



Customer Financial Assistance

April 21, 2021

Agenda

- Overview & impact of COVID-19
- Accounts and amounts past due
- Revenue recovery
- Financial assistance programs
- Engagement and outreach
- Next steps



Overview



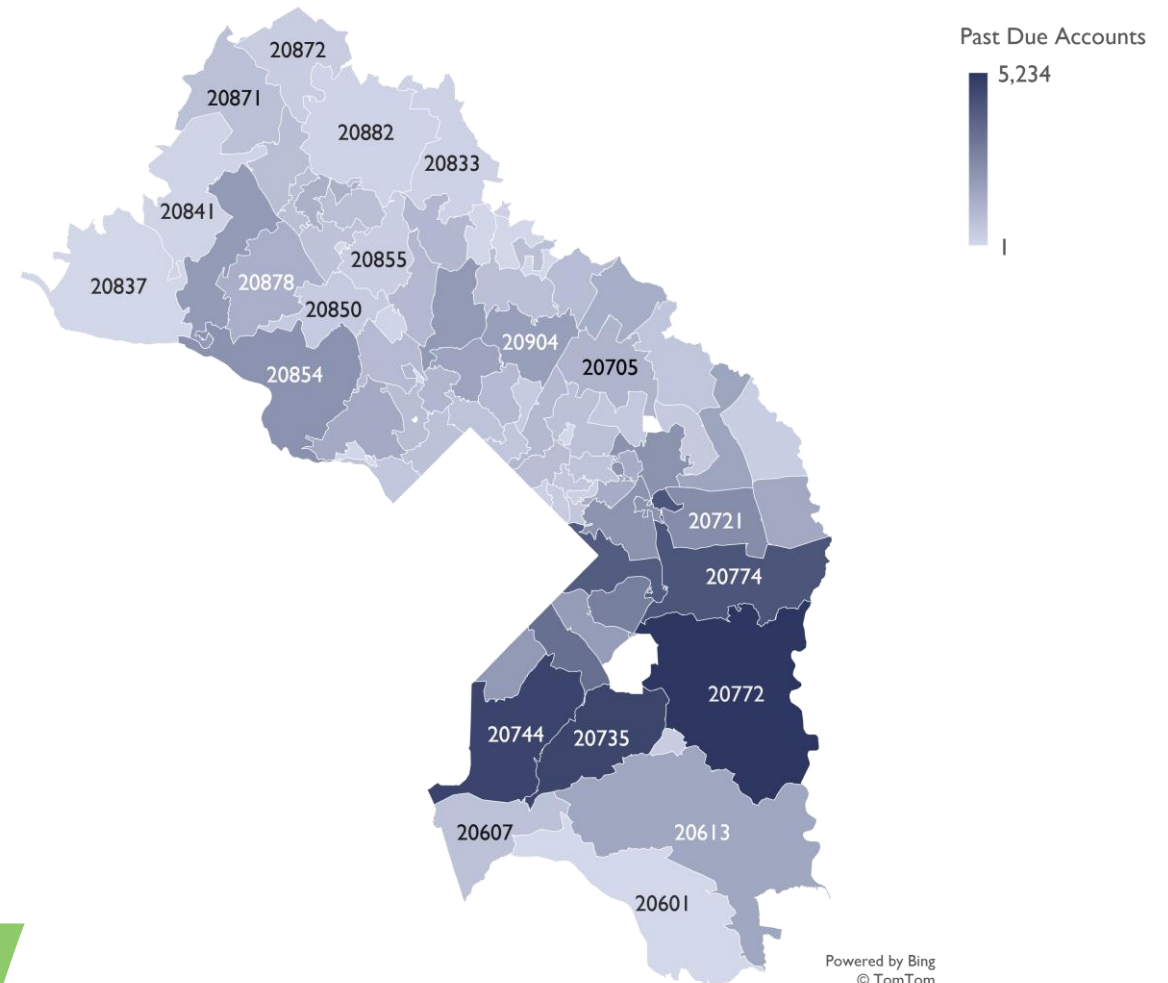
Since the start of the pandemic, WSSC Water:

- Took proactive steps to help customers and protect public health
- Suspended all water service shutoffs and waived late fees
- Supported our customers with compassion and expanded financial assistance efforts

