

City of Richmond, Virginia
Department of Public Utilities Regulation

MetroCare Water Conservation Program

I. Purpose

This Department Regulation provides guidance for applying the provisions of City Code Sections 28-299 through 28-303 which establish a MetroCare Water Conservation Program to provide financial assistance to customers for plumbing repairs and the replacement of water-inefficient appliances. Pursuant to City Code Sections 28-300 and 28-26, the Director shall adopt rules, regulations and guidelines to implement the Conservation Program and may amend such rules, regulations, and guidelines from time to time, as the Director may deem necessary.

II. Definitions

Applicant – The customer of record responsible for payment of water utility or wastewater utility service, or both; and who is both the property owner and the occupant of the premises for which an application for financial assistance is made.

City – City of Richmond, Virginia.

Conservation Need – The degree to which repair or replacement of water-inefficient appliances and plumbing is expected to ensure (i) more sustainable operation of the City's water utility and wastewater utility facilities; (ii) more sustainable use of the natural resources upon which the utilities rely; and (iii) more affordable utility costs for customers.

Conservation Program – The MetroCare Water Conservation Program.

Conservation Program Third Party Administrator (Administrators) – An entity or entities designated by the Director to perform the functions set forth in Sections III and IV of this Regulation.

Director – Director of the City of Richmond, Virginia Department of Public Utilities.

DPU – City of Richmond, Virginia Department of Public Utilities.

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Financial Assistance – Assistance pursuant to the Conservation Program to eligible Applicants in the form of water audits, direct repair and replacement of plumbing and qualified water-using appliances, and grants intended to provide for repair and replacement of plumbing and qualified water-using appliances.

Program Administrator – A DPU employee designated by, and acting on behalf of, the Director to manage the ongoing operations of the Conservation Program and to have contractual oversight of Conservation Program Third Party Administrators.

Regulation – The MetroCare Water Conservation Program Department Regulation.

Water-Inefficient Appliances – Water using appliances or fixtures which do not meet the United States Environmental Protection Agency (USEPA) WaterSense specifications or other recognized industry standard for water efficiency as the Director may designate from time to time.

III. Conservation Program Oversight and Management

- A. Program Administrator Designation. The Director shall designate a Program Administrator to assist in managing the Conservation Program as set forth in this section.
- B. Implementation Responsibility. The Director or Program Administrator shall oversee, and shall have responsibility for, implementation of the Conservation Program in a manner consistent with this Regulation, City Code, and other applicable law.
- C. Conservation Program Third Party Administrators. The City may contract with, or otherwise arrange with, one or more Conservation Program Third Party Administrators, in accordance with applicable law, to coordinate and provide Financial Assistance, and to provide management or administrative support, or both, for the Conservation Program.

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- D. Determining Intake Locations. The Director or Program Administrator shall work with the Conservation Program Third Party Administrator to determine intake locations which shall be used to receive and review customer applications, to determine eligibility, and to approve or deny such applications.
- E. Financial Assistance Confirmation. The Director or Program Administrator shall determine what information is required to confirm the types of Financial Assistance provided by the Conservation Program Third Party Administrator to each Applicant, and shall develop a form for use in providing such information.

IV. Conservation Program Eligibility; Application Review, Approval, and Priority; Manner of Financial Assistance; Additional Requirements of Conservation Program Third Party Administrator; Fraudulent Application for Financial Assistance

- A. Conservation Program Eligibility. The Conservation Program Third Party Administrator shall apply the following criteria in determining an Applicant's eligibility for Financial Assistance pursuant to the Conservation Program:
 - 1. The Applicant shall be the active DPU water utility or wastewater utility customer of record (or both) for, and the owner and occupant of, the premises for which the application is made.
 - 2. The DPU water utility service, or the DPU wastewater utility service, or both, to the Applicant shall be of the residential service classification.
 - 3. The Applicant's utility service account shall be in good standing with DPU. For the purposes of the Conservation Program, an Applicant's utility account shall be considered to be in good standing (i) if the Applicant's

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utility service account is current with no arrears; or (ii) if the Applicant has a payment arrangement authorized by DPU which is not in default.

