-date. SNEW may further refuse to place the electric service in the name of the landlord, management agent for any unit which becomes vacant.
9. The landlord, rental agent, etc may only use this group residential unit deposit for unoccupied apartment units which are being modified, altered, repaired or are on the rental market, awaiting tenants.
10. This deposit policy shall not include any unit which is leased to a residential customer.
11. The electric service responsibility and billing and payment is the responsibility of the owner, landlord or management agent from the time the former tenant vacates the premises, whether SNEW is notified by either the tenant or the landlord, until the date at which the unit is occupied and an account opened in the name of a new residential customer.
12. Security deposits shall be in cash, check, money order, or certified check. However, SNEW may, in its sole discretion, accept as an alternative to cash a letter of credit, a payment bond, secured interest in the property being served, or any other financial instrument which SNEW deems acceptable to protect SNEW's interests.
13. SNEW will not permit any customer to avoid termination under SNEW's procedure for termination of service, for payment of residential accounts by offsetting the bill against the security deposit.
14. Any owner, landlord or management agent aggrieved by SNEW's deposit policy may appeal to the District Commission in accordance with the Appeal Policy.
15. Any portion of this policy or program which is inconsistent with either State Law or Regulation shall not invalidate the remainder of the policy.
16. Owners, landlords and management agents may notify SNEW of their intention by written instruction, delivered to SNEW at One State Street, or by mail, email or via facsimile.

Commission Approved: April 17, 2012

9. ELECTRIC RESIDENTIAL COLLECTION POLICY

BE IT RESOLVED, that the Commissioners of Second Taxing District hereby adopt Section 16-3-100 of the Regulations of Connecticut State Agencies as they apply to municipal electric utilities for residential collections.

BE IT FURTHER RESOLVED, that the Electric Commission hereby authorizes the General Manager of SNEW to terminate residential customers' electric service in accordance with the provisions of Section 16-3-100 of the Regulations of Connecticut State Agencies.

BE IT FURTHER RESOLVED, that any customer aggrieved by any decision of the General Manager as part of a collections action, or termination order, may appeal to the District Commission of the Second Taxing District by giving written notice to said Commission. During an appeal of a termination order, the General Manager shall not proceed with the termination of an account until the Commission renders a decision. Appeals shall be heard in accordance with the District Appeals Policy.

BE IT FURTHER RESOLVED, the Commission further authorizes the General Manager to commence civil lawsuits against delinquent rate payers, in addition to termination of service, and the General Manager may, at his discretion, settle said lawsuit on terms favorable to SNEW.

Commission Approved: May 15, 2012

10. ELECTRIC RESIDENTIAL DEPOSIT POLICY

BE IT RESOLVED, that the Commissioners of the Second Taxing District hereby adopt the following as its residential electric service deposit policy. All new residential electric customers of the South Norwalk Electric and Water shall be required when opening an account prior to the turn on of electric service to place on deposit with the South Norwalk Electric and Water a cash deposit in an amount equal to the following:

<u>Type of Account</u>	<u>Amount</u>
Apartment Unit	\$ 225.00
Apartment Unit / Electric Heat	\$ 350.00
Single Family House	\$ 275.00
Single Family House / Electric Heat	\$ 400.00

The following procedures will be utilized by SNEW to administer the deposit program:

1. SNEW staff will use an application filled out by the prospective customer detailing the type of account for the premise being served.
2. The deposit shall be deposited into the account of SNEW in a security deposit fund, separately segregated and tracked from SNEW general funds.
3. Customer security deposits shall accrue monthly interest on the last day of each month at a rate equal to 1/12th the annual approved rate. The rate shall be from time to time set by the District Commission.
4. On June 30th of each year, SNEW shall credit to each customer's electric service account an amount equal to the monthly interest accrued on the sum deposited. However, SNEW shall have the right to credit the interest to the customer's deposit account if the customer's billing history indicates the original deposit, as required by SNEW, is insufficient to cover the three highest consecutive months of electric bills for the prior one-year. SNEW may also, based on customer billing records of at least one year in length, decrease a customer's deposit account, if it is determined that the current level of deposit exceeds the three highest consecutive bills in the prior one year by more than 25%.
5. Customers who discontinue electric service shall have their deposit refunded to them upon written application for disconnection by the customer. After the customer discontinues service, the customer shall receive the balance of the deposit account plus accrued interest from the last application of interest to the account, minus any bill due SNEW, calculated to the date of termination of service.

