

CREDIT AND COLLECTION			
DPP NUMBER	DPP 500 P III-302		
EFFECTIVE	02/03/2020	SUPERSEDES	09/11/2019
APPROVED BY	<i>Debra J. Smith</i>		DATE 01/21/2020

1. PURPOSE

To establish the general credit and collection policies and guidelines concerning all monies owing, or that may become owing, and concerning disconnection of customers from receiving electric service due in whole, or in part, to credit and collection actions. This general policy is not intended to limit discretionary actions applied to customer accounts on a case-by-case basis by designated employees.

2. POLICY

2.1 Property Owner Responsibility. A property owner is generally responsible for electric service, unless responsibility for the metered premises is assigned to an occupying tenant per §2.1.1.

2.1.1 The owner or their agent must provide notice to the Department of the dates a tenant starts and ends occupancy or control. Notification must occur within ten (10) business days of the date occupancy/control starts and within ten (10) business days of the occupancy termination date to avoid billing charges to the property owner.

2.1.2 In the event of a dispute, a written agreement between the owner or owner's agent and the tenant establishing parameters for responsibility for electric service may be used to assign financial responsibility for electric bills, provided the owner or their agent has given the Department proper notifications as required in §2.1.1.

2.2 Tenant Responsibility. A tenant may be responsible for electric service received during the period they occupy or control a premise, provided the property owner has met the conditions cited in §2.1.1.

Tenants are responsible for notifying the Department when opening or closing an account. A tenant is responsible for providing a forwarding address on a closed account to facilitate final billing and/or refund of the closed account.

2.3 Deposits. Security deposits may be required as a condition of service, as codified in SMC 21.49.100.I.

2.4 Payment. Payments are applied to the balance of the customer's account and may be made via cash, check debit card or credit card. For partial payments, payments made will be applied to the oldest outstanding debt first.

2.4.1 Payment by cash or certified funds shall be required from any customer who has previously tendered one or more dishonored checks on an account in the last 12 months or has indicated that sufficient funds may not be available to cover any check tendered.

2.4.2 If a payment made by credit card or debit card is declined, the customer will be required to provide payment via a different credit or debit card, cash, check or certified funds.

2.4.3 Dishonored checks (and ACH debit, etc.) are subject to the charges described in Table 1 below.

2.5 Payment Arrangements. When a customer is unable to pay a balance in full, the Department may authorize a payment arrangement whereby the customer pays the past-due balance in installments, along with prompt and full payment for services received during the period of the payment arrangement. Late payment charges may be assessed as described in §2.6.

Only employees authorized by the Department may work with customers to establish payment arrangements allowing customers to pay the balance owed in installments.

2.6 Past Due Charges. All charges are due and payable by the due date shown on the bill and become delinquent thereafter. Late payments are subject to the charges described below. Customers who question or dispute their bills shall be encouraged to contact the Department before collection action becomes necessary as an on-going billing dispute will not automatically exempt a customer from late payment charges.

2.6.1 On active accounts, a late payment charge of 1% per billing period will be charged by City Light on any delinquent balances more than fifteen (15) calendar days past due.

2.6.2 On closed accounts, a late payment charge of 1% per billing period will be applied on delinquent balances if the closing date is at least 25 days on monthly accounts or at least 45 calendar days on bimonthly accounts from the previous billing date.

2.6.3 On sundry sales accounts, a late payment charge of 1% per billing period will be applied beginning on the 25th calendar day after the billing date.

2.6.4 Late payment charges shall accumulate and be added to the customer's account balance.

2.6.5 A Late Notice (also called Important Notice) shall be generated by the Department's billing system on any payments not received within 21 days. Once an important notice has been generated, customers who wish to avoid disconnection must either (a) pay their past due balance in full or (b) pay a minimum of 50 percent of their past due balance in certified funds as down payment, and establish a payment arrangement to pay the remaining past due balance within 60 calendar days from the date the down payment is made. The Credit and Collections Supervisors and Manager may make exceptions to this formula when a customer shows good cause for doing so.

