






COMMISSION SUMMARY

AGENDA CATEGORY: Other Reports: Customer Service

ITEM NUMBER: 4D1

DATE: August 18, 2021

SUBJECT	Proposed Customer Financial Assistance Regulation Changes – Change of Effective Date
SUMMARY	<p>The purpose of this briefing is to seek Commission approval to modify the effective date for the proposed Customer Financial Assistance regulation changes that were approved at the July 21, 2021 Commission meeting.</p> <p>The effective date would be modified from September 1, 2021 to September 13, 2021 to allow for the 30-day public notice period.</p>
SPECIAL COMMENTS	<p>Previous briefings were presented to Commissioners on April 21, 2021 and June 16, 2021.</p>
CONTRACT NO./REFERENCE NO.	N/A
COSTS	N/A
AMENDMENT/CHANGE ORDER NO. AMOUNT	N/A
MBE PARTICIPATION	N/A
PRIOR STAFF/COMMITTEE REVIEW PRIOR STAFF/COMMITTEE APPROVALS	<p>Carla A. Reid, General Manager/CEO </p> <p>Monica Johnson, Deputy General Manager, Strategy & Partnerships </p> <p>John Curry, Deputy Director, Customer Service </p>
RECOMMENDATION TO COMMISSION	Approval
COMMISSION ACTION	



Interoffice Memorandum

To: Commissioners

Thru: Carla A. Reid, General Manager/CEO DocuSigned by: Carla Reid
B234F1D881E3460
Monica J. Johnson, Deputy General Manager, Strategy and Partnerships DocuSigned by: Monica Johnson
19D06F08A1F44F0...

From: John Curry, Deputy Director, Customer Service DocuSigned by: John P Curry
D58901702D7D47A...

Date: August 10, 2021

Re: **Customer Financial Assistance Program Regulation Changes – Change in Effective Date**

We are seeking your approval at the August 18, 2021 Commission meeting to modify the effective date for the below regulation changes that were approved at the July 21, 2021 Commission Meeting:

1. Permanent waiver of late fees for customers enrolled in the Customer Assistance Program (CAP)
2. Waiver of late fees for customers who successfully complete their payment plans
3. Reduced turn-on fee for CAP customers (50% fee reduction)

In order for an approved regulation change to take effect, the Maryland Annotated Code, Public Utilities Article, § 17-403(b) requires that notice of the change(s) must be published in the newspaper at least 30 days in advance of the effective date. Due to an error, notice was not published in the newspaper at least 30 days in advance of the September 1st effective date approved at the July Commission meeting.

As a result, we are seeking your approval to modify the effective date to Monday, September 13, 2021. The notice will be published in the newspaper on Thursday, August 12, 2021.

The following documents have been included in this package:

1. Resolution 2022-2299 to modify the effective date of approved Resolution 2022-2293
2. Entire package submitted for July 21, 2021 Commission Meeting

Please let us know if you have any questions.

Resolution No.: 2022-2299

Adopted: August 18,
2021

Effective Date: August 18, 2021

WASHINGTON SUBURBAN SANITARY COMMISSION

Subject: A RESOLUTION correcting the Effective Date set forth in Resolution No.: 2022-2293 to September 13, 2021.

WHEREAS, on July 21, 2021, the Washington Suburban Sanitary Commission (“Commission”) adopted Resolution No.: 2022-2293 amending Chapters 3.25 and 3.45 of the WSSC Code of Regulations; and

WHEREAS, Resolution No. 2022-2293 mandated that notice of the amendments adopted therein be published in at least one (1) newspaper in each County of the Washington Suburban Sanitary District for thirty (30) days prior to the effective date; and

WHEREAS, the effective date of Resolution No. 2022-2293 was September 1, 2021; and

WHEREAS, due to an oversight, the requisite notice was not published in the newspaper 30 days prior to September 1, 2021 as required by the law and Resolution No. 2022-2293; and

WHEREAS, the requisite notice was published in the newspaper on Thursday August 12, 2021.

NOW, THEREFORE, BE IT RESOLVED, this 18th day of August 2021, that the effective date of Resolution No. 2022-2293 is hereby amended to Monday September 13, 2021; and

BE IT FURTHER RESOLVED, that the amendments to Chapter 3.25 of Title 3, Customer Management, Subtitle II, Customer Account Management, of the Code and Chapter 3.45 of Title 3, Customer Management, Subtitle III, Customer Service, of the Code, as adopted in Resolution No. 2022-2293 shall become effective on Monday September 13, 2021.

