

City of Evansville Utility
Account Policy and Procedure Manual



Adopted by the Municipal Services Committee 09/26/17

Purpose and Scope

The purpose of this manual is to provide staff and utility customers a general frame of reference on how billing, payments, agreements and disconnections should be conducted.

The scope of this manual is for utility account collection, protection and service. While some of these policies may be duplicated from or used by other departments within the City, this document is specific to utility accounts

Segregation of Duties

Staff

- No person shall both adjust a bill for any reason set forth in this policy, in PSC regulations or any other policy or statute and collect payment of the adjusted bill.
- If a staff member makes an adjustment to a bill due to an error or agreement, another staff member must take payment.

Request for Information

As allowed by the Public Service Commission's administrative rules, if another person, including a family member, requests a customer's information, the utility shall follow Wisconsin Statute 196.137 concerning sharing municipal utility customer information. This statute defines customer information as "any information received from customers which serves to identify customers individually by usage or account status." Under this statute, a utility is prohibited from releasing customer information to any person except:

- Agents, vendors, partners, or affiliates of the municipal utility that are engaged to perform any services or functions for or on behalf of the municipal utility.
- In connection with an issue of municipal securities and to the extent the municipal utility determines release is necessary to comply with securities disclosure obligations, a lender or a purchaser, or potential purchaser, of or investor, or potential investor, in municipal securities.
- In connection with the preparation of real estate closing documents, a title agent, insurer, lender, mortgage broker, or attorney providing legal services.

- In connection with a real estate transaction or appraisal of real property, a real estate broker or salesperson licensed under chapter 452 or an appraiser certified or licensed under chapter 458.
- In connection with the foreclosure of real property, a lender or prospective purchaser.
- Transmission and distribution utilities and operators within whose geographic service territory the customer is located.
- The commission or any person whom the commission authorizes by order or rule to receive the customer information.
- An owner of a rental dwelling unit to whom the municipal utility provides notice of past-due charges pursuant to s. 66.0809 (5).
- An owner of real property provided with municipal utility service or the owner's designated agent or representative.
- Any person who is otherwise authorized by law to receive the customer information.

When necessary the City may need to consult its legal advisor(s) or the Public Service Commission when determining if the requesting party meets one or more of these exclusions.

Application for Service

Owner Occupants

- An 'Application for Service' is required before water and/or electrical service can be provided.
- Customers are required to provide information (full name and date of birth) and identification (i.e. driver's license, passport, etc.) as identified in **PSC 133.0408 (2) (c)** before service is placed in their name.
- Applications submitted by closing companies in the owner/occupant's name may be sufficient.
- The City will ask for best contact information (i.e. cell phone or home phone) to contact the customer in case of emergency, service interruption or billing.

Rental Properties

- The service may remain in the landlord's name until the tenant completes the 'Application for Service'.
- Customers are required to provide information (full name and date of birth) and identification (i.e. driver's license, passport, etc.) as identified in **PSC 133.0408 (2) (c)** before service is placed in their name.

- The City will ask for best contact information (i.e. cell phone or home phone) to contact the customer in case of emergency, service interruption or billing.
- Landlords may complete a 'Landlord Agreement' if they wish to hold the utility account in their name or limits on the utility account.

Closing and Transferring Accounts

Practice

- The City of Evansville closes all accounts with a final bill when a transfers are required. The purpose is the final bill shows a clear point of transfer (date and use) allowing both parties clear and separate financial obligations.
- Unless the new account owner's information is already on the account to be transferred, a new 'Application for Service' form must be completed.
- When faced with an account owner that is unreachable, the City reserves the right to hold transferring the account until the City is satisfied that the listed account owner has abandoned the account so as not to violate Wis. Stat. 196.137.
- In cases of unreachable account owners, proof of the right to transfer or close the account may include, but is not limited to: lease agreements / deed transfer for the same service location, letter stating power of attorney, death certificate, will, trust, estate or more that shows the transfer of property and/or guardianship of the account owner.
- The City does not keep copies of these forms or copies of driver licenses, only the 'Application for Service'.

Fees

- There are no fees associated with transfers of accounts. If voluntarily disconnected or disconnected for non-payment, reconnection fees shall apply. *(These excludes any fees for 3rd party processing fees within the tariff; i.e. title companies)*

Payment Options

Payment Service Network/Online payment

- A confirmation number or a confirmed payment from PSN or other on-line services, in the amount past due, is considered a payment and stops collection/disconnection activity.

- Payments cancelled shall be considered the same as a check returned with non-sufficient funds.
- No employee of the City of Evansville shall set up these on-line accounts for individual customers.

ACH Accounts

- Customer must complete a Direct Payment Form with bank routing and account numbers.
- A voided check may be attached to the form to provide staff the necessary routing and account information.
- Customers may apply for Direct Payment on-line. Staff shall check for new applications in the middle of the month, prior to ACH process and end of the month, prior billing.
- All applications shall be secured in a locked file cabinet.
- Payments cancelled through ACH shall be considered the same as a check returned with non-sufficient funds.