2.7 Electric Shut Off (Disconnection). In the event of longstanding non-payment (a balance of \$300 or more that has been overdue for at least 30 days) an Urgent Notice will be generated by the Department's billing system. Once this has occurred, a customer's service shall be subject to disconnection if the customer continues to take no action with the Department to remedy the delinquency.

2.7.1 Disconnection charges shall apply to any service that is disconnected, either remotely or manually, depending upon the type of meter used by the customer. See Table 2 below.

2.7.2 Disconnection of service may be delayed under these circumstances:

- a) The Customer has receipt for payment in full provided to the Department.
- b) Service disconnection for nonpayment by one customer interrupts the service to another customer or premises.
- c) The Customer is enrolled in the Department's Life Support Equipment Program (see <http://www.seattle.gov/light/LifeSupport/>), or has provided a Certificate of Medical Necessity, which is defined as a document signed by a licensed, practicing medical practitioner certifying that a serious life-threatening or health threatening condition exists that would be aggravated if electric service were terminated.
- d) The Customer uses electric residential space heating and meets all of the statutory requirements for the November 15th through March 15th moratoria on disconnection provided for under RCW 35.21.300(2) and 80.28.010.
- e) If authorized in writing by a Director of the Department.

2.7.3 Disconnected service shall be reconnected if the customer either makes payment in full or establishes a payment arrangement with the Department. Reconnection of services shall be given secondary priority in the event of power outages and other distribution system problems. The Department does not guarantee reconnection of service will occur the same day the Department approves the reconnection. Under no circumstances shall electric service be reconnected between the hours of 9pm and 8am, unless disconnection poses a serious threat to health or life (see §2.7.2.c) or if specifically authorized in writing by a Director of the Department.

2.8 Unauthorized Reconnection. If electric service that has been disconnected by the Department is reconnected without authorization (i.e. current diversion), the Department shall disconnect service again immediately and additional charges shall apply (see Table 2). Under these circumstances, electric service will not be reconnected until all electric charges, including utility collection charges, late payment charges, administrative and legal charges, have been paid in full, unless otherwise authorized by a Director of the Department.

2.9 Statement of Account. On request, the Department shall supply printed statement of accounts. Charges shall apply for each account per 12-month period for this service, see Table 3.

3. CHARGES FOR COLLECTION AND OTHER ACCOUNT SERVICES

Table 1: Dishonored Checks

Dishonored checks or ACH debit	\$ 25.00
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Table 2: Service Disconnection & Reconnection

Remote disconnection	\$ 35.00
Manual disconnection due to nonpayment of bills	\$ 135.00
Manual disconnection due to illegal reconnection, fraudulent activity, or potential identity theft	\$ 408.00
Remote reconnection	No charge
Manual reconnection during regular working hours*	No charge
Manual reconnection outside regular working hours*	\$ 189.00

**regular working hours are defined as 8 am to 5 pm Monday through Friday, excluding holidays*

Table 3: Statement of Account

charges are applied per account, per 12-month period

Billing system screen print	\$ 5.00
Formal statement of account activity	\$ 27.00

4. REFERENCES

Seattle Municipal Code Chapter 21.49 or as the same as may be amended or superseded.

Revised Code of Washington (RCW) 35.21.217 "Utility services — Deposit — Tenants' delinquencies — Notice — Lien" and 35.21.290 "Utility Services-Lien For," 35.21.300 "Utility Services-Enforcement of Lien."

City of Seattle Identity Theft Prevention Program, originally adopted by City of Seattle Ordinance 122991 effective June 4, 2009, or as the same may be amended or superseded.

REVISION HISTORY

DATE	CHANGES MADE	REVISED BY
03/29/2019	Revised to update text to align with current business practices. Updated charges.	Author: Luis Amezcua, Zana Jones Coordinator: Kim Kinney
09/11/2019	Revised to address restarting disconnection process, AMI deployment and all customer charges recalculated.	Author: Robert Cromwell, Luis Amezcua, Carsten Croff, Gina Baxter Coordinator: Kim Kinney
01/28/2020	Revised to establish greater discretion for Managers and Supervisors to create payment arrangements as alternatives to disconnection.	Author: Robert Cromwell

APPENDIX

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