A True Copy.

Julianne M. Montes de Oca
Corporate Secretary







COMMISSION SUMMARY

AGENDA CATEGORY: Other Reports

ITEM NUMBER:

DATE: July 21, 2021

SUBJECT	Proposed Customer Financial Assistance Regulation Changes
SUMMARY	The purpose of this briefing is to seek Commission approval for customer financial assistance enhancements:
SPECIAL COMMENTS	<ol style="list-style-type: none"> 1. Waiver of late fees for customers enrolled in the Customer Assistance Program (CAP) 2. Waiver of late fees for customers who successfully complete their payment plans 3. Reduced turn-on fees for CAP customers <p>Previous briefings were presented to Commissioners on April 21, 2021 and June 16, 2021.</p>
CONTRACT NO./REFERENCE NO.	N/A
COSTS	N/A
AMENDMENT/CHANGE ORDER NO. AMOUNT	N/A
MBE PARTICIPATION	N/A
PRIOR STAFF/COMMITTEE REVIEW	<p>Carla A. Reid, General Manager/CEO </p> <p>Monica Johnson, Deputy General Manager, Strategy & Partnerships </p>
PRIOR STAFF/COMMITTEE APPROVALS	<p>Crystal Knight-Lee, Director, Customer Service </p> <p>Julianne MontesDeOca, Corporate Secretary </p>
RECOMMENDATION TO COMMISSION	Vote
COMMISSION ACTION	



Interoffice Memorandum

To: Commissioners DS
CR

Thru: Carla A. Reid, General Manager/CEO DS
MJ
Monica J. Johnson, Deputy General Manager, Strategy and Partnerships

From: Crystal Knight-Lee, Director, Customer Service DS
CKL

Date: July 9, 2021

Re: **Customer Financial Assistance Program Enhancements**

We are seeking your approval at the July 21, 2021 Commission meeting for the following customer financial assistance program enhancements.

1. Permanent waiver of late fees for customers enrolled in the Customer Assistance Program (CAP)
2. Waiver of late fees for customers who successfully complete their payment plans
3. Reduced turn-on fee for CAP customers (50% fee reduction)

The first two enhancements were presented at your April 21, 2021 and June 16, 2021 meetings. The third item is a new enhancement.

At the June 16, 2021 Commission meeting, Finance presented a modified water turn-off/turn-on fee schedule for FY22 resulting in a combined rate and reduced fees for small meters and large meters. An additional enhancement has been made to further reduce the turn-on fee for customers enrolled in CAP. Therefore, the \$135 Small Meter Turn-On Fee (FY22) to resume service after a turn-off for non-payment will be further reduced by 50% for CAP customers.

The following documents have been included in this package:

1. Resolution
2. Amended Regulations (*updated*)
 - a. Billing and Collecting Water and Sewer Use Charges and Related Fees
 - b. Customer Assistance Program Administration (*includes reduced turn-on fee for CAP customers*)
3. Entire package submitted for June 16, 2021 Commission Meeting

Please let us know if you have any questions.

RESOLUTION NO.: 2021- xxxx
Adopted: July [21], 2021
Effective Date: September 1, 2021

WASHINGTON SUBURBAN SANITARY COMMISSION

Subject: A RESOLUTION adopting revisions to Chapters 3.25 and 3.45 of the WSSC Code of Regulations.

WHEREAS, the Washington Suburban Sanitary Commission (“Commission”) is authorized and empowered to adopt regulations pursuant to § 17-403 of the Public Utilities Article (“PUA”), Annotated Code of Maryland; and

WHEREAS, the Commission desires to amend Chapter 3.45, Customer Assistance Program Administration, to add a provision for waiver of late fees for CAP customers; and

WHEREAS, the Commission further desires to amend Chapter 3.25, Billing and Collecting Water and Sewer Use Charges and Related Fees, to add a provision for waiver of late fees upon successful completion of a payment plan.