4. The Applicant must submit a completed and signed Financial Assistance application attesting to the accuracy of the information completed by the Applicant, and granting to both the City and the Conservation Program Third Party Administrator, access to the Applicant's premises for the purpose of confirming that the Applicant has met the requirements for receiving Financial Assistance.
- B. Application Review, Approval, and Priority. The Conservation Program Third Party Administrator shall comply with the following requirements in reviewing applications for Financial Assistance, in approving or denying applications, in prioritizing allocation of Financial Assistance to approved Applicants, and in reporting to the Director and Program Administrator:
1. Receive each Financial Assistance application and stamp the application with the date received.
 2. Review each Financial Assistance application for completeness, including applicable signatures. The Conservation Program Third Party Administrator shall not process any application without, at a minimum, all of the following supporting documentation:
 - (a) A valid photo identification of the Applicant issued by the United States or the Commonwealth of Virginia (e.g., a valid Virginia state driver's license).
 - (b) The Applicant's most recent bill for DPU water utility services or DPU wastewater utility services, or both, for the residential class of service, listing the Applicant as the customer of record of the premises for which application is made.

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- (c) Satisfactory written support for establishing the size of the household residing at the premises for which the application is made.
 - (d) The Applicant's written and signed statement that the Applicant is both the owner and the occupant of the premises for which application is made.
 - (e) The Applicant's signed agreement to comply with all of the terms and conditions of the offered Financial Assistance.
3. Confirm the Applicant's ownership status of the premises for which the application is made.
 4. Conduct an on-site audit of the premises for which application is made to determine the Applicant's Conservation Need.
 5. Determine the amount of Financial Assistance available which meets the Applicant's Conservation Need.
 6. Approve or deny each application received based upon the requirements set forth in this Regulation.
 7. Prioritize the Financial Assistance to approved Applicants based upon the following criteria:
 - (a) The date on which the application is received, according to the application's date stamp, such that applications received first in time shall be given priority.
 - (b) For applications received on the same day, those applications having the greatest Conservation Need shall be given priority, such that applications having the greatest reduction in household water consumption, wastewater consumption, or both, shall be given priority.

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8. Submit to the Director or Program Administrator such information required by the Director, on a form designated by the Director, to confirm the type of Financial Assistance provided by the Conservation Program Third Party Administrator to each Applicant.
- C. Manner of Financial Assistance. Financial Assistance shall be applied in the following manner:
1. The Conservation Program Third Party Administrator shall determine the type, or types, of Financial Assistance available to the Applicant, and shall arrange for rendition of the Financial Assistance to the Applicant.
 2. The Conservation Program Third Party Administrator shall submit a monthly report to the Director or Program Administrator, detailing (i) information as required by the Director or Program Administrator for Applicants approved for Financial Assistance; and (ii) the type of Financial Assistance provided.
 3. The Conservation Program Third Party Administrator shall attach an invoice to the monthly report detailing (i) the number and types of Financial Assistance provided to Applicants approved for Financial Assistance during the monthly reporting period; and (ii) any other information as determined by the Director or Program Administrator.
 4. DPU will process the invoice received from the Conservation Program Third Party Administrator in accordance with funding sources available for the Conservation Program and the types of Financial Assistance provided by the Conservation Program Third Party Administrator, and in accordance with the agreement between the Conservation Program Third Party Administrator and the City.

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D. Additional Requirements of Conservation Program Third Party Administrator. The Conservation Program Third Party Administrator shall ensure compliance with the following additional Conservation Program requirements:

1. No Applicant shall be approved for Financial Assistance more than once during any given fiscal year.
2. No Financial Assistance provided to an Applicant shall exceed the maximum amount as determined by the Director.
3. Any Applicant whose application has been denied by a Conservation Program Third Party Administrator shall be ineligible to reapply for Financial Assistance until at least three months from the date of denial of the application, absent the Applicant showing good cause for reconsideration.
4. The Conservation Program Third Party Administrator shall provide to the Program Administrator a monthly report listing Financial Assistance for applicants in a format prescribed by DPU. The report shall include, at a minimum, a listing of all applications received, approved, and denied; the amount of Financial Assistance approved for each approved application, and any other information prescribed by the Director or Program Administrator.
5. The Conservation Program Third Party Administrator shall provide to the Director and Program Administrator any other reports and information concerning the Conservation Program activities as the Director or Program Administrator reasonably requests.
6. Upon receipt of the Director's or Program Administrator's written notification, pursuant to Section IV.E of this Regulation, of the grounds for revoking the Applicant's Financial Assistance, the Conservation Program

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Third Party Administrator shall reimburse the City for the amount of Financial Assistance received by the Applicant.

E. Fraudulent Application for Financial Assistance.

1. The Director or Program Administrator shall revoke an approved Conservation Program Financial Assistance if it is determined that (i) the Applicant does not meet the eligibility criteria outlined in Section IV.A., (ii) the Applicant committed an unlawful act as set forth in City Code Section 28-2, or (iii) both.
2. The Director or Program Administrator shall provide written notification, within 30 days of the determination, to the Applicant and the Conservation Program Third Party Administrator of the grounds for revoking the Financial Assistance received by the Applicant.
3. The Applicant shall be prohibited from making future application for Financial Assistance under this Regulation, absent the Applicant showing good cause for reconsideration.