6. Any residential customer whose service is terminated by SNEW for non-payment of the account after the effective date of this deposit requirement, more than once in any 24 month period, shall be required prior to the reinstatement of electric service to deposit with SNEW a security deposit equal to the amount listed above.
7. An individual deposit will be required for each electric account opened. SNEW will not aggregate customer accounts for the purpose of blanket security deposits nor will SNEW provide security deposit discounts based on multiple accounts maintained by the same customer.
8. SNEW will not permit any customer to avoid termination under SNEW's procedure for termination of service for non-payment of residential accounts by offsetting the bill due against the security deposit.
9. Security deposits shall be in cash (check, money order, certified check, etc.). However, SNEW may in its sole discretion, accept as an alternative to cash, a letter of credit, a payment bond, secured interest in the property being served, or any other financial instrument which SNEW deems acceptable to protect SNEW's interest.
10. Any customer aggrieved by SNEW's deposit policy may appeal the policy to the District Commission in accordance with the Appeals Policy.
11. Any portion of this policy or program which is inconsistent with either State Law or Regulation shall not invalidate the remainder of this policy

Commission Approved: May 15, 2012

11. ELECTRIC CUSTOMER NON-RESIDENTIAL DEPOSIT POLICY

All new, non-residential electric customers of the South Norwalk Electric and Water shall be required, when opening an account prior to the turn on of electric service, to place on deposit with South Norwalk Electric and Water, a cash deposit in an amount equal to the cost of three months electric service. The following procedures will be utilized by SNEW to administer the deposit program.

1. The dollar amount of the deposit will be determined by SNEW based on an estimate of the demand and kilowatt hour usage estimated by SNEW staff. SNEW staff will use an application filled out by the prospective customer detailing the anticipated electric use for the premise being served.
2. The deposit shall be deposited to the account of SNEW in a security deposit fund, separately segregated and tracked from SNEW general funds.
3. Customer security deposits shall accrue interest daily. The interest rate shall be adjusted on a quarterly basis to match the interest rates received on the security deposit fund.
4. On a regular basis, at least quarterly and on the customer's final bill, SNEW shall credit to each customer's electric service account an amount equal to the interest accrued on the sum deposited. However, SNEW shall have the right to credit the interest to the customer's deposit account if the customer's billing history indicates the original deposit, as required by SNEW, is insufficient to cover the three highest consecutive months of electric bills for the prior one year. SNEW may also, based on customer billing records of at least one year in length, decrease a customer's deposit account, if it is determined that the current level of deposit exceeds the three highest consecutive bills in the prior one year by more than 25%.
5. Customers who discontinue electric service shall have their deposit refunded to them on their final bill. After the customer discontinues service, the customer shall receive the balance of the deposit account plus accrued interest from the last application of interest to the account, minus any bill due SNEW, calculated to the date of termination of service.
6. Any non-residential customer whose service is terminated by SNEW for non-payment of the account after the effective date of this deposit requirement, shall be required, prior to the reinstatement of electric service to deposit with SNEW a security deposit equal to the three highest consecutive month's electric service, based on the prior 12 month's bills.

7. An individual deposit will be required for each electric account opened and SNEW will not aggregate customer accounts for the purpose of blanket security deposits nor will SNEW provide security deposit discounts based on multiple accounts maintained by the same customer.
8. SNEW will not permit any customer to avoid termination under SNEW's procedure for termination of service for non-payment of non-residential accounts by offsetting the bill due against the security deposit.
9. If at any time a customer applies for any electrical permits to increase electrical service, to add additional electrical appliances and devices or otherwise modifies the service for the purpose of obtaining additional demand or kilowatt hour usage, SNEW shall reevaluate the deposit account prior to providing the additional level of service requested.
10. Security deposits shall be in cash (check, money order, certified check, etc.). However, SNEW will accept as an alternative to cash, surety bonds, a letter of credit, secured interest in the property being served or any other financial instrument which protects SNEW's interest. A customer may, at any time, substitute any alternative form of deposit to replace a cash deposit and receive a refund of the cash deposit. Upon request to substitute, the deposit may be reevaluated if there has been a minimum twelve months of usage history.
11. SNEW, at the request of the customer, may review a deposit. To review a deposit, the customer must have a minimum of twelve months of usage history for the account. SNEW may recalculate the deposit based on the actual usage from the previous twelve months. If SNEW has determined that the current level of deposit exceeds the three highest consecutive bill in the prior one year by more than 25%, the difference may be refunded to the customer.
12. Upon a written request from a customer, SNEW staff will review the account and if the account has been in good standing for two years, half of the deposit may be refunded to the customer. An account is considered in good standing when all bill are paid within 30 days and the account does not have any past due balances. At any point, the customer who has received a refund of half the deposit enters the collections queue, the customer will be considered in default of the deposit requirement and the full deposit will be required. The deposit will be calculated based on the three highest consecutive month's electric service over the past 12 months of bills.
13. Any Customer aggrieved by SNEW's deposit policy may appeal to the Commission in accordance with the Appeals Policy.