NOW, THEREFORE, BE IT RESOLVED, this ____ day of July, 2021, that the Commission hereby adopts the revisions to Chapter 3.45 of Title 3, Customer Management, Subtitle III, Customer Service, of the Code; and

BE IT FURTHER RESOLVED, that the Commission hereby adopts the revisions to Chapters 3.25 of Title 3, Customer Management, Subtitle II, Customer Account Management, of the Code; and

BE IT FURTHER RESOLVED, that these revisions shall be effective on September 1, 2021; and

BE IT FURTHER RESOLVED, that notice of this resolution and the actions taken hereunder shall be published in at least one (1) newspaper in each county of the Washington Suburban Sanitary District for thirty (30) days prior to the effective date.

A True Copy.

Julianne M. Montes de Oca
Corporate Secretary

WSSC Code of Regulations 2021

Title 3. Customer Management Subtitle II. Customer Account Management Chapter 3.45. Customer Assistance Program Administration

3.45.010 Definitions.

In this chapter, the following words have the meanings indicated:

- (a) “Account maintenance fee” or “AMF” means the fee that covers the cost to bring water and sewer service to every home and business including meters, meter readers, and billing.
- (b) “Chesapeake Bay restoration fund fee” or “BRF” is a fee levied by the State of Maryland, collected and remitted to the Comptroller of Maryland by WSSC.
- (c) “Commission” or “WSSC” means the Washington Suburban Sanitary Commission.
- (d) “Customer assistance program” or “CAP” means a financial assistance program for eligible, low-income residential households served by WSSC.
- (e) “Customer assistance program participant, ratepayer or eligible customer” means a household deemed eligible for financial assistance based on eligibility criteria as established by the WSSC or any associated partner agency.
- (f) “Infrastructure investment fee” or “IIF” is a fee that funds a portion of the debt service associated with the replacement and rehabilitation of system infrastructure.
- (g) “Partner agency” means an agency that provides assistance to income eligible residents in Montgomery and Prince George’s Counties using income guidelines and a certification process that is uniformly applied in both jurisdictions.
- (h) “Ready-to-serve fee” means the fee charged to WSSC customers that has two components, the:
 - (1) Account maintenance fee; and
 - (2) Infrastructure investment fee.

3.45.020 Purpose and intent.

- (a) The purpose of this chapter is to establish criteria for the administration of the Commission's customer assistance program.
- (b) The intent of the customer assistance program is to help defray the cost of WSSC charges for customers who meet certain eligibility criteria.

3.45.030 Authority.

Public Utilities Article, § [25-501\(c\)](#), Annotated Code of Maryland, authorizes the Commission to establish a customer assistance program to provide financial assistance to eligible ratepayers.

3.45.040 Scope.

This chapter is applicable to eligible residential households.

3.45.050 Administration.

- (a) The Commission will administer a customer assistance program for eligible, low-income participants.
- (b) Ratepayers determined to be eligible for CAP by a partner agency will receive certain credits as set forth herein.
- (c) A memorandum of understanding or MOU will stipulate the terms of a partnership agreement with the partner agency, including:
 - (1) Use of enrollee data for identifying CAP eligible participants;
 - (2) Data sharing;
 - (3) Monitoring;
 - (4) Storage procedures; and

(5) Security and confidentiality requirements.

3.45.060 Program eligibility.

(a) Administration of CAP including program promotions, outreach, and marketing materials may be coordinated with the partner agency or agencies.

(b)

(1) A partner agency will certify the WSSC ratepayer using criteria outlined in its operations manual or equivalent standard policy or procedure document and systems.

(2) Ratepayers will apply using the partner agency or partner's delegated agency enrollment and certification process, such as Montgomery County Health and Human Services Department and Prince George's County Department of Social Services.

(3) For those ratepayers who are already certified with the partner agency as eligible for another assistance program, such as energy assistance, the partner agency will provide an electronic file of those participants within the WSSC service area on a regular basis as provided in the MOU.

(4) Ratepayers identified by the partner agency as eligible, identifiable WSSC customer accounts will automatically be enrolled in the customer assistance program.

(c) Notification of CAP enrollment will be provided by WSSC to the CAP participant.

(d) Participants must recertify annually to participate in CAP in accordance with the partner agency's annual renewal procedures.

3.45.070 Financial assistance for ready-to-serve charges.

(a) WSSC will provide financial assistance to CAP participants in the form of a credit that will appear on the water and sewer bill.

(b) The amount of the assistance will be equivalent to the ready-to-serve fee portion of the water bill.

