

**Diamond A Mutual Water Company
Lost Water Discount Policy**

Meter Reading Evaluation

1. Review quarterly meter readings for abnormal usage suggesting a leaking water pipe.
2. If a reading is unusually high, reread the meter.
3. If a reading is correct, call member to inform of a possible leak and to find and repair the leak promptly.
4. After the leak is repaired the member may write a letter to the board to request a lost water credit. The letter should include:
 - a. When and how the leak was found,
 - b. Description of the leak, steps taken to repair the leak,
 - c. Copies of repair receipts
 - d. Photos if possible.
 - e. Any other information pertinent to the lost water request.
5. The Finance Committee shall make a determination on the request by the member. Subject to the Invoice Adjustment Process listed below, the Finance Committee shall have the authority to authorize adjustments up to \$1,000. Any adjustments exceeding this amount require approval by the Board of Directors
6. Advise the member that their account needs to be current in order to receive a credit.
7. Provide a credit on the next bill if found to qualify for reimbursement.

Invoice Adjustment Process

1. In order for a lost water discount to be considered, all of the following must occur:
 - a. The amount being requested must exceed \$100
 - b. The quarterly meter reading needs to be at least three times higher than the normal water usage for the period
 - c. The applicant shall not have received a lost water credit within the preceding two years for the meter in question
 - d. The applicant must demonstrate that the source of the leak has been identified and steps to correct/repair the situation have been taken

2. Determine “normal water usage” for the period in question by averaging the usage during the same period for the last three years.
3. Subtract “normal water usage” amount from the total quarterly meter reading. The resulting amount shall be considered the “Lost Water” volume.
4. The credit shall be calculated as the Lost Water volume multiplied by 50% of the Tier One (lowest) rate. (See example below.)

Example:

Meter reading (1,000 gal)	261			
Normal usage (1,000 gal)	46			
Lost Water	215			
Multiplied by 50% of Tier One Rate		X	\$1.50	
Total credit due to applicant				\$ 322.50

- The Current meter reading is 261,000 gallons. Normal water usage is 46,000 gallons.
- The current usage is 5.7 times the normal usage (261,000g/46,000g).
- The excess of the current reading over the normal reading, 215,000g, is credited against the applicant’s invoice at 50% of the first-tier rate. (50% x \$3.00 per thousand gallons = %1.50 per thousand gallons)