Impact of COVID-19 on Our Service Area

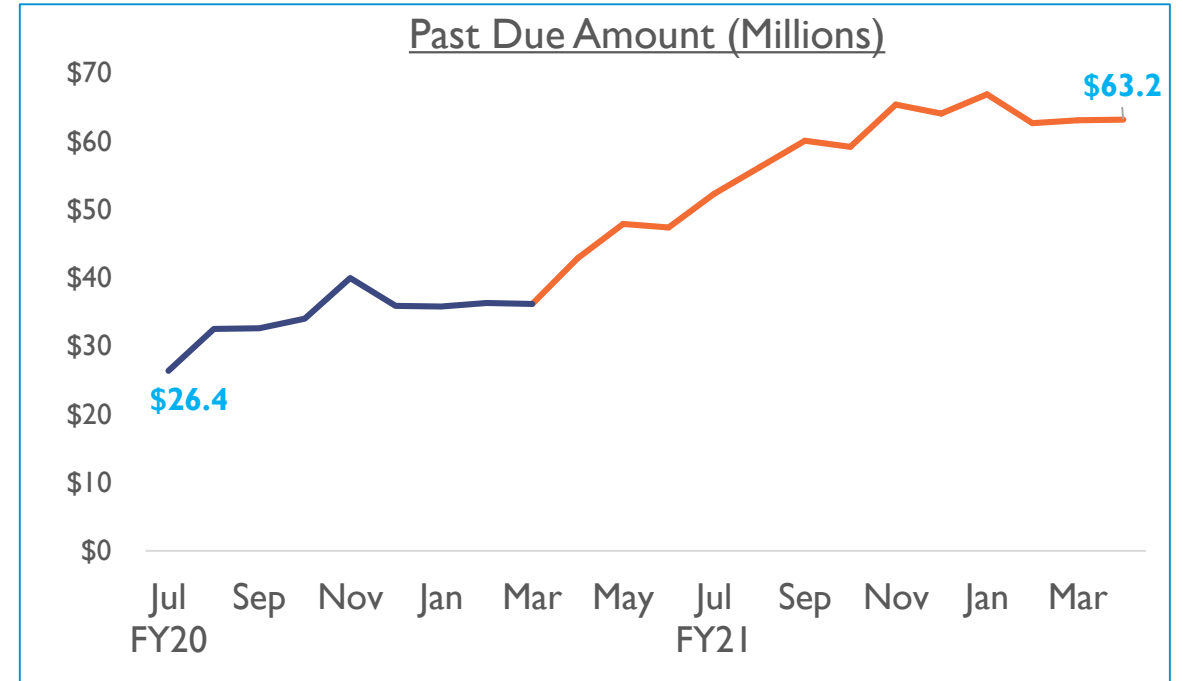
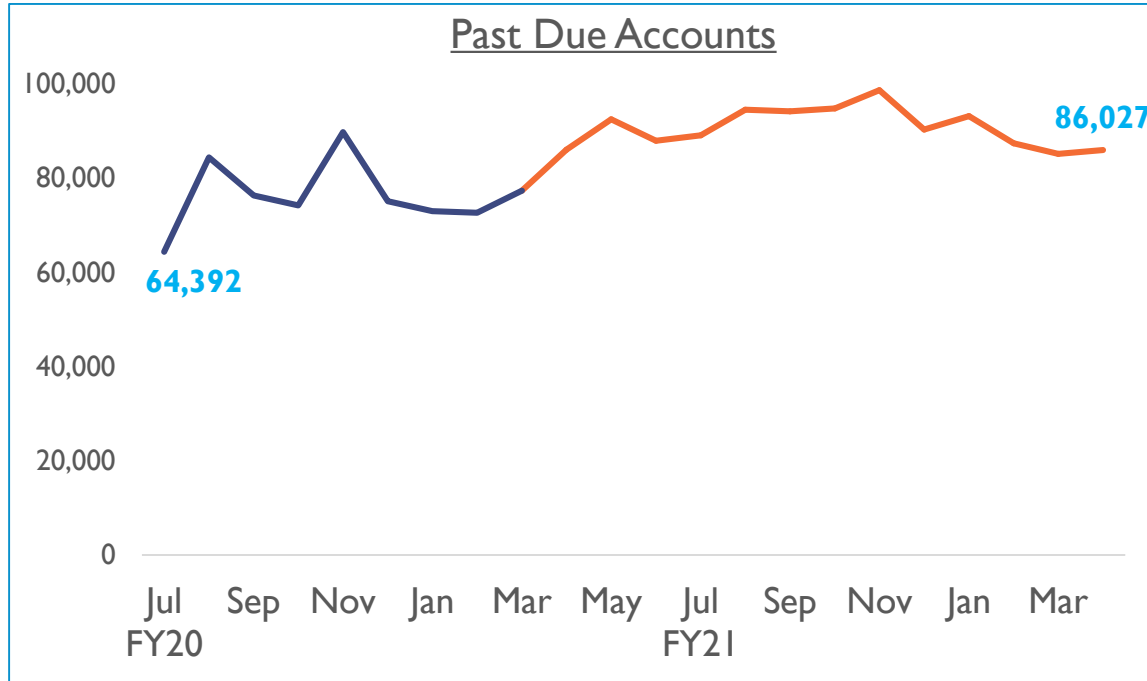
View of Past Due Accounts