- (c) Except as provided in subsection [\(d\)](#) of this section, the credit will appear on the first bill that the customer receives in the fiscal year after the date that the customer is certified as a CAP participant.
- (d) If a customer is certified as CAP eligible after one or more bills have already been issued in a given fiscal year, WSSC shall award credits retroactively to:
- (1) The first bill issued in the fiscal year in which the customer was certified as CAP eligible; or
 - (2) If the ratepayer did not yet live in the property when the previous bills were issued, to the first bill that was issued after the date of occupancy at the property.
- (e) The Director of Customer Service, at the Director's sole discretion, may terminate participation in the CAP by a household for:
- (1) Fraud;
 - (2) Failure to notify WSSC of relocation of residence; or
 - (3) Other failure to meet obligations to WSSC and its ratepayers as set forth in WSSC regulations and the laws of the State of Maryland.

3.45.080 WAIVER OF LATE FEES

LATE FEES FOR WATER AND SEWER BILLS SHALL BE WAIVED FOR CAP CUSTOMERS.

3.45.090 REDUCED FEES FOR RESUMPTION OF SERVICE

FEES TO RESUME SERVICE AFTER TURN-OFF FOR NON-PAYMENT SHALL BE REDUCED BY 50% FOR CAP CUSTOMERS.

[3.45.080] **3.45.100** Financial assistance for high bills.

- (a) Except as provided in subsection [\(c\)](#) of this section, CAP customers who receive a bill that qualifies for a high bill adjustment under WSSC [3.20.030\(a\)](#) shall receive an adjusted bill that excludes 100 percent of the excess water and sewer usage.
- (b) The adjusted bill shall be calculated based on the customer's average daily consumption as set forth in WSSC [3.20.030\(a\)](#).

(c) CAP customers may only receive the adjustment in subsection (a) of this section if WSSC has confirmed, through a meter check reading, that water usage following the high billing period has returned to normal.

(d) A CAP customer may only receive this adjustment for one billing period within any three-year period.

[3.45.090] **3.45.110** Financial assistance for property inspections.

A CAP customer who is experiencing higher than normal water usage may receive one free property inspection per calendar year.

[3.45.100] **3.45.120** Extended payment arrangements.

A CAP customer who qualifies for payment arrangements under WSSC [3.25.140](#) may enter into payment arrangements for a period of up to 48 months.

[3.45.110] **3.45.130** Chesapeake Bay restoration fund exemption program.

(a) WSSC administers the Chesapeake Bay restoration fund program on behalf of the State of Maryland.

(b) Ratepayers approved for the CAP program will be automatically eligible for exemption from the Chesapeake Bay restoration fund fee.

(c) Ratepayers who are not eligible for the CAP program, or who do not wish to apply, may apply directly to WSSC for exemption from the Chesapeake Bay restoration fund fee.

(d) To qualify for an exemption, a ratepayer shall meet two of the following four criteria:

- (1) Receipt of energy assistance or WSSC water fund assistance within the last 12 months;
- (2) Receipt of public assistance or food stamps within the last 12 months;
- (3) Receipt of veterans' or Social Security disability benefits within the last 12 months; or

- (4) Meet the income criteria as defined by the Maryland Department of the Environment.
- (e) Ratepayers shall reapply annually for the exemption

[3.45.120] **3.45.140** Annual program year and source of funds.

- (a) The CAP program year will begin July 1st and end June 30th of each fiscal year.
- (b) The source of funds for the CAP financial assistance program is from revenue generated by WSSC.

[3.45.130] **3.45.150** Dispute resolution.

Any disputes that arise concerning eligibility for program participation must be addressed directly to the partner agency.

[3.45.140] **3.45.160** Program measurement and reporting.

- (a) The customer assistance program will be reviewed on an annual basis for utilization and effectiveness.
- (b) The Commission will produce an annual report summarizing the program's performance for the prior year including:
 - (1) Number of recipients approved for financial assistance;
 - (2) Resources and total level of support provided by the Commission; and
 - (3) Other information that will ensure transparency and cost-effective service and administration.