14. The security deposit shall not be required for any account opened by the City of Norwalk including any of its various departments or agencies; the state of Connecticut or any of its departments or agencies; the United States government or any of its departments or agencies; or any public service company as defined in Section 16-1 of the Connecticut General Statutes.

Commission Approved: April 26, 2016

12. APPEALS POLICY

1. Appeals of the District's rules, regulations or procedures shall be directed to an Appeals Committee of the District made up of not more than three District Commissioners who will hear the appeal and make a recommendation to the total Commission.
2. All proceedings shall be open to the public.
3. Appeals are to be made in writing setting forth all of the issues in dispute and the specific relief sought.
4. The appellant and the District may be represented by counsel before the Appeals Committee.
5. At the hearing the General Manager of the District or his representative will set forth the policy, rule, regulation, issue, or practice which is the subject of the appeal.
6. The applicant and/or his or her representative will present his or her claim. Applicant may have witnesses testify in support of the claim.
7. The General Manager of the District or his representative shall address the position of the District relative to the claim made. The General Manager may be assisted by counsel, staff or external experts.
8. The Appeals Committee can ask questions of any and all participants during the hearing process.
9. Each party shall have the right to rebut the position taken by the other.
10. All evidence is to be presented at the time of the hearing. No additional testimony or evidence is to be given to the Appeals Committee after the hearing is closed unless requested by the Appeals Committee.
11. There shall be no communication between the appellant and any member of the Appeals Committee once an appeal has been filed and before a final decision has been reached by the Appeals Committee unless that communication is made to the total Appeals Committee during a public hearing process.

12. The Appeals Committee will have 30 days to act on the appeal and send their recommendation to the total Commission. The Appeals Committee deliberations will be held in public without any further comment from the applicant. Their recommendation and findings will be forwarded to the total Commission setting forth reasons for their recommendation together with minutes of the hearing proceedings.
13. The total Commission will act on the recommendations forwarded by the Appeal Committee within 30 days of their receipt at a public meeting of the total Commission. The Commission deliberations on the recommendations forwarded will be held in public without any further comment from appellant. District staff may participate if requested by the Commission.
14. The Commission's findings shall be final.

Commission Approved: May 15, 2012

13. ACCOUNTING POLICY ELECTRIC RECEIVABLES

Collection Policy – Write-Off, Balance Due and Credit Balance

Quarterly, SNEW shall evaluate the outstanding balances (receivables) on all final billed accounts and make a determination of the collectability of each balance due.

A. All balances shall be placed into one of the following categories:

1. Legally Uncollectable:
 - a) Dissolution
 - b) Bankruptcy
 - c) Debt in excess of six years
2. Legally Collectable – Doubtful
3. Legally Collectable – Active

B. The following actions shall be taken:

Bankruptcy:

The outstanding balance on all bankruptcy debt which has been discharged by the Bankruptcy Court shall be considered uncollectable and shall be placed on a quarterly write-off list.

Corporations and LLC's:

The outstanding balance on all Corporation and LLC's which have been officially dissolved shall be considered uncollectable and shall be placed on a quarterly write-off list.

In Excess of Six Years:

All debt in excess of six years shall be considered to be legally uncollectable and be placed on a quarterly write-off list.

Legally Collectable – Doubtful:

The outstanding balance on all final billed accounts which have been dormant for in excess of two years shall be classified as Legally Collectable – Doubtful.

