

UTL-3.01 - Delinquent Account Policy - [Printable Version](#)

DELINQUENT ACCOUNT POLICY

Administrative Rule Adopted by Water Bureau Pursuant to Rule-Making Authority

ARB-UTL-3.01

OBJECTIVE:

Water and sewer accounts are payable when a customer receives the bill. Water and sewer rates are formulated with this expectation. To maintain customer equity, delinquent accounts must be pursued consistently to ensure collection. Costs associated with delinquent accounts will be assessed against the delinquent accounts. The rates associated with delinquent account actions will be established with the following criteria:

1. The rate will cover the cost of the service.
2. The rate will be established to anticipate increasing costs and avoid frequent changes in the rate,
3. The rate will provide an incentive to customers to remain current and avoid delinquent conditions.

This policy will be updated to reflect current rates when rates change.

POLICY:

Various thresholds are used to screen actions and avoid unnecessary actions on accounts of small dollar value. The thresholds can change over time as rates or economic conditions change. Current debt thresholds for reminder notices are any delinquent account above \$50.00. Any delinquent account above \$200.00 receives pre shut off notices, shut off action, meter lock action, meter removal action, and service crimping as required.

The timeline and current costs for these actions are described below:

- The delinquent account cycle begins on the day the bill is printed and dated. This is day 0 in the cycle.
- On day 21 a bill is noted as delinquent and debt recovery actions within the billing system begin. No fee is assessed at this time.
- On Day 28 a Reminder Notice is generated and a \$5.00 fee is assessed. The Reminder Notice is mailed on day 29.
- On Day 35 a Pre Shut Off Notice is generated by the billing system and a \$10.00 fee is assessed. The Pre Shut Off Notice is mailed on Day 36.
- On Day 42 a Shut Off Action is scheduled. On Day 43 the water is shut off at the property and a fee of \$40.00 is assessed.

- On Day 49 a Meter Lock is scheduled by the billing system. On Day 50 a meter lock is installed at the property and a fee of \$50.00 is assessed if it is determined that the meter and valve system has been tampered with since the shut off and unauthorized water consumption has occurred.
- If further water usage is noted after meter lock, a letter is mailed to the customer requesting payment. When unauthorized usage has been found, Meter Removal Action will occur. A fee of \$75.00 is assessed for the removal of the current meter.
- If further water usage is found after meter removal, an additional letter is mailed requesting payment. If there is no payment or payment arrangement made after the letter, the water service will be restricted by a Crimp/Freeze action. A minimum fee of \$250.00 is assessed. The fee is subject to increase based on circumstances of the work.
- After hour turn-ons for delinquent customers will be:

Requests made between:

8am to 5pm No Charge

5pm to 9pm \$75.00

9pm to 8am (including weekends/holidays) \$150.00

The customer action required to remove any of the above service interruptions is to pay the account in full, or make a payment arrangement under the terms of the Payment Arrangement Policy or Hardship Policy.

If the customer has been shut off, the service may be restored with a promise to pay in seven (7) days. If the service is locked or greater, the necessary payment must be posted to the customer's account prior to the restoration of service.

Customer damages to the service or locking devices from tampering or other actions can result in further charges to the account.

The current practice within the Water Bureau is to allow waivers for these fees on the following basis:

- Reminder fee is waived once a year.
- Pre-shut off is waived once every two years.
- Shut off fee is waived once every two years.
- Meter removal or crimping fees are not waived.

In recognition of the significant impact on customers and their knowledge of consumption and account balances due to the billing system problems, the current practice of waiving fees will continue through June 30, 2005.

On July 1, 2005, a new practice of fee waivers will become effective.

This practice will be as follows:

- Delinquent fees for reminder notices and preshut off notices can be waived at the discretion of the customer service representative. Waivers can be granted to accounts that have shown good payment history for at least one year and have no delinquent actions during that period.
- No other waivers of fees will be granted unless a mistake has been made in the assignment. Mistakes will be corrected and properly noted in the account.

There are certain types of accounts that are currently excluded from shut off actions. The types of accounts in this group include SODNR (Sewer Only) accounts (no Portland water service associated with the account); multifamily accounts (legal issue with tenants/landlords); critical accounts (specific medical issues with the account); government accounts (legal issue); fireline accounts; and vacant properties. All other accounts, including commercial accounts, are subject to shut off actions.

Communications with delinquent customers will begin with a request to pay the account in full immediately. Consideration will be given by the Water Bureau to accommodate hardship situations. (Refer to the Hardship Policy for details.) Limited payment arrangements are available to all customers who

request and qualify for the program. (Refer to the Payment Arrangement Policy for details.)

APPLICABILITY:

This policy applies to all customers of the Portland Water Bureau receiving water, sewer, and/or stormwater services. All managers, supervisors, employees in the Water Bureau Customer Service Group will consistently apply the policy to customers.

HISTORY

Filed for inclusion in PPD July 8, 2003.

Adopted by Water Bureau. Document dated April 1, 2003.

Amended document dated August 13, 2003 filed in PPD November 6, 2003.

Amended document dated April 22, 2004 filed in PPD May 10, 2004.