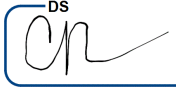




COMMISSION SUMMARY

AGENDA CATEGORY: Other Reports

ITEM NUMBER:

DATE: June 16, 2021

SUBJECT	Proposed Customer Financial Assistance Regulation Changes
SUMMARY	This briefing is a follow-up to the April 21, 2021 Commission presentation that outlined customer financial assistance programming and recommended enhancements concerning the application of late fees, specifically, waiver of late fees for customers enrolled in the Customer Assistance Program (CAP), and for those customers who successfully complete their payment arrangement.
SPECIAL COMMENTS	This briefing is for information only and is to let you know that we are moving forward with updating the appropriate regulations. We will be seeking your approval for these changes at the July 21, 2021 Commission Meeting.
CONTRACT NO./ REFERENCE NO.	N/A
COSTS	N/A
AMENDMENT/ CHANGE ORDER NO. AMOUNT	N/A
MBE PARTICIPATION	N/A
PRIOR STAFF/ COMMITTEE REVIEW	Carla A. Reid, General Manager/CEO 
PRIOR STAFF/ COMMITTEE APPROVALS	Monica Johnson, Deputy General Manager, Strategy & Partnerships  Crystal Knight-Lee, Director, Customer Service 
RECOMMENDATION TO COMMISSION	Information
COMMISSION ACTION	



Interoffice Memorandum

TO: Commissioners

THRU: Carla A. Reid, General Manager/CEO
Monica J. Johnson, Deputy General Manager, Strategy & Partnerships

DocuSigned by:
[Signature]
B234F1D881E3460...

DocuSigned by:
Monica Johnson
19D06F08A1F44F0...

FROM: Crystal Knight-Lee, Director, Customer Service Department

DocuSigned by:
Crystal Knight-Lee
83D6F70CEFA48F...

DATE: June 4, 2021

RE: **Proposed Customer Financial Assistance Regulation Changes**

Background

This memo is a follow-up to the April 21, 2021 Commission presentation that outlined customer financial assistance programming and recommended enhancements concerning the application of late fees. The enhancements include a waiver of late fees for customers enrolled in the Customer Assistance Program (CAP) and for those customers who successfully complete their payment arrangement.

WSSC Water suspended late fees and water service turnoffs on March 12, 2020 in an effort to protect public health and to provide support to customers. Understanding that we have decided to resume late fees effective, June 1, 2021, these enhancements are to intended to further assist our customers who may need help paying their water/sewer bills.

Regulation Changes

Customer Assistance Program (Chapter 3.45)

- Late fees were reinstated for all customer accounts effective on bills **June 1, 2021, onward, except for customers enrolled in the Customer Assistance Program (CAP).**
- CAP customers will be able to continue receiving the waiver temporarily under the GM/CEO's COVID-19 emergency authorization.

- The regulation change will permanently waive late fees for CAP customers. These customers must remain certified to receive this benefit.
- The recommendation to permanently waive late fees is in alignment with emerging policy to help reduce penalties and financial burden associated with household expenses for low-income customers.

Billing and Collecting Water and Sewer Use Charges (Chapter 3.25)

- To help encourage past due customers to pay their water/sewer bills, a payment plan incentive will rollout beginning **September 1, 2021**.
- The regulation change we are seeking will waive any late fees, incurred during the associated billing period, when the customer has successfully completed their payment arrangement.

Supporting Documents

We are working closely with the General Counsel's Office to update these changes in our regulations and policies. Attached are the following documents:

1. Late Fees Memo to Commissioners (April 8, 2021)
2. Customer Financial Assistance Program Update Presentation (April 21, 2021)
3. Legal Review of Regulations (June 3, 2021)
4. Draft amended regulations
 - a. Billing and Collection of Water and Sewer Use Charges and Related Fees
 - b. Customer Assistance Program Administration

Next Steps

These changes enable WSSC Water to provide additional support to customers who may be experiencing financial difficulties due to the COVID-19 pandemic.

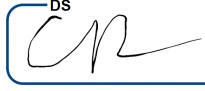

We will come back to your July 21, 2021 Commission meeting to seek approval for these regulation changes. After the required public notice period during the month of August 2021, the changes will become effective September 1, 2021.


Please let me know if you have any questions.



Interoffice Memorandum

To: Commissioners

Thru: Carla A. Reid, General Manager/CEO 
Monica J. Johnson, Deputy General Manager, Strategy and Partnerships 

From: Crystal Knight-Lee, Director, Customer Service 

Date: April 8, 2021

Re: **Reinstatement of Late Fees for All Customer Accounts**

The purpose of this memo is to provide you with WSSC Water's plan for resuming late fees on **June 1, 2021**. Please note that there are no plans to resume turnoffs at this time.

