

# Adjustment for Errors in Electric Bills Rule and Regulation 10

## I. Investigation of Billing Error

Whenever the correctness of any bill for electric service is questioned, SMUD will cause an investigation to be made. Where the bill is questioned by the customer, SMUD may require such customer to deposit the amount of such disputed bill as evidence of good faith. Bills that do not reflect the correct charges for electric service actually rendered to the customer in accordance with applicable SMUD electric rates shall be adjusted to a correct basis as determined by SMUD's investigation.

## II. Adjustment of Bills for Billing Error

A billing error is a bill that does not reflect the correct charges for electric service rendered to the customer, which may include but is not limited to incorrect meter reads or clerical errors such as applying the wrong rate and/or rate option, wrong billing factor or an incorrect calculation. Billing error does **not** include a meter error or unauthorized use; switch or mismarked meters by other than SMUD; improper customer wiring; inaccessible meter; failure of the customer to notify SMUD of changes in the customer's equipment or operation; or failure of the customer to take advantage of a rate or condition of service for which the customer is eligible and has been given notification through a bill insert.

Where SMUD overcharges or undercharges a customer as a result of a billing error, SMUD may render an adjusted bill for the amount of the undercharge, without interest, and shall issue a refund or credit to the customer for the amount of the overcharge, without interest, for the period of the billing error, but not to exceed three years from the date of discovery in the case of an undercharge or overcharge.

## III. Adjustment of Bills for Meter Error

Adjustments to bills for meter error shall be made in accordance with the provisions of Rule and Regulation 17.

## IV. Adjustment of Bills for Unauthorized Use

Where SMUD determines that there has been unauthorized use of electric service, SMUD may bill the customer for SMUD's estimate of such unauthorized use for the substantiated period of the infraction. Nothing in this rule shall be interpreted as limiting SMUD's right under any provisions of any applicable law.

## V. Limitation on Adjustment of Bills for Energy Use

For any error in billing not defined as a billing error, meter error, or unauthorized use, SMUD is not required to adjust the bill. However, any billing adjustment not specifically covered in the rules and regulations for an undercharge or overcharge shall not exceed three years from the date of discovery.

Where information required for correct billing is not subject to exact determination or is questioned, SMUD shall make such estimates as may be necessary by means of tests, analysis, or inquiry in a manner and to the extent SMUD considers appropriate in the circumstances.

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