Legally Collectable – Active:

The outstanding balance on all final billed accounts which are not classified in 1-4 above shall be considered as Collectable – Active.

C. Procedures and Practices:

When accounts are determined to be legally uncollectable and are placed on a quarterly write-off list, the list shall be reviewed by the General Manager. The approval list shall be forwarded and placed on the Agenda at the next District Commissioner Meeting for final approval.

After approval, the total amounts listed shall be removed from the G/L accounts receivable account and the reserve for uncollectable account.

Legally collectable accounts, both doubtful and active, shall continue to be listed on the CIS billing system and shall be reviewed regularly and pursued for collection.

Wherever possible, legally collectable accounts shall be placed on any active account with the same name, including second and third named account holders or on the account of any spouse.

The Department shall, wherever possible, identify persons through social security numbers, driver's licenses or other official records to ensure that a.k.a.'s, legally changed names and other similar identifying features are used to transfer to the maximum extent possible, open balance.

No individual, corporation, organization or other group shall be permitted to open an account unless all final past due accounts are paid or are transferred to the balance of the new or current account with the written permission of the General Manager.

All legally collectable accounts shall be referred to credit rating agencies, while the Department actively pursues collections on all legally collectable – final billed accounts.

The Department will maintain, in its reserve for bad debt, an amount equal to 100% of the legally collectable – Doubtful Accounts and 85% of legally collectable – Active Accounts, to ensure that the balance sheet of the Electric Fund fairly represents the accounts receivable position.

- D. Credit Balances: Credit balances will be returned promptly (including deposit credits and interest) to all customers who provide a forwarding address. If no address is obtainable after two years, all credit balances will be escheated to the State of Connecticut in accordance with the Connecticut General Statutes.

Commission Approved: July 17, 2012

14. NON-RESIDENTIAL ELECTRIC ACCOUNT COLLECTION POLICY

A. Past Due Accounts

1. All accounts unpaid by the end of the billing month shall be considered past due. No partial payment of any past due account shall affect the past due status of the amount remaining unpaid on such account.

B. Delinquent Accounts

1. All past due accounts of SNEW which remain unpaid after thirty (30) days shall be declared delinquent.
2. Accounts which are declared delinquent shall be notified in writing at the standard billing address of the amount due, the delinquent status, and SNEW's intention to start collection proceedings if the account is not paid in full within fourteen (14) days. The delinquency notice shall include a summary of the procedures which SNEW may use to effectuate collections. The notice shall also indicate to the customer the availability of dispute resolution proceedings, and other options the customer may exercise as part of the formal collection proceedings.
3. Delinquent accounts not paid within fourteen (14) days of written notification, unless a formal payment plan (agreement) has been executed, or the account has been formally disputed in writing, shall be placed into the Collection of Delinquent Accounts procedure and service shall be terminated.

C. Collection of Delinquent Accounts

SNEW, at the discretion of the General Manager, shall use the following procedures for the collection of delinquent accounts. SNEW may use them separately or in any combination, whichever is determined to be the most effective.

Civil Lawsuits

1. At the discretion of the General Manager, SNEW may commence civil lawsuits against delinquent ratepayers in addition to termination of service.
2. At the discretion of the General Manager, civil lawsuits may be settled on terms favorable to SNEW.

Termination of Service

1. SNEW may terminate electric service to delinquent customers, so long as such terminations comply with all requirements of State law. No termination shall take place on any Friday, Saturday, Sunday, or the day before any day in which SNEW's business office is closed. The customer shall be charged a shutoff and reconnection charge at SNEW's standard rates or on a time and material basis.
2. SNEW shall use the following non-residential electric account termination of service procedure:
 - a) The customer or agent shall be mailed (1st class) a written notice of termination fourteen (14) calendar days prior to the scheduled shut off.
 - b) SNEW shall hand a sealed notice(s) (when and where appropriate) on the property indicating the termination date on the day before the scheduled termination date.
 - c) If suitable payment has not been made before the scheduled day of termination, SNEW shall terminate electric service to the property.
3. Electric service shall be reinstated after SNEW receives suitable payment. No service reconnections will be performed after 4:00 p.m. weekdays, or on any holiday, or weekend.