Background

In an effort to protect public health and to provide support to our customers, on March 12, 2020, WSSC Water suspended late fees and water service turnoffs. Since the beginning of the pandemic, we have ensured that water continued to flow to all customers throughout this health crisis.

Discussion

Over the past 12-months, we have continued to monitor key health, economic and financial benchmarks to understand the impact of the pandemic on our customers and to help us determine when some of our business operations could resume. Some of the key indicators WSSC Water has been monitoring include: 7-day Rolling Averages of Case Rates per 100k; Statewide Vaccine Data, Unemployment in Prince George's and Montgomery counties, and overall account delinquencies. Some of our observations are below:

- **COVID-19 Case Rates** - As of April 7, 2021, the County positivity rate for the bi-county area per 100k residents had dropped to just over 15.13 cases per day down from 53.42 cases per day on January 14, 2021.

Commissioners
Resumption of Late Fees
April 8, 2021

- COVID-19 Vaccine Distribution - The region is experiencing improvements in the distribution of the vaccine to residents in the State of Maryland and a relaxation of eligibility restrictions. As of April 8, 2021, approximately 43.9% of the state's eligible population (over age 16) and 35.3% of all residents had received the vaccine. Effective April 12, 2021, all Marylanders age 16 and over will be eligible to schedule appointments and get vaccinated.
- Unemployment Statistics – Unemployment rates as of December 2020 are showing some improvement for Prince George's at 8% and Montgomery County at 5.7%, compared to 10.1% and 8.2% respectively in June 2020. Unemployment rates overall remain high in comparison to pre-COVID-19 levels when rates were below 4% in both counties.
- Past Due Accounts - WSSC Water continues to experience a high rate of past due accounts. As of April 7, 2021, approximately 86,595 accounts and \$62.9M was past due. Overall, approximately one in five customers are currently past due.

Based on these initial signs of recovery and the current state of our past due accounts, we plan to reinstate our practice of assessing late fees for all customer accounts. This change will be effective for all bills generated as of June 1, 2021, including bills for fire hydrant meter rentals. As customary, bill payment is due within 30 days of the bill generation date. If bills are not paid by their due date, then late fees will apply, as required by Maryland law. We believe this is the best decision for WSSC Water and our customers at this time. Our position on the practice of water service turnoffs has not changed. As mentioned earlier, there are no plans to resume turnoffs at this time.

Next Steps

1. We are also pursuing two enhancements to further assist our customers:
 - a. Waiver of late fees for customers enrolled in the Customer Assistance Program.
 - b. Waiver of late fees for customers who enter into a payment arrangement and pay their balance in full.
2. We are developing a robust communication plan to begin notifying our customers this month of these changes.
3. Later this spring, we will seek your approval on the customer regulations that need to change to permit the enhancements mentioned above (#1a. and b.).

Please let us know if you have any questions.

Attachment:
Regional Utility/City Scan of Late Fees

Commissioners
 Resumption of Late Fees
 April 8, 2021

Attachment
Regional Utility/City Scan of Late Fees

Utility	Date Late Fees Suspended	Current Status	Date Resumption Projected
DC Water	3/13/2020	No Change	No Date/TBD
Fairfax Water	3/13/2020	No Change	No Date/TBD
Loudoun Water	3/23/2020	No Change	No Date/TBD
Prince William	3/16/2020	No Change	No Date/TBD
City of Rockville	3/20/2020	No Change	No Date/TBD
Frederick	3/15/2020	No Change	No Date/TBD
Arlington	3/23/2020	No Change	No Date/TBD
City of Bowie	3/15/2020	Resumed Late Fees 11/15/2020	N/A
Baltimore City	Billing Halted in Feb 2020	Resumed Late Fees 12/31/2020	N/A
Baltimore County	Billing Halted in Feb 2020	Resumed Late Fees 12/31/2020	N/A



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)

