## **MEMORANDUM**



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228 Georgetown Rd Jacksonville, NC 28540 TO: The ONWASA Board of Directors

ONWASA Leadership Team ONWASA Customer Service

FROM: Jeffrey Hudson, CEO DATE: December 12, 2018

RE: Question Regarding November 2018 Customer Bills

The first ONWASA customer bills for the month of November 2018 were received by customers late last week and early this week. At our offices, we have received a question as to why the bill for November may be larger than the typical bill received by a resident. While there is always the possibility of a water leak at the service location, this month there may be another possible cause for the bill being higher than the past two months.

Immediately following Hurricane Florence, ONWASA personnel were unable to access many areas to read customer meters. This required ONWASA to base the September bill on an "average usage" amount.

While still recovering from Hurricane Florence, ONWASA was hit by a cyber-attack which crippled all computer systems. The cyber-attack prevented ONWASA from inputting real-time customer meter readings for the month of October 2018. In an unprecedented occurrence, ONWASA was forced to use an "average usage" amount for a second consecutive month.

Average usage for a customer was based on a 3-month average of each individual account. March, April, and May 2018 usages were chosen to average since they represent fairly "typical" months. Students are in school during those months, just as in September and October. In addition, those three months do not represent the least amount of usage (which occurs mid-winter) or the greatest typical usage (which occurs mid-summer).

As ONWASA approached the November billing cycles, computers were back online, and meter technicians were able to access all parts of the service area. Therefore, real-time, on-site readings were once again taken in November. As accurate, site-based readings from each meter entered the computer system, each customer's account would have:

 registered an upward jump in usage if the gallons that flowed through the meter were in great excess of the estimated "average usage" amounts that were entered for the months of September and October 2018

- registered a downward trend in usage if the gallons that flowed through the meter were in much less than the estimated "average usage" amounts that were entered for the months of September and October 2018
- appeared to be normal usage if the actual gallons that flowed through the meter was close to the estimated "average usage" amounts that were entered for the months of September and October 2018

Under the first scenario, where actual usage over two months is higher than the estimate and was discovered during the November on-site read, ONWASA's computer system would bill for all gallons not previously billed in prior months. This would make a single bill appear to be higher, because the usage occurred at some time between September and November, not just in one single month.

Under the second scenario, ONWASA's computer system would have already recognized the utility had over-estimated usage and billed too much and a credit would be applied to the account automatically.

Under the third scenario, the estimate was close to the actual usage, which would cause no concern.

In every instance, the November bill resolves the difference between two months of estimates and the actual gallons used by a customer. ONWASA encourages any customer with questions about their bill to contact the Customer Service Department. Customer Service Representatives routinely answer questions about accounts and set up payment arrangements when needed by customers (in accordance with ONWASA policies).

It should be reemphasized that the forgoing discussion does not take into account leaks or normal high usage that may have happened on the customer's side of the meter.

**END**