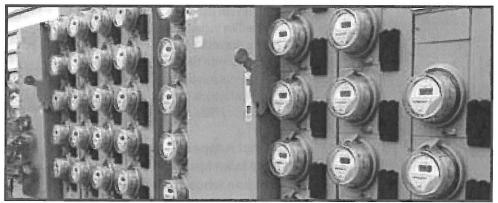


WEBSITE:

www.occ.ohio.gov

UTILITY SERVICE AND RENTING a home or an apartment



Q. When renting a home or an apartment, who is responsible for setting up electric, natural gas, telephone and water service, sending in payments and/or closing such service accounts?

A. The rental agreement should explain who is responsible for establishing these utility service accounts. Landlords are responsible for establishing service if the utility bills are included in the monthly rent. On the other hand, if utilities are not included in the rent as part of a master meter account, tenants are responsible for contacting the utility companies directly to establish and/or close service and pay their bills. If this is the case, the tenant also may have to demonstrate creditworthiness. This also could include paying a deposit to the utility to begin service.

Q. Are there circumstances in which utility service is included in the rent?

A. Yes. One of the more common circumstances is when each apartment in a building or complex does not have separate meters to measure usage for each tenant. In this situation, there is

usually a single master-meter for the entire building or complex.

Q. What is master metering and how does it work?

- A. Master metering is a method where the electric, natural gas or water usage for an entire building or complex is measured by the same meter. This only occurs when the utility service is in the landlord's name. The rental agreement will typically specify how the mastermetered bill is to be apportioned between individual tenants when utilities are not paid for within rent.
- Q. If utility payments are included in the monthly rent, and the tenant has paid the monthly rent can the utility disconnect service from an apartment if the landlord does not pay the utility?
- A. The company can disconnect for non-payment if the landlord has not paid for the service. However, the utility companies are required to provide a fourteen-day notice to the landlord. At the end of the 14 days, the utility is then required to provide a separate ten-day



notice to the individual tenants or in conspicuous locations at the premise of the pending disconnection. If a payment is not made after both of these notices, the utility company can proceed with disconnection procedures.

Q. What can a tenant do if the service is in the landlord's name, but fails to pay the bills?

A. The ten-day notice includes specific remedies available for the tenants to prevent the disconnection. These remedies include requesting forms from the utility that establish an escrow account with the local court. Rental payments can be made to the escrow account which can also be used to pay the utility bills.

Q. What happens if several people live in an apartment but the person whose name is on the utility bill moves out?

A. If the person who moved out no longer wants the service in their name, a resident of the rental unit can apply for utility service. If the previous customer owes money to the utility, the utility may require proof that the previous customer no longer lives at the location. The utility can deny new service or disconnect service to a new customer if the previous customer has failed to pay the bill and continues to live at the address.

Q. If a tenant moves out and does not terminate or disconnect his or her telephone service, will the next tenant have problems establishing service?

A. There could be problems, depending on the specific circumstances. For example, if the tenant who has moved out of the residence chooses to receive service through a company other than the local telephone provider, the new tenant may not be able to install service until the previous service is disconnected.

Q. If there are necessary repairs to mechanical equipment in the home or apartment, such as a furnace, heat pump, air conditioner or water heater, who is responsible for such repairs?

A. This depends on the terms and conditions listed in a rental agreement, but regular maintenance and repair is generally a landlord's responsibility. It is possible that the tenant can be responsible if the tenant caused the damage outside of normal use.

Q. Who is responsible for repairs to the utility lines going to the apartment?

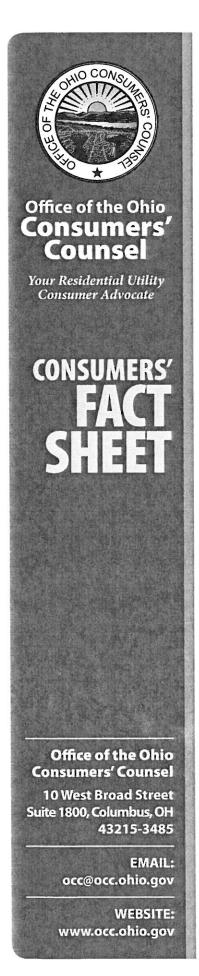
A. The responsibility for maintaining this portion of the line would generally be with either the utility, the landlord or owner of the property.