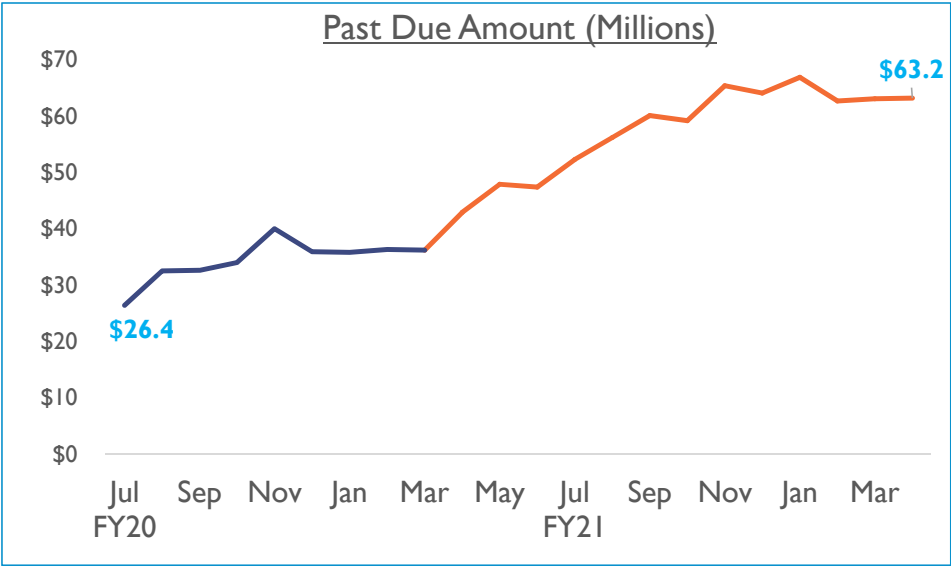
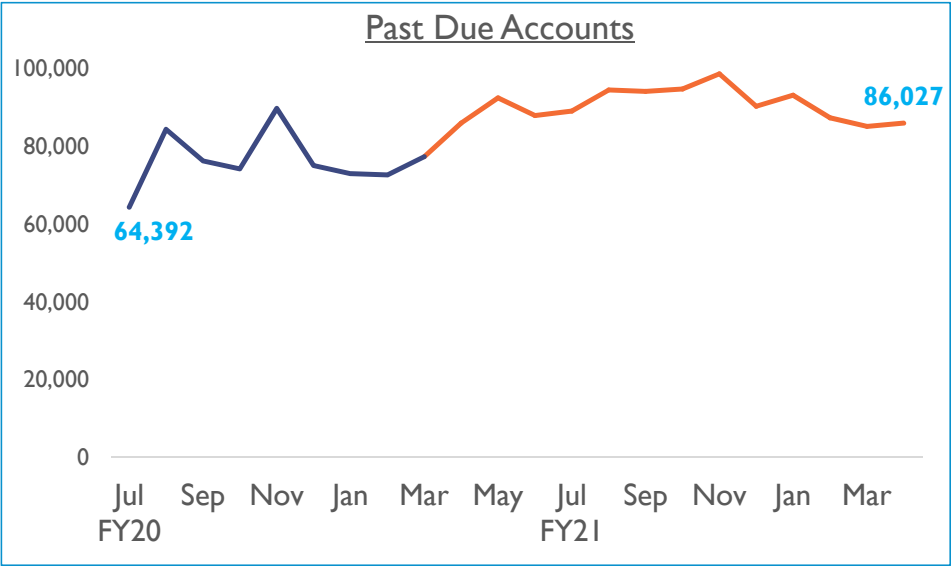


As of April 12, 2021



Powered by Bing
© Australian Bureau of Statistics, GeoNames, Microsoft, Navinfo, TomTom, Wikipedia

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)

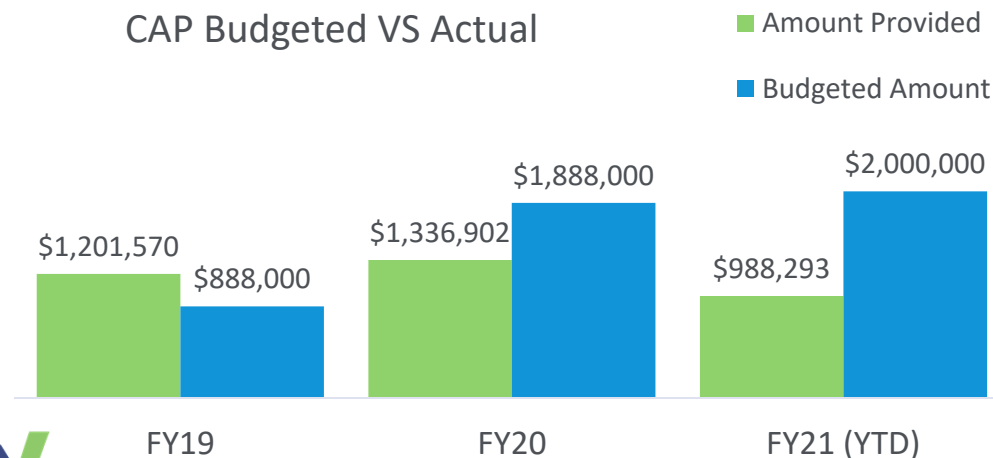
- CAP enrollment is **down** from earlier projections of 10% - 15% growth at the beginning of FY21 to 3% - 5% growth
- The utility moratoriums on late fees and disconnections allowed families more flexibility in paying for other household necessities and forced some to re-prioritize their expenses (i.e., 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 needed to permanently waive late fees for CAP customers
- An incentive is being planned for rollout **September 1, 2021**, that will waive late fees for customers who successfully complete their payment plans
 - 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?