Low Income/Emergency Assistance

- Assistance is available year round and applications can be submitted at any time by a residential utility customer. Residential customers have minimum of 60 days in past due bills before they are disconnected. Notification process during this period provides the necessary reminders and time for an account owner to file for assistance.
- Confirmation of receiving low income or emergency assistance shall only be used to restore power to a customer after it has been disconnected for non-payment. Confirmation via phone, email or fax without payment received by the due date shall not prevent disconnection.

Cash

- All cash denominations paid in \$20.00 or greater shall all be checked with a counterfeit marker.

Checks

- All checks shall be stamped for "Deposit Only".
- The City will not cash checks for any nominal amount.
- No change shall be given for payments made with checks.

Returned Check Process

- The transaction is reversed in cash receipting system and copy of returned check is given to staff for Bank Reconciliation.

- Staff documents the customer's account as having non-sufficient funds (NSF).
- A letter is sent to the owner of the check via certified mail.
- Customer has 10 business days to pay the bill and NSF fee.
- If not corrected within 10 days, information may be sent to the police department for an ordinance violation.
- The City shall refuse payment by checks from individuals who have made two NSF transactions within 12 months.
- Refusal of check payment shall apply for 12 months.
- Returned checks and NSF fees must be paid in full in order to avoid disconnection.

Postdated Checks

- For convenience of the customer, the City will accept postdated checks if they are postdated prior to any late fee dates or shut off dates.
- Postdated checks cannot be used to avoid late fees, penalties or disconnection.

Credit or Debit Card

- All staff shall check the back of the credit cards for signatures and ask for identification if:
 - The card owner information does not match the account information.
 - The card signature line requests an identification check.
 - The signatures of the receipt and the back of the card do not match.
- If information does not match any of the above, the person shall instead pay by check, debit card if security pin number entry or cash.
- Any additional charges for service and use of a credit or debit payment system shall be charged to the customer at the time of the transaction.

Deferred Payment Agreements (DPA) for Owner/Customers

Deferred Payment Agreements (DPA) – *An agreement consisting of two distinct components: (1) payment of reasonable amount of the outstanding bill; and (2) installments on the remaining outstanding balance. The terms set below have been found to be reasonable by the Municipal Services Committee and where necessary, approved as part of the City's tariff with the PSC.*

Owner/Customer – When the utility customer also owns the dwelling affixed to the property or a mobile home lot.

Procedure

- First DPA: A minimum of 50% down (includes total account balance *after auto bill*).
- DPA for the remaining balance to be paid within a 3 to 4 month period on the 25th of each month.
- DPAs shall be paid in full by August 25th of the current year.
- Current bills shall be paid in full with the DPA payments.

Default of DPA Procedure

- If the customer is disconnected due to default on a DPA, the City shall not amend the agreement and the customer is responsible to become current on the DPA.
- The default will be recorded on the customer's account.
- The DPA must be paid in full by August 25th of the current year or face assessment and/or collection processes.
- Once disconnected, a customer may be eligible to apply for another DPA.

Amending, Extending, or Altering a DPA

- Utility bill situations that staff find unusual, unforeseen, or not in the customer's control may be submitted for further review. The staff shall not grant an exception, but present the unique situation and remedy to the Municipal Services Committee on a case by case basis. Any exception made shall be first approved by the Municipal Services Committee. Disconnection will be delayed until a decision is made by the Municipal Services Committee.
- The customer must sign a release form stating their name, account number, and the reason or circumstances for the appeal. This is a requirement so that the Committee can discuss the customer's information regarding the account in a public meeting and vote on the changes to the agreement.

Deferred Payment Agreements (DPA) for Renter/Customers

Deferred Payment Agreements – An agreement consisting of two distinct components: (1) payment of reasonable amount of the outstanding bill; and (2) installments on the remaining outstanding balance. The terms set below have

been found to be reasonable by the Municipal Services Committee and where necessary, approved as part of the City's tariff with the PSC.

Renter/Customer – When the utility customer does not own the dwelling affixed to the property or a mobile home lot, and is renting or living at a property, but chooses to place the account in their name.

Disqualifications for DPA – In accordance with Act 274

- The residential tenant has greater than \$100.00 of account arrearages that are more than 90 days past due.
- The residential tenant has defaulted on a deferred payment agreement in the past 12 months.
- The residential tenant is responsible for account arrearages that were placed on any property owner's tax bill in the utility's service territory in the past 24 months.
- The residential tenant has a balance that accrued during the winter moratorium that is more than 80 days past due.

Procedure

- First DPA: A minimum of 50% down (includes total account balance).
- DPA for the remaining balance to be paid within a 3 to 4 month period on the 25th of each month.
- DPAs shall be paid in full by August 25th of the current year.
- Current bills shall be paid in full with the DPA payments.

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Payment Extensions

- Payment extensions are shorter term agreements.
- All rules for accepting a DPA shall apply to any Payment Extension with the only exception being within a shorter time frame. (*clarification; the 50% down payment rule*)
- From October 25th to the end of the calendar year the City will not offer any extensions.
- Notes may be placed on the account about payment arrangements the customer may wish to make during the disconnection moratorium.