Q. Is it necessary to enroll in insurance programs for electric, natural gas, telephone and water service lines?

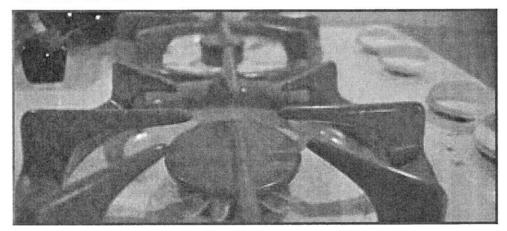
A. No, these plans are optional and may not be in the renter's best interest, especially if they are not responsible for maintaining utility lines. For more information contact OCC to request "The facts about utility line warranties" fact sheet.

Q. Can a consumer who is renting participate in energy choice or aggregation programs?

A. If the consumer participates in the Percentage of Income Payment Plan or has their service master metered, then he or she cannot enroll in energy choice or aggregation programs. All others are eligible to participate in energy choice or aggregation programs. Energy choice and aggregation are two ways that consumers can choose which utility supplies their electric or natural gas. For natural gas, the rate provided by the local utility has historically been lower than that of an energy marketer. OCC provides information about energy choice and aggregation in various fact sheets available at www.occ.ohio.gov.



The Facts About UTILITY LINE WARRANTIES



In Ohio, many utility customers have an opportunity to enroll in a program that helps cover the cost of repairing utility lines or equipment. Customer-responsible line repairs occur infrequently. The Office of the Ohio Consumers' Counsel (OCC), the residential utility consumer advocate, offers the following information to consider when deciding whether to purchase any utility warranty program.

What is line insurance?

Line warranties are designed to cover the cost of repairs to utility lines that run to or inside a home. Programs are offered through a customers' utility company or another business. Generally, utilities are responsible for the lines from the meter that are outside of a house. Property owners are typically responsible for gas lines from the meter that lead inside their house.

Customers should call the company that serves their natural gas to verify what their responsibility is regarding the lines in and around their house. The warranty typically covers the cost of fixing what would otherwise be the customer's responsibility.

Electric, Natural Gas and Water

Line warranties provide partial to full payment for service on your electric, natural gas or water lines, if you contact a utility company to fix the problem. These programs cost an additional fee that may be billed separately or added to your monthly utility bill. Many programs cover problems such as cracks in natural gas and water lines or aging electric lines that cause outages that are inside your home as well as the lines (except gas) that travel from the curb to your home.

Telephone

Many local telephone companies offer "Inside-Wiring Maintenance Plans." Customers pay a monthly fee and, in return, the companies repair any inside-wiring problem if covered by the plan. Some plans include a replacement telephone or telephone jacks. If you are thinking about signing up for such a plan, gather as much information as possible to make a well-informed decision.

The Facts About UTILITY LINE WARRANTIES

CONSUMERS' FACT SHEET

The Office of the Ohio Consumers' Counsel (OCC), the residential utility consumer advocate, represents the interests of 4.5 million households in proceedings before state and federal regulators and in the courts.

The state agency also educates consumers about electric, natural gas, telephone and water issues.

For more information, please visit the OCC website at www.occ.ohio.gov.



The Office of the Ohio Consumers' Counsel is an equal opportunity employer and provider of services.

What do line warranties cost?

Many companies offering line warranty programs charge between \$3 and \$10 per month depending on the type and the number of programs you enroll in. Some companies may offer a one-time annual fee between \$36 and \$120 to cover problems with utility lines. Depending on the company, the monthly fee covers between \$1,000 and \$4,000 toward applicable repairs or replacements.

Issues to consider before signing up for a line warranty plan:

- Many customers may never need to replace or have repairs made to a utility line.
- Talk with your neighbors to see if any of them have had to schedule repairs or replacements. If you live in an older neighborhood (more than 40 years old) where pipes and lines are still the originals and if your neighbors have had replacements, you may want to consider purchasing a plan.
- ► For telephone lines, most problems typically occur every 20 to 30 years.
- ▶ Many companies will not cover repairs to pre-existing conditions in the line and have provisions to inspect the insured line within a few months of the program start date.
- ► Talk with the company before spending any money to see exactly what is covered and how a condition is determined to be pre-existing.
- Ask the specific amount of a monthly fee and if there are any additional sign-up charges.



Who can help?

For more information on the available warranty programs and to find out more information about utility line insurance, customers may call their local utility to find out more detailed information about the programs available in their area.