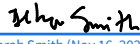


CREDIT AND COLLECTION			
DPP NUMBER	DPP 500 P III-302		
EFFECTIVE	11/28/2022	SUPERSEDES	02/03/2020
APPROVED BY	 <small>Deborah Smith (Nov 16, 2022 08:40 PST)</small>		DATE 11/16/2022

1. PURPOSE

To establish the general credit and collection policies and guidelines concerning all monies owing or that may become owing (Charges^o) 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 ultimately responsible for all Charges at the property. A property owner may provide notice to the Department pursuant to S.M.C. 21.49.100 B.2. that a tenant occupies the property, in which case the tenant may be responsible for the Charges at the property during their occupancy, provided the property owner is in full compliance with S.M.C. 21.49.100 B.2. and the following provisions. The property owner remains responsible for notifying the Department of any changes in occupancy.
- 2.2 Opening and Closing Electric Account:** In cases where the customer is a tenant, the property owner must provide notice to the Department within ten business days of the dates a tenant starts and ends occupancy of the property. See the Department’s website for acceptable methods of notification. Failure of a property owner to provide such notice may result in billing the property owner for Charges during a tenant's occupancy.
- 2.2.1 Dispute:** In the event of a dispute, a written agreement between the property owner and the tenant establishing parameters for responsibility for electric service may be used to assign financial responsibility for the Charges at the property, provided the property owner has given the Department proper notifications as required in §2.1.1.
- 2.2.2 Owner Notification:** The Department will notify a property owner of a tenant’s Charges that are past due if a property owner makes a request for this information and provides a complete and accurate mailing address. The Department will notify the tenant that it is providing the property owner with duplicate copies of bills or notices of Charges that are past due.

- 2.3 Tenant Authority.** A tenant may establish their own account for electric service with the Department.
- 2.3.1 **Opening and Closing Electric Accounts:** A tenant should review their first and final bill to ensure they are billed only for the Charges used during their occupancy. A tenant is responsible for providing a forwarding address upon closing an account to facilitate final billing and/or refund of the closed account. See the Department’s website for acceptable methods of notification.
- 2.4 Deposits.** Security deposits may be required as a condition of service, as codified in SMC 21.49.100.I.
- 2.5 Payment.** Payments are applied to the balance of the customer’s account and may be made via cash, check debit card, credit card, or other means approved by the Department. For partial payments, payments made will be applied to the oldest Charges first.
- 2.5.1 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.
- 2.5.2 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.
- 2.5.3 Dishonored checks and other payment methods are subject to the charges described in Table 1 below.
- 2.6 Payment Plans.** When a customer is unable to pay a past due balance in full, the Department may, at its sole discretion, authorize a payment plan whereby the customer pays (1) an initial down payment, (2) the remaining past due Charges in installments over time, and (3) timely payment of new Charges accrued during the duration of the payment plan.
- 2.6.1 Late payment fees may be assessed on payment plans as described in §2.6.
- 2.6.2 Only employees or agents authorized by the Department may work with customers to establish payment plans allowing customers to pay past due Charges in installments.
- 2.6.3 The Department may disconnect service if the customer fails to honor the payment plan see §2.7.
- 2.7 Late Payment Charges.** All Charges are due and payable by the due date shown on the bill and become delinquent thereafter. Customers who question or dispute their bill should contact the Department before their utility bill becomes due as an on-going billing dispute will not automatically exempt a customer from late payment charges.
- 2.7.1 Late payments are subject to the fees described below.

- 2.7.1.1 On active accounts, a late payment charge of 1% per billing period will be charged by the Department on any delinquent balances more than fifteen (15) calendar days past due.
- 2.7.1.2 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.
- 2.7.1.3 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.
- 2.7.1.4 Late payment fees shall accumulate and be added to the customer's account balance.
- 2.7.2 The Department Director may suspend late payment fees for a specified time at the Director's discretion when it is in the best interest of the Department.

2.8 Disconnections. Customers who fail to pay their utility bill in full and/or establish an acceptable payment plan (see §2.5) are subject to disconnection for nonpayment.