Billing Adjustments/Credits

Billing Adjustment - Meter

- Staff have the authority to adjust bills to match meter readings and tariffs/rates only. If the meter reading shows a level of use, the bill matches that use and the account has the appropriate tariff applied, staff cannot alter the bill.
- If there is a dispute on the electric or water meter's accuracy, staff will work within PSC guidelines and may submit the meter for testing with a 3rd party lab.

Billing Adjustment – Spiked Use

- Staff have the authority to adjust bills to match meter readings and tariffs/rates only.
- The City cannot credit back any electric or water use per the PSC.
- If there was a large spike in water use due to a leak in the customer's building, a credit towards the sewer bill may be granted by the Municipal Services Committee.
- Sewer credits are calculated based on a 6 month average prior to the leak. The leak must be corrected and the use showing a return to the average.

- Credit levels for the excess amount will be based on whether the water was diverted from the sanitary sewer system (100% credit) or flowed clean water through the sanitary system (75% credit).
- Only the variable charges can be credited.
- All billing adjustments requires that a consent form be completed by the customer.

Consent Form

- The customer must sign a consent form stating their name, account number, and the reason or circumstances for the appeal. This is a requirement so the Committee may discuss the customer's account in a public meeting, and vote on the credits to the account.

Disconnect Policy

Disconnection Process

- Residential and commercial customers must have a past due amount greater than \$40.00 to be disconnected.
- Residential customers are disconnected for bills 60 days past due.
- Commercial customers are disconnected for bills 30 days past due.
- Mailed notices are sent 10 calendar days prior to the disconnection date.
- As a courtesy, City crews will place reminder cards on the main entry of the building to be disconnected (not the preferred entry of the customer) 24-48 hours before disconnection.
- Services will be disconnected starting at 10:00am of the date noted on the disconnection notice.
- Once the utility personnel have been sent to disconnect the meter, it will be disconnected regardless of payment being received prior to actual disconnect.
- If a customer signs a Deferred Payment Agreement, payments must be made by the due date or service shall be disconnected that following day if the date falls within the disconnection date range.
- After receiving first disconnection notice, if a customer pays the bill by check and the check is returned for non-sufficient funds, the customer's service can be disconnected without further notice, if it is still within the disconnection time span. If not within the time span, a 24 - 48 hour notice will be hung on the door.

Reconnection Process

- The customer shall make a payment equal to all outstanding balances (30 days or greater) or arrange a Deferred Payment Agreement (DPA) and pay a \$40.00 reconnect fee.
- Reconnections will not begin until after utility personnel are done with all disconnections.
- The Water and Light staff will remain available to physically reconnect customers until 4:30 pm on the day of disconnection.
- City Hall staff will remain available to make arrangements or accept payments until 4:30 pm on a standard work day.

Disconnection Moratorium

- The disconnection moratorium is November 1st to April 15th of each year.
- No disconnection can occur at this time for residential customers only.
- If disconnected prior to November 1st for non-payment, the utility is not obligated to reconnect services until the account is made current.
- Late fees, interest and other charges shall be added during the disconnection moratorium.

Final Billing

Rates and Fees

- The utility customer shall be billed to full amount owed per usage on the final billing date.
- All non-variable fees shall be pro-rated at 30 days

Notice

- Customers, property owners and closing companies are responsible for giving adequate notice to the City in order to process the final bill.
- Producing final bills for owners of one to ten units (1-10) shall require notice of three (3) working days.
- Producing final bills for owners of eleven or more (11+) shall require notice of five (5) working days.

Billing and Information

- When a property is changing owner, but not the utility customer, a final billing process must still be completed. The utility customer may have two separate bills both due at the same time because of billing automation.
- A forwarding address is required for all final bills.

- If no forwarding address is provided by the account holder, the City shall mail the bill so that it may be forwarded by the US Postal Service.
- After 4 attempts, paper bills will no longer be printed and mailed.

Collections

State Debt Collections (SDC)

- The account must be 90 days or more past due and over \$50.00 past due.
- The bill must be final. No current bills can be submitted to SDC.
- The City sends a 30 day intent letter to the address on file.
- After 30 days without payment, the account is submitted to SDC.
- At this time there is an alert put on the account to accept payments through SDC only.
- The City shall continue the collection process for a minimum of 8 months ending each year on August 31st.
- If the City is unable to collect through SDC by August 31st the remaining balance shall be assessed.

Assessment Against Property

- Accounts in the name of tenants ("renters") shall be paid in full and made current by August 31st each year. The City notifies landlords of their tenant's status every month if any bills are past due.
- All amounts not collected and ineligible for SDC, shall be sent to the City Clerk for assessment after November 15th of each year.
- The City Clerk will send the assessment to the County prior to November 20th for placement on the tax bill.

Severability

If any statement, procedure or directive within this policy shall, for any reason and to any extent, be invalid or unenforceable, the remaining shall remain in full force and effect.