

Policy of the Board of Directors

POWER THEFTS/DIVERSIONS

GENERAL POLICY STATEMENT

It is the policy of the Board of Directors to discourage power thefts/diversions, and if discovered, to take steps necessary to ensure that further theft/diversion will not occur.

SUSPECTED POWER THEFT/DIVERSION

Staff shall make best efforts to inspect all metering installations at least twice a year. Upon such inspection the District will suspect that power theft/diversion has occurred at a service location if:

1. The meter, meter glass, meter ring, or ring seal has been tampered with; or if the ring seal serial number does not match the number on record.
2. Noticeable electric use is occurring, while the meter is not registering or the amount registering is unusually low for the notable use of electricity.
3. The records of usage at the service location remains in the same customer's name and indicates a 40% or greater drop in average monthly usage within the past twelve (12) months, or for two or more months a 50% drop in usage for the same month the previous year.

RESPONSE TO SUSPECTED POWER THEFT/DIVERSION

The District's response to suspected power theft/diversion will be commensurate with the cause of suspicion.

1. If the meter, meter glass, meter ring, or ring seal has been tampered with; or if the ring seal serial number does not match the number on record, the meter shall be inspected to determine if there is any evidence of jamming or bypassing the meter. If not, all metering equipment tampered with shall be replaced and sealed with a new ring seal. The customer shall be notified of such actions. The customer shall not be told that power theft/diversion is suspected, but merely informed that the District has discovered something abnormal about the meter or service, and corrected it.
2. For all other causes for suspicion of power theft/diversion, a District's pole top/pad mount metering devices shall be installed.

DETERMINATION OF POWER THEFT/DIVERSION

The District shall determine that power theft/diversion has occurred if:

1. Upon inspection there is evidence that the metering equipment has been jammed or bypassed; or
2. After correcting meter, meter glass, meter ring, or ring seal that has been tampered with; similar tampering has occurred and the account has not changed names since the correction was made and the customer so notified; or
3. The ring seal serial number has previously been verified to match the number on record and no longer does and the account has not changed names since the correction or seal was replaced;
or

4. A District pole top/pad mount metering devices has been installed and there is a discrepancy between the meter the District utilizes for billing purposes and the pole top/pad mounted metering device; or
5. The District's tap locating equipment discovers an unauthorized tap; or an unauthorized tap is clearly visible; AND
6. In addition to the above there is a noticeable drop in the recorded electric consumption while the account was in the current customer's name.

RESPONSE TO POWER THEFT/DIVERSION

If there is not a noticeable drop in the recorded electric consumption while the account was in the current customer's name, or no other clear evidence that the power theft/diversion was initiated by the current customer, the District will take appropriate action to stop the power theft/diversion, otherwise the following actions shall occur:

1. The Sheriff's Department will be contacted allowing a Deputy to observe the possible power theft/diversion and the measures the District takes to correct the power theft/diversion.
2. The District will disconnect the service without prior notice.
3. Restoration of service shall be conditioned on the customer paying:
 - a. A double deposit under the District's Deposit Policy;
 - b. The appropriate Connect Fee;
 - c. The replacement cost for any damage to the meter, or other District facilities;
 - d. All District labor costs associated with detecting and repairing the theft/diversion;
 - e. At customer expense, restore the service to its original state or a condition that is compliant with the District's Policies and Electric System Construction Standards, which may include inspection of the service panel by the County Building Department.
 - f. The amount calculated by Staff for the stolen power.
4. Should the customer choose not to restore power to that location, the above-mentioned charges shall be applicable to any account within the District's service area for which the individual maintains an active account or requests service connection at a different location.

DETERMINATION OF POWER THEFT/DIVERSION LOSSES

The District shall calculate the amount of power stolen and bill the customer using one of the following methods:

1. If a metering device was utilized to determine power theft/diversion and District staff can determine the timeframe the theft/diversion was occurring based on usage patterns, Staff will take the difference in the average daily consumption between the meter used for billing purposes and the metering device, multiplied by the number of days the theft/diversion occurred to determine the amount of power stolen; or
2. If a metering device was not utilized to determine the average daily consumption before and after the time that power theft/diversion is suspected to have begun, then 90% of the difference in daily consumption, before and after the theft/diversion is believed to have started, shall be multiplied by the number of days the power theft/diversion is suspected to have occurred. This amount of energy will then be multiplied by the applicable rate, and the District shall seek recovery; or


3. If Staff is unable to estimate the usage stolen based on either of the calculations addressed above, District staff shall estimate the usage stolen based on the nameplate information for the equipment/light that was in operation. Staff shall multiply the kW from the nameplate information of the equipment/light, by an estimated number of hours in a day the equipment/light operated, multiplied by the number of days the power theft/diversion is suspected to have occurred. This amount of energy will then be multiplied by the applicable rate, and the District shall seek recovery.

AMORTIZATION OF CHARGES

If the customer either; a) elects to reestablish service at the location the power theft occurred, b) has an active account at a different location, or c) establishes service at a different location, the calculated amount from either the costs to restore power, excluding the double deposit and Connect Fee, or the billed amount of estimated usage may be included in an Amortization Account, per the District's Amortized Accounts Policy. The customer shall be required to sign the Amortization Account contract as a condition of restoring service.

PROSECUTION OF POWER THEFT/DIVERSION

The District shall take all practical steps to request the District Attorney's Office to criminally prosecute any cases of power theft/diversion to the full extent of the law. Should the District Attorney choose not to vigorously pursue the case, and if the amount of suspected losses exceeds \$400, District staff shall proceed with appropriate civil action to recover the funds including treble damages, costs of suit, attorney's fees and any other remedies allowed for by law.



Richard L. Morris, President