D. Suitable Payment

1. *Amount Due Greater than \$1,000.00*

Suitable payment to avoid termination or for reinstatement of service for non-residential property is a payment of 50% of the outstanding balance, a written amortization agreement for the payment of the remaining past due balance over the following six (6) months, payment of the termination and reinstatement charge, and the payment of the current balance during the amortization period.

2. *Amount Due Greater than \$500.00 but less than \$1,000.00*

Suitable payment to avoid termination or for reinstatement of service for non-residential property is a payment of 60% of the outstanding balance, a written amortization agreement for the payment of the remaining past due balance over the following three (3) months, payment of the termination and reinstatement charge, and the payment of the current balance during the amortization period.

Failure to make an amortization payment or a current balance payment will result in immediate termination.

3. *Amount Due less Than \$500.00*

For accounts with amounts due of less than \$500.00, the total amount must be paid to prevent termination.

E. **Unoccupied Property**

Any unoccupied property which is subject to a termination shall not be turned on until payment in full is made on the account.

F. **Hardship**

At the discretion of the General Manager, SNEW may declare a hardship and accept as suitable payment, a payment of less than the required percentage of the outstanding balance and an amortization schedule of a greater length than as specified above.

To qualify as a hardship, the owner must present acceptable financial information to SNEW to enable the General Manager to determine the owner's ability to pay off the outstanding balance and pay the current charges. The General Manager shall assess the risk of non-payment when declaring a hardship.

Commission Approved: July 17, 2012

15. Infrastructure Data Release Policy

1. Policy and Purpose

It shall be the policy of the South Norwalk Electric and Water (SNEW) to monitor and control access to SNEW's infrastructure data. SNEW shall provide public access to all non-security sensitive infrastructure data consistent with the Connecticut General Statutes Section 1-200 to 1-259 generally known as the Freedom of Information Act. SNEW will restrict access to security sensitive plans, design drawings, GIS information, and similar documentation of its infrastructure to only those individuals and organizations that require this information to conduct their business upon written request demonstrating need and a determination by SNEW that such information is essential to the requester and it will be treated by the requester as security sensitive. SNEW shall limit the security sensitive data release to the minimum amount necessary to perform the intended task. SNEW may deny any request for information, if in SNEW's determination that release of such information may have the potential to compromise the safety and security of SNEW's infrastructure SNEW shall use the June 2005 (or latest version) Guidelines for Providing Appropriate Access to Geospatial Data in Response to Security Concerns provided by the Homeland Security Working Group. All requests for infrastructure data will be documented and maintained by SNEW by the District Clerk.

2. Procedures/Rules

- 2.1 SNEW's Infrastructure Data deemed security sensitive by SNEW may only be made available through this policy upon approval written request on the official SNEW form and approval by SNEW.
- 2.2 Public Infrastructure Data that is not owned by SNEW will only be made available to the public in accordance with the entities policy.
- 2.3 Data covered under this policy: includes, but not limited to policy detailed plans, drawings, and security sensitive and documentation that provides security sensitive information related to SNEW infrastructure or security plans. This includes specific digital and non-digital information and detail drawings as determined by the SNEW.
- 2.4 Data will be provided by SNEW in either electronic or paper copy.
- 2.5 Data will be provided at an appropriate cost for non-security sensitive information conforming to Connecticut Freedom of Information Act Policy.

3. Internal Controls

- 3.1 SNEW to the extent practical shall segregate security sensitive data from all other data through methods such as password protection, physical separation, limit access and other appropriate means.
- 3.2 No employee shall provide any infrastructure data to any non-employee without the proper application form, documentation and SNEW Director Level Management approval. Security sensitive data will only be distributed to SNEW employees for a specific work related function.
- 3.3 All employees shall protect all infrastructure data from accidental disclosure. Infrastructure data whether non-security sensitive or not shall contain a disclaimer posted directly on the plans, data sheet, or electronically supplied files limiting SNEW's liability in the events of data errors.

4. Appeals

- 4.1 Any person denied security sensitive data may appeal to the General Manager.
- 4.2 Any person denied security sensitive data by the General Manager may appeal to the District Commission.

