

Village of Palmyra Water & Sewer Utility

Procedures for Issuance of DPA's & Disconnection Notices

Customers are offered deferred payment agreements and issued disconnection notices as per the procedures outline below. These procedures are part of the regular billing process.

Step 1. Preparation of bill (every three months). Bills are generated quarterly and become due and payable upon issuance following the period for which service is rendered. A late payment charge of 3% but not less than 50 cents will be added to bills not paid within 20 days of issuance. This one-time 3% late payment charge will be applied only to any unpaid balances for the current billing period's usage. This late payment charge is applicable to all customers.

The utility customer may be given a written notice that the bill is overdue no sooner than 20 days after the bill is issued and unless payment or a satisfactory Deferred Payment Agreement is made within the next 10 days, service may be disconnected pursuant to Wis. Admin. Code, ch. PSC185.

Step 2. Deferred Payment Agreements(DPA). One DPA agreement must be offered to residential customers who are unable to pay their bill in full. The utility may offer DPAs to commercial customers with their discretion but are not required to do so. The DPA will consist of the following:

- A **30%** down payment of their outstanding balance
- and an installment plan to pay the remaining outstanding balance over a specified period of time.
- A customer is required to pay his or her current charges in full in addition to the agreed-upon installments.

The utility must receive each payment on or before the due date. A partial, late or missed payment will cause the DPA to "default" and place the customer in jeopardy of disconnection. Delinquent amounts paid according to the term of established DPA are not subject to late charges.

If a customer defaults on a DPA and there has not been a significant change in the customer's ability to pay since the agreement was negotiated, the utility is not required to offer another DPA prior to disconnection. The utility would need to send an additional 10-day Disconnection Notice to the customer before the customer can be turned off. **The utility will require the customer to pay the full arrearage to prevent the disconnection of services.**

The customer's payment will be applied to the oldest outstanding balance first in the case where a customer has an outstanding balance at a previous address in Palmyra.

Accounts with active DPAs cannot be transferred to the tax roll.

Step 3. Disconnection Notices.

- A disconnection notice will be sent out to both tenants and property owners approximately a week after the bills were due.

- The disconnection notice will give at least 10 days before the disconnection but not more than 20 days before disconnection as per PSC 185.37.
- If the billing and service addresses are different (for example in landlord-tenant situations) an additional 5-day notice posted at the service address is required.
- The notice must include name, address of the customer, the date and reason for disconnection, and instructions for the customer to contact the utility if the bill is in dispute or if a payment arrangement is needed. The disconnection notice must also include a statement that service will be continued for 21 days with documentation of a medical or protective service emergency. All disconnection notices must include a statement that the customer may contact the Commission if they are unable to resolve a dispute directly with the utility.
- The utility must make one personal contact attempt before disconnection. This can be a phone call; often it is a door knock/door tag. This contact is to discuss what can be done to avoid disconnection. The utility is required to keep a record of these contact attempts.
- If the billing address is different than the service address, notice shall be posted at each individual dwelling unit of the service address not less than five days before disconnection. The dated notice must contain the proposed date of disconnection and that, if feasible, the occupants may apply to accept responsibility for future bills to avoid disconnection of service.
- If a customer has been contacted and a payment **has not** been made, the utility may proceed to disconnect. (However, if more than 20 days have passed since the initial 10-day notice and the utility has not yet disconnected, the utility must issue an additional notice 24-48 hours before proceeding to disconnect services).
- Water utilities may disconnect service with a written 24-hour notice for nonpayment of a bill covering theft of water.
- Once service is disconnected, the utility must offer **one** DPA for reconnection.
- Once a DPA is in default and service has been disconnected, the customer must pay his/her outstanding balance in full before service will be reconnected.
- A turn-on charge will be applied to any services turned off.

There are two additional considerations to be aware of before disconnection:

- Disconnection may not disconnect during the winter months if the water service is a necessary part of the dwelling's heating system.
- or if the disconnection will aggravate an existing medical emergency in the dwelling.

Utility service may be disconnected or refused for any of the following reasons:

- Failure to pay a delinquent account or failure to comply with the terms of a DPA.
- Failure to pay for an outstanding account balance with the utility owing at a previous address and for which there is no agreement or arrangement for payment and it is not in dispute but remains outstanding.
- Diversion of service around the meter
- Refusal to permit authorized utility personnel to read the meter at least once every 9 months. The period begins the date of the last meter reading.
- Any additional reasons in PSC code 185.37.