- **1 in 5** customers are currently past due in paying their bills
 - Prince George's County – Accounts for **66%** of delinquencies
 - Montgomery County – Accounts for **34%** of delinquencies
- Some zip codes have higher numbers of past due accounts
 - Prince George's County – Fort Washington/Oxon Hill; Upper Marlboro
 - Montgomery County – Aspen Hill/Wheaton; Germantown/Darnestown
- Customer Assistance Program (CAP) customers represent only a small portion of those experiencing financial hardship (7% of total number of past due accounts)



As of April 12, 2021

Accounts and Amount Past Due



As of April 12, 2021

Revenue Recovery

- We have been reaching out to customers with past due accounts through letters and robocalls to encourage contacting customer service representatives to learn about financial assistance options and/or payment plans
- As of February 25, 2021:



Over **85,000** letters
have been sent



Over **92,500**
robocalls have been
made



Over **9,000**
payment plans
have been created

Financial Assistance Programs



Customer Assistance Program (CAP)

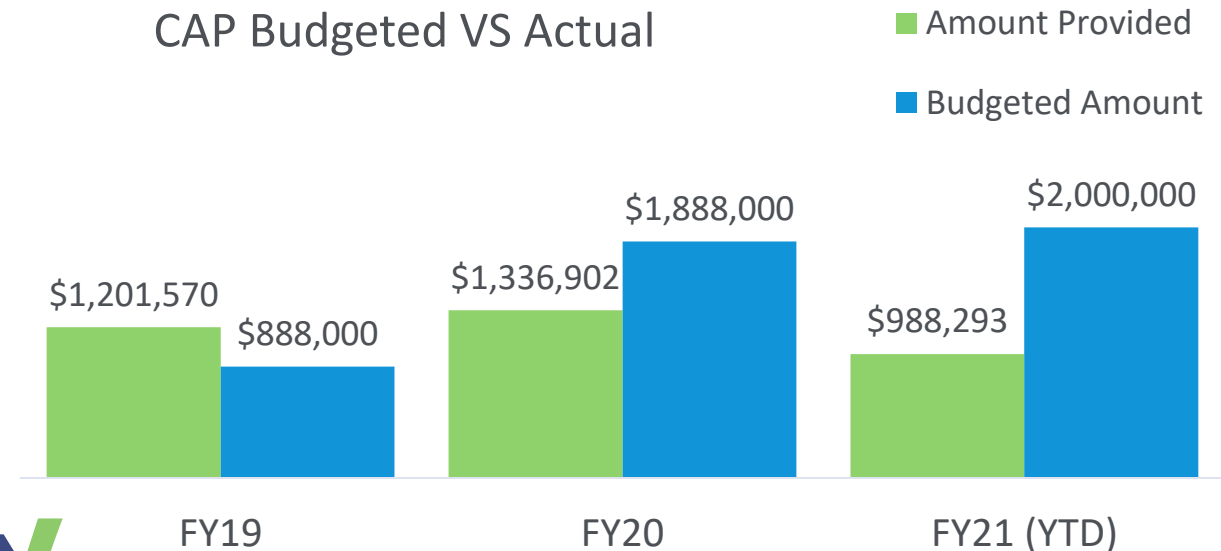
- CAP enrollment is **down** from earlier projections of 10% - 15% growth at the beginning of FY21 to 3% - 5% growth
- The utility moratoriums on late fees and disconnections allowed families more flexibility in paying for other household necessities and forced some to re-prioritize their expenses (i.e., medicine and food)
- As a result, the sense of urgency to apply for assistance has not been as great