Commission Approved: August 16, 2011

16. CASH MANAGEMENT POLICY

1. INVESTMENT POLICY

a) General Policy

The Second Taxing District shall invest its funds in accordance to State and Federal laws and regulation. The District shall balance the risk and return on investments while keeping an adequate supply of liquid cash available to fund operations, capital projects, and maintain an accessible operating reserve. All funds shall be deposited in the name of the Second Taxing District.

b) Qualified Depository

The Second Taxing District of the City of Norwalk is a body politic and corporate operating under Special Act No. 352 and CGS 7-324 et al. The District, as a municipal governmental entity, must operate in compliance with CGS 36a-330 through 36a-338 concerning the Protection of Public Deposits. Therefore all District funds must be deposited in a Qualified Public Depository (Banks / Federal Credit Unions).

c) Investment Analysis

Within a 35-day period after the end of each month an analysis of all District funds will be completed and available for review. The analysis will show what institution is holding the funds, beginning and ending balances, type of account, rate of return, term holding period and interest earned for the month. The analysis will be forwarded to the Commission.

d) Term of Investment

No District funds shall be invested for a period exceeding two years without the approval of the District Commission.

e) Funds Transfer Investment Accounts

The General Manager is authorized to transfer funds between any accounts in the name of the District. All transfers will be listed on the monthly Investment Analysis.

f) Bank Reconciliations

Bank reconciliation will be performed on a monthly basis in a timely manner. All checks outstanding for a period of six months or more will be reviewed with the General Manager.

g) Authorized Signatory

All investment accounts (including operating accounts) of the District shall have four individuals authorized by the Commission as signatories with any two required to approve any movement of funds from the account(s). Any of the four signatories will

have the authority to inquire as to the account status with the institution where the account is located. The four individuals authorized by the Commission shall generally be the Treasurer, the General Manager, the Financial Analyst and the Director of Administration and Customer Service.

2. DISBURSEMENT POLICY

a) General Policy

The District shall maintain operating account(s) in a Qualified Depository in accordance with the Investment Policy. The purpose of the operating account(s) is to receive and disburse funds as required in the normal operation of the District and its utilities. All funds received by the District or disbursed by the District shall be through the operating account(s).

b) Receipts

Receipts from electric revenues, water revenues and general fund revenues shall be accounted for and reconciled separately. All receipts from revenues shall be deposited in to the operating account(s) as soon as practical and generally in the same or the next business day. Transfer of excess operating funds shall be made to an investment account by the General Manager or his designee.

c) Disbursements

All disbursements for District, Electric and Water functions shall generally be made weekly in accordance with the following:

1. Voucher Approval

All invoices must be approved for payment by a Department Head or Manager. Each invoice requires a separate voucher. The Department Head or Manager will designate the account numbers that best describes what the invoice is for on a standard voucher form. All vouchers must have attached a copy of the invoice, purchase order, packing and receiving sign off. The Accounts Payable group will verify the documentation and forward the voucher to the General Manager for payment approval.

2. Payment of Invoices

The General Manager shall review each voucher and sign off, approving the voucher for payment. The Accounting Department shall, after the General Managers approval, enter the appropriate information into the computerized accounting system, mark the appropriate vouchers for payment and print the checks and check register. The Accounting Department will then assemble a

package for signature which shall include the checks, a check register and the voucher(s) for each check. Checks shall normally be signed by the authorized signatories on Wednesday afternoon. Electronic or facsimile signatures shall not be used except on the payroll account.

3. Wire Transfers for Payment of Vouchers

Wire transfers may be used for the payment of routine repetitive billings such as sales tax, gross revenue tax, bond payments and CMEEC power bills. Wire transfers can only be ordered when the voucher approval process is completed. Each wire transfer shall require the authorization of two of the four authorized signatories, one of which must be the General Manager.

4. Communication to District Commission

After the completion of the check and check register printing, a copy of the check register shall be immediately emailed or mailed to each District Commissioner. Commissioners who wish to review voucher documentation may either inquire via phone to the Accounting Department for information concerning any voucher or may come to the Water Street office to review the documentation. To facilitate review by the Commission, each voucher packet and the check register will be held by the accounting office in a single package until the close of business on Friday. On Monday the voucher package will be filed in the standard voucher filing system. If a special check run is necessary (other than the weekly check run) all voucher data will be held available for Commission review for a period of one week from the date of emailing and/or mailing the special run check register to the Commission.

3. MAINTENANCE OF RECORDS

The District shall, in its accounting system, keep accurate and detailed records of the fund balances, reserves, assets, liabilities, debts, receipts and disbursements all segregated by General Fund, Electric Fund and Water Fund as required by Section 1-81 of the District Charter.