- 2.8.1 **Notifications.** Customers who do not pay their utility bill in full by the bill due date and have past due Charges exceeding the collections threshold set by the Department will first be sent an Urgent Notice. To avoid a second and final notice (i.e., "Final Shutoff Notice"), customers must either pay their past due Charges in full or establish an acceptable payment plan. Once a Final Shutoff Notice has been issued, a customer's service shall be disconnected if the customer does not either pay their past due Charges in full or establish an acceptable payment plan. If an occupied multiple residential rental property receives electric service through a single electric service account, or if a residential electric service account's billing address is not the same as the account's service address, or if the Department has been notified that a tenant resides at the service address, the Department shall make a good faith and reasonable effort to provide written notice to the service address of pending disconnection of electric service for nonpayment at least seven calendar days prior to disconnection.
- 2.8.2 **Payment Plans.** At any time during the year, including months covered by RCW 35.21.300 (November 15 – March 15), customers may avoid disconnection by entering into a payment plan for their entire past due Charges. If the customer defaults on their payment plan, the Department shall notify the customer as required in §2.7.1 and disconnect the customer's electric service. The Department will not reconnect service until the customer pays the disconnection fee, and all amounts that would have been due and owing under the terms of the applicable payment plan had the customer complied with the plan, as of the date on which service is reconnected.
- 2.8.3 **Disconnecting Service.** Customers who are sent a Final Shutoff Notice and fail to pay their past due Charges or enter into an acceptable payment plan will be subject to disconnection of their service. In the event the Department is unable to disconnect a

customer's service within 30 days of the Final Shutoff Notice issuance date, the Department will recommence the notification process outlined in §2.7.1.

2.8.4 **Disconnection Charges.** Disconnection charges may apply to any service that is disconnected, either remotely or manually, See Table 2 below.

2.8.5 **Disconnection Delays.** Disconnection of service may be delayed under these circumstances:

- a) The customer has provided a receipt for payment of all Charges in full to the Department.
- b) The customer has entered into a payment plan for their entire past due Charges with the Department.
- c) Service disconnection for nonpayment by one customer interrupts the service to another customer or premises.
- d) 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.
- e) The customer's primary residential heating source is electric and meets all of the statutory requirements for the November 15th through March 15th moratoria on disconnection provided for under RCWs 35.21.300(2) and 80.28.010.
- f) The customer is actively proceeding through the dispute resolution process contained in DPP 425 for all past due amounts owed prior to disconnection.
- g) Inclement weather as defined by the Department.
- h) If authorized in writing by a Director of the Department.

2.9 Reconnection. Customers must pay their past due Charges in full or a minimum amount of their past due Charges as determined by the Department to be reconnected. Customers paying the minimum amount of their past due Charges will be subject to future disconnection if they continue to have a past due balance exceeding the Department's collection threshold.

2.9.1 **Reconnection Timeframe.** The Department does not guarantee reconnection of service will occur the same day the Department approves the reconnection.

2.9.2 **Reconnection Prioritization.** Reconnection of services shall be given secondary priority in the event of power outages or other distribution system problems.

2.9.3 **Unauthorized Reconnection.** If electric service that has been disconnected by the Department is reconnected without authorization (current diversion), the service is

subject to immediate disconnection, without notification and additional charges shall apply (see Table 2). Under these circumstances, electric service will not be reconnected until all Charges, including any applicable collection, late payment, administrative and legal fees, have been paid in full, unless otherwise authorized by a Director of the Department. See DPP 416.

2.9.4 **Reconnection Fees.** Reconnection fees may apply to any service that is reconnected, either remotely or manually, See Table 2 below.

2.10 Liens and Real Property Sales. The seller of a fee interest in real property is responsible for satisfying, upon closing, electric services utility liens as provided by RCW 35.21.290.

3. FEES FOR COLLECTION AND OTHER ACCOUNT SERVICES

Table 1: Dishonored Checks

Dishonored checks or Other Methods	\$ 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*

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 – Emergency Declaration," 35.21.300 "Utility Services-Enforcement of Lien – limitations on termination of service for residential heating."

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
9/15/2022	Revised to clarify property owner responsibility to notify the Department of tenants' occupancy and clarify lien and disconnection process under RCW Chapter 35 and SMC 21.49.	Author: Kathryn Aisenberg, Marcus Jackson, Trina Morris, Luis Amezcua, and Jeff Wolf Coordinator: Kim Kinney

APPENDIX

Distribution: Posted online at <http://www.seattle.gov/light/policies/>

DPP 500 P III-302 Credit Collection (effective 11-28-2022)

Final Audit Report

2022-11-16

Created:	2022-11-15
By:	JeffM Johnson (jeffm.johnson@seattle.gov)
Status:	Signed
Transaction ID:	CBJCHBCAABAAIEIZ6smGJ_E_jSUFgAOted4Nc3djfMfP

"DPP 500 P III-302 Credit Collection (effective 11-28-2022)" History

-  Document created by JeffM Johnson (jeffm.johnson@seattle.gov)
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-  Agreement completed.
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