TCEQ GENERAL INFORMATION
Water Supply Division
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Tenant Guide to *Submetered* Water or Wastewater Service

What is submetered utility service?

Under a lease agreement, a property owner or designated submetered service provider will bill you for water and perhaps wastewater using a method called *submetering.* The property owner or submeter service provider receives water and wastewater service from the local utility, and has installed a *submeter* or point-of-use submeter for each unit to measure each tenant's water use. At the time you discuss a rental agreement, the property owner must provide you with a free copy of either the rules on utility submetering (Title 30, Texas Administrative Code, Chapter 291, Subchapter H), or a copy of this summary of the rules that has been prepared by the Texas Commission on Environmental Quality (TCEQ).

How does submetering work?

You will receive a bill from the property owner or a billing company, not from the local utility company. Submetered facilities have individual *submeters* or *point-of-use submeters* that are installed and owned by the property owner, not by the local utility. The owner or a billing company reads your submeter and determines your actual water consumption to calculate your bill.

How will my submetered bill be determined?

Under submetering, the property owner or a billing company uses your actual water consumption, as read on your submeter, and multiplies it by either:

- the owner's cost per gallon, liter, or cubic foot for water, as computed from the utility's bill; or
- the utility's charge per gallon, liter, or cubic foot for water, as shown on the utility's rate schedule.

The owner may also calculate wastewater charges the same way—again using your water consumption, since wastewater is not metered.

A manufactured home rental community that bills on a submetered basis may also assess a *service charge.* This charge must not exceed *9 percent* of the tenant's charge for water service.

If you have questions about your bill, ask your property owner or submeter service provider to explain submetering and how the bill was calculated (see "What records must be made available to me concerning submetered service?" in this publication).

Is this practice legal?

Yes, Texas law allows owners or submetered service providers to bill tenants for water and wastewater service. Under this law, the TCEQ has adopted rules designed to provide safeguards for you, the tenant. The rules require the property owner to provide you with specific information about your bills and to include disclosures about their billing practices in your rental agreement. It is important for you to be familiar with these requirements, because any billing disputes that arise must be resolved by you and the property owner, usually by working with the on-site manager.

What should my rental agreement include concerning submetered water or wastewater service?

Your rental agreement, lease, or a lease addendum, should disclose the following information:

- Disputes about the calculation of your bill or the accuracy of a submeter are between you and the property owner
- You will be billed for submetered service.
- You will be billed for water and/or wastewater, and perhaps for hot water from a central system.
- You have the right to receive information from the owner to verify your submetered bill.
- The average monthly water/wastewater bill for all dwelling units in the previous calendar year, and the highest and lowest bill in that year.
- The date submeters are usually read.
- The date bills are usually issued.
- The date bill payments are usually due.
- The number of days it will take to repair a leak in your dwelling unit, after you have reported it in writing.
- The number of days it will take to repair a leak in an unmetered common area that you report in writing.

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What utility charges can be passed through to tenants?

Submetered bills for water and wastewater may only include utility charges for water, wastewater, and surcharges directly related to those services. Tenants may not be charged for fees the utility has billed the owner for a deposit, disconnect, reconnect, late payment, or other similar fee. Texas law does not allow property owners to profit from submetered billing by adding extra fees or hidden charges to water and wastewater bills.

What records must be made available to me concerning submetered service?

The TCEQ rules require property owners to make the following records available to you for inspection at the manager's office during normal business hours. The owner or manager may ask you to submit a written request to view this information. Records routinely kept at the on-site manager's office should be made available within *three* days.

Records routinely kept elsewhere should be made available within *15 days* of receiving your written request. If there is no on-site manager's office, the owner must make copies of requested information available at your dwelling unit, at a time agreed to by you, within *30 days* of receiving your written request.

Information that must be made available to you includes:

- the statute that allows owners to bill tenants for water and wastewater service (Texas Water Code, Chapter 13, Subchapter M);
- TCEQ rules that regulate this practice (Title 30, Texas Administrative Code, Chapter 291, Subchapter H);
- rates charged to the property by the utility;
- bills from the utility to the property;
- total amount billed to tenants each month for water/wastewater;
- total amount collected from tenants each month for water/wastewater;
- all submeter readings;
- all submeter test results;
- calculation of the average cost per gallon, liter, or cubic foot;
- chart showing how the utility's unit of measure is converted to the unit of measure used by the tenant's submeter (if applicable);
- any other information you would need to calculate and verify your water/wastewater bill; and
- conservation tips.

What information must be included on my submetered bill?

- Tenant's name and address.
- Amount due for dwelling unit base charge or customer service charge, or both, if applicable.
- Amount due for water and/or wastewater.
- Payment due date.
- Number of gallons, liters, or cubic feet you used.
- Cost per gallon, liter, or cubic foot for each service provided.
- Dates and readings of the submeter at the beginning and end of the period for which the bill is rendered.
- Name of the retail public utility and a statement that the bill is not from the retail public utility.
- Name of the billing company, if applicable.
- Name, address, and telephone number of the party to whom payment is to be made.
- Name or title, address, and phone number of the company or person to be contacted about a dispute.
- Amount due for a service charge assessed by a manufactured home rental community.

How do I dispute a submetered bill?

Disputes about the calculation of your bill or the accuracy of a submeter are between you and the property owner. You are encouraged to file billing disputes *in writing* with the person identified on your bill to contact about disputes--usually the owner, the on-site manager, or a billing company. The owner or designated person must then investigate the dispute and report the results of the investigation to you in writing. The investigation and report must be completed within *30 days* from the date you provide written notification. If you find that a TCEQ rule has been violated, please document your findings and contact the TCEQ at the address provided at the end of this publication.

When is my submetered bill due?

Your bill is due on receipt. Your payment will be considered late if it is not received within *16 days* after the bill is mailed or hand-delivered to you.

Can my water or wastewater service be disconnected for nonpayment?

No, your service cannot be disconnected for nonpayment.

Can the owner or submetered service provider change the way I am billed for submetered service?

No, not unless:

- the owner has received TCEQ approval to bill on an *allocated*, rather than on a submetered basis (for more information on allocated utility bills, see TCEQ publication, *Tenant Guide to Allocated Water or Wastewater Service*, GI-276);
- the owner has given you notice of the proposed change at least *35 days* prior to implementing the new method;
- you have agreed to the change by signing a lease or other written agreement.

Who is responsible for the submeter or point-of-use submeter?

The property owner or submetered service provider is responsible for installing, maintaining, and testing all submeters or point-of-use submeters. If you ask for a meter test in writing, the owner must do either one of two things at no charge to you:

- provide evidence that the meter was calibrated or tested and shown to be accurate within the preceding 24 months, in accord with standards established by the American Water Works Association for submeters or the American Society of Mechanical Engineers for point-of-use and branch water submetering systems; or
- remove and test your meter and promptly advise you of the test results. If you request additional testing, you may be billed up to $25 for the actual testing cost.

For more information

This guide summarizes only some of the TCEQ rules regarding submetered and point-of-use submetered billing. A property owner must be familiar with, and comply with, all applicable state laws and rules. Tenants are encouraged to refer to those sources for additional, detailed information.

Violations of TCEQ rules should be documented in writing and sent to: Utilities & Districts Section, MC-153; TCEQ, P.O. Box 13087; Austin, TX 78711-3087.

You may also call the Utilities & Districts Section at 512-239-4691, or visit the TCEQ Web site at <www.tceq.texas.gov>.