Commission Approved: July 17, 2012

17. Rate Increase Notification and Public Hearing Policy

1. Policy and Purpose:

It shall be the policy of South Norwalk Electric and Water (“SNEW”) to provide for public information and input by all customers of South Norwalk Electric and Water when SNEW is considering a change in water or electric rates. The District, recognizing that the current procedure for notifying the public of Taxing District issues by placing a legal ad in a paper of general circulation in the community, is not sufficient notification to electors or customers when SNEW is contemplating an increase in either water or electric rates. Therefore, SNEW will proactively notify SNEW’s customers and electors of a potential rate increase through increased public notification (in addition to the requisite legal ad) by utilizing a more up-to-date public information and notification procedure.

2. Procedures:

SNEW will, when contemplating an increase in either electric or water rates, notify the elector’s and customers of the potential of a rate increase through placement of display ads in local media, posting a notice on the SNEW website, issuing a media press release, a legal notice in 14 type print, electronic mail, bill insert and other notification methods as appropriate. SNEW shall, in the notification, provide a phone number for customers to call to obtain additional information.

SNEW will hold at least one public hearing on any water or electric rate increase after a draft increase report is issued and posted on SNEW’s website and publicly noticed in accordance with Section 1 above.

The District Commission and SNEW staff shall evaluate public comments received at the hearing and make a determination as to whether or not changes to the draft rate report are warranted.

SNEW will place the final rate increase report on the Agenda at a Commission meeting for adoption with public notification of the meeting in accordance with Section 1 above. No decision shall be made until at least seven days after the public hearing.

No rate change shall be implemented without notification to all affected customers at least 30 days in advance. The adoption of a new rate structure shall also be announced through the notification process in Section 1 above.

Commission Approved: January 17, 2012

18. Public Participation Policy

The Agendas of The Second Taxing District Commission Regular and Special Meetings shall, in addition to complying with the requirements of The Second Taxing District Charter and Chapter 14 of the Connecticut General Statutes, Freedom of Information Act, include a provision for Public Participation.

The item shall be placed at the top of the Agenda, after the Acceptance of the Minutes of previous meetings and shall allow electors of the District up to three minutes to make comments regarding any item on the Agenda. The Commission, by a majority vote, may waive the time limitation or allow non-electors to speak under Public Participation.

Commission Approved: August 21, 2012

19. Customer Solar Photovoltaics Development & Metering

It is SNEW Policy to facilitate the development and installation of customer-side solar photovoltaic (PV) resources, consistent with safe electric utility practice and sound economic and social policy.

SNEW does not offer direct monetary incentives for customer solar projects, but encourages interested customers to investigate and apply for available State and Federal resources, such as the CT Green Bank and Energize CT as well as Federal tax incentives where applicable.

Customer-side solar installations must comply with the provisions of the SNEW Electric Service Rules, Regulations and Standards, Part D, which will include the submission of SNEW's notarized "Owner Certification of Non-Parallel Operation-Open Transition Transfer Switches."

A SNEW-owned 2-register electronic meter must be installed at the solar site. SNEW does not currently permit net metering at full retail; solar PV installations are limited in size, and must be sized to generate no more than 75% of the customer's anticipated peak electrical demand. If the solar PV installation generates energy in excess of the customer demand, SNEW will purchase the net excess power at its wholesale cost of electricity, on an annual basis, as determined by the weighted average cost of electricity as purchased from the Connecticut Municipal Electric Energy Cooperative (CMEEC).

If, during the applicable monthly billing period, the electricity generated by the customer exceeds the electricity supplied by SNEW, the customer shall be billed for the applicable monthly service charges, and the balance of the electricity generated shall be carried into the following billing period and appear as a credit on the customer's account. Credits will be carried forward until the customer's consumption offsets the excess energy or the end of the

12-month true-up period is reached. At the end of the 12-month true-up period, any unused energy (kWh) credit accumulated during the previous 12 months will be reimbursed to the customer of record in the form of a check. The 12-month net-metering true-up period shall last from April 1 through March 30 of each year. No credits will be carried past March 30 into the succeeding annual true-up period.

This policy is effective as of May 1, 2017.

Commission Approved: April 18, 2017