V. **Conservation Program Funding**

- A. Funding Sources. Financial Assistance funding may come from any or all of the following sources set forth below. Proposed funding sources may require additional City approvals.
1. General Fund appropriations by the City.
 2. Event fundraisers.
 3. Customer donations received through DPU's customer bill payment remittance process and other gifts to the City in support of the Conservation Program.

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4. Grants obtained either by the City, the Conservation Program Third Party Administrator (Administrators), or both, designated for the purposes set forth by this Regulation.
 5. Additional sources as otherwise may be authorized by law.
- B. Accounting for Financial Assistance. DPU will process and account for Financial Assistance receipts from funding sources using its Customer Information System (CIS), Financial Accounting System (FAS), or both, and FAS policies and procedures as appropriate for each funding source.
 - C. Conservation Third Party Administrator Reimbursement. DPU will process and account for Financial Assistance reimbursement to the Conservation Program Third Party Administrator (Administrators) using its accounts payable system and FAS policies and procedures as appropriate.
 - D. Fund Confirmation and Certification. The Director or Program Administrator shall, from time-to-time, certify the maximum Financial Assistance amount available for any Applicant based upon availability of Conservation Program funds and consumer demand for Financial Assistance.
 - E. Program Period. The Conservation Program fiscal year will coincide with the DPU fiscal year.

VI. Conservation Goals

- A. Sustainability and Affordability. The Conservation Program seeks through the repair or replacement of water-inefficient appliances and plumbing to ensure (i) more sustainable operation of the City's water utility and wastewater utility facilities; (ii) more sustainable use of the natural resources upon which the utilities rely; and (iii) more affordable utility costs for customers.

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- B. Setting Conservation Goals. The Director, at the beginning of each fiscal year and in accordance with approved funding for the Conservation Program, shall set conservation goals for the coming fiscal year for (i) the number of water audits to be performed, (ii) the number of direct repair and replacements of plumbing and qualified water using appliances or fixtures, by type, and (iii) any other conservation goals set by the Director.
- C. Conservation Goal Progress Assessment. At the end of each fiscal year, the Director shall assess the progress in meeting the conservation goals established for the fiscal year, pursuant to Section VI.B.

VII. Records Management; Annual Review; Audits

- A. Retaining Records. The Conservation Program Third Party Administrator shall manage and retain all records required by, or pertaining to, the Conservation Program (including, but not necessarily limited to, records of disposition of all Financial Assistance applications received, approved, and denied) for at least seven years or such longer period of time as determined by the Director. The Conservation Program Third Party Administrator shall not release any records retained in connection with the Conservation Program to any party other than the Director, Program Administrator, and City Internal Auditor unless required to do so by operation of law. Prior to releasing any such records, the Conservation Program Third Party Administrator shall provide the Director with sufficient notice intended to provide the Director the opportunity to comment and oppose such release.
- B. Annual Review. The Director and Program Administrator shall review the Conservation Program Third Party Administrator's locations, practices, and program records at least once in each 12-month period, and shall recommend or require changes as determined by the review. The Conservation Program Third Party Administrator shall cooperate fully with the Director and Program Administrator in undertaking such reviews, including providing the

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Director, Program Administrator, and their designees with access to locations and providing copies of all program records as requested.

- C. Right of Inspection. The Director, Program Administrator, and their designees shall have the right to inspect, upon reasonable notice, an Applicant's premises to verify the type and amount of Financial Assistance the Applicant has received from the Conservation Program Third Party Administrator.
- D. Internal Auditor. The City Internal Auditor shall have the right to audit the Conservation Program as necessary, including, upon reasonable notice, the right to access the records of the Conservation Program Third Party Administrator(s).

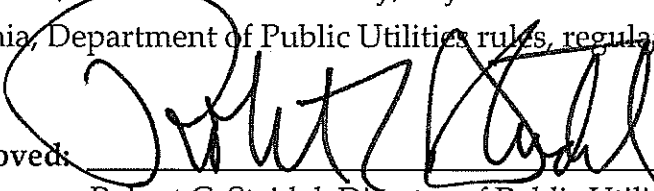
VIII. Special Provision

Nothing in this Regulation shall be construed to limit or alter the Director's discretion or authority, as otherwise required or permitted by law.

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This Regulation shall become effective June 6, 2016, and at that time shall supersede, to the extent necessary, any and all conflicting City of Richmond, Virginia, Department of Public Utilities rules, regulations, policies, and guidelines.

Approved: _____


Robert C. Steidel, Director of Public Utilities, City of Richmond, Virginia

Date: _____

6. June. 2016