As of February 28, 2021

CAP Participation



CAP Budgeted VS Actual



Water Fund Utilization

Water Fund utilization is **15% ahead** in FY21 Year to Date (YTD) as compared to this point in FY20

The balance in the Water Fund is **\$472,146.89**

	Households Served	Customers Served	Total Assistance	Average Assistance Per Case
Prince George's County YTD	262	803	\$118,293.39	\$452
Montgomery County YTD	349	1,296	\$154,893.41	\$444
FY 2021 Total YTD	611	2,099	\$273,186.80	\$447
FY 2020 Total YTD	588	2,017	\$236,321.10	\$402

As of February 28, 2021

Water Fund Fundraising and Promotion

- **\$144,695.56** was transferred from the employee appreciation line item to the Water Fund, ensuring that nearly **290 additional families** can pay their water/sewer bill
- **\$21,692** was donated through this years' United Way Giving Campaign, which will assist at least **43 additional families**
- With these additional deposits to the Water Fund in FY 2021, the Fund is **67% ahead** of the total dollars donated to the Water Fund in FY 2020



WATER **FUND**
Sharing the Essential

Payment Plans

- Effective January 4, 2021, non-CAP customers can set up a payment plan and be granted up to 36-months to repay their past due amount
 - CAP customers continue to have up to 48-months to repay their past due balance
- As of February 25, 2021, 4.8% of past due accounts were on a payment plan compared to 2.5% at the end of July 2020
 - Over 5,000 active pay plans
 - Automated customer calls are directly contributing to the increase in the number of payment plans

Decision on Reinstatement of Late Fees

- Late fees will be reinstated for all customer accounts effective on bills **June 1, 2021, onward:**
 - Communication planning and system configurations are underway
 - Regulation change will be needed to waive late fees for CAP customers
- An incentive is being planned for **September 1, 2021**, rollout that will waive late fees for customers, when:
 - Payment is made in full
 - Payment arrangements are made and after balance paid in full
 - Regulation change will be needed to waive late fees

Decision on Reinstatement of Shutoffs

- In support of our public health mission of providing safe and reliable water to our community, there are no plans to resume water service turnoffs, at this time
 - Maryland Public Service Commission moratorium on utility shutoffs ended on November 15, 2020

Current Status of August 2020 Recommendations

Recommendation	Status	Date Due
Extend payment plan timeframe for non-CAP customers to 36-months	COMPLETED	Nov 2020
Evaluate policy for and amount of shutoff/reconnection fees	IN PROGRESS	Jun 2021
Evaluate feasibility of an arrearage forgiveness program for CAP customers	IN PROGRESS	Aug 2021
Develop criteria and plan for Indirect Customer Assistance Program (Indirect CAP)	NOT YET STARTED	Fall 2022
Evaluate feasibility of extending the moratorium on late fees past the expiration of the Governor's Executive Orders.	IN PROGRESS	Spring 2021
Evaluate feasibility of extending the moratorium on shutoffs past the expiration of the Governor's Executive Orders.	COMPLETED	Spring 2021

Engagement and Outreach

- Developing survey to assess customer sentiment about ability to pay (500+ customers to be surveyed including Customer Feedback Community)
- Preparing heat maps and analysis on past due accounts for Council Members in both counties
- Continuing aggressive customer outreach to promote our financial assistance programs (ex: HOA's; state, local and county governments, nonprofits)
- Working with counties on Utility Town Halls to connect customers with financial assistance programs available at WSSC Water and local utilities
- Partnering with national organizations such as the National Association of Clean Water Agencies, US Water Alliance, and National Energy and Utility Affordability Coalition to advocate for water assistance

Next Steps

- Obtain Commission approval for customer assistance regulation change (June 2021)
 - Waiver of late fees for low-income (CAP) customers
 - Waiver of late fees for customers with pay plans who pay balance in full
- Finalize robust communication plan for resumption of late fees (April 2021)

Questions?