Legal Review of Regulations

As requested, proposed amendments to the following Regulations have been reviewed as required by Chapter 1.42 of the WSSC Manual of Standard Procedures:

1. Title 3. Customer Management
Subtitle III. Customer Service
Chapter 3.25 Billing and Collection of Water and Sewer Use Charges and Related Fees
2. Title 3. Customer Management
Subtitle II. Customer Account Management
Chapter 3.45. Customer Assistance Program Administration

Legal Sufficiency Review:

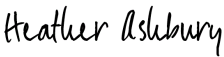
The amendments to the regulations listed above have been reviewed and determined to be legally sufficient.

If not legally sufficient, details provided below

N/A

1. Approval Authority

The Commission has the authority to adopt this Regulation.

DocuSigned by:

59490D2271DA4CD...

Heather L. Ashbury
Associate General Counsel II

Jun 3, 2021 | 11:27 AM EDT

Date

WSSC Code of Regulations
2021

Title 3. Customer Management
Subtitle II. Customer Account Management
Chapter 3.25 Billing and Collecting Water and Sewer Use Charges and Related Fees

Article III. Specific Collection Procedures

3.25.130 Collections.

- (a) A WSSC bill is due and payable upon receipt.
- (b)
 - (1) Customers are provided 30 calendar days from the date the bill is generated to remit payment.
 - (2) Except as provided in subsection [\(c\)](#) of this section **AND EXCEPT FOR CAP CUSTOMERS AS SET FORTH IN CHAPTER 3.45.080**, a five percent late fee shall be assessed if the bill is not paid within three days of the end of the payment period.
 - (3) After the late fee is assessed, WSSC shall issue a notice stating the date that the account is eligible for shutoff.
 - (4) The notice will be sent to:
 - (i) The service address; and
 - (ii) The property owner's address.
- (c) Once every 12 months, one late fee may be waived upon customer request.
- (d) Water service to a property shall be suspended if the customer does not pay the water and sewer bill.
- (e) If a check received as payment is returned by the bank, the account will be billed a returned check charge in accordance with WSSC's schedule of fees and charges.

(f) WSSC may continue to bill fixed fees when a property's water is shut-off for any reason.

(g)

(1) Properties where service has been suspended for nonpayment of delinquent bills shall be checked periodically to ensure service remains suspended.

(2) Usage that registers on the meter after a property has been suspended shall be billed to the account.

(3) WSSC may investigate the usage and take steps to remedy the use.

(h) Except as provided in subsection [\(i\)](#) of this section, water service may not be restored to the property until:

(1) Past due charges and fees are paid in full; and

(2) The customer provides WSSC with a signed release of liability.

(i)

(1) Water service to a property may be restored without full payment of past due charges and fees if the customer makes:

(i) A partial payment; and

(ii) Payment arrangements for the balance.

(2) When extending payment arrangements, WSSC may consider:

(i) Payment history;

(ii) Prior payment arrangements;

(iii) The account's history of turnoffs; and

(iv) Any other relevant account or customer information.

3.25.140 Payment and bill arrangements.

(a)

(1) WSSC may offer payment arrangements to customers.

(2) Except for CAP customers, as set forth in WSSC [3.45.100](#), payment arrangements may not exceed 36 months.

(3) If a customer fails to make the scheduled payments under a payment arrangement, the payment arrangement shall be automatically canceled and the full delinquent amount shall be due.

(4) Payment arrangements may not be offered to tenants unless the property owner submits written authorization allowing payment arrangements.

(5) When extending payment arrangements, WSSC may consider:

(i) Payment history;

(ii) Prior payment arrangements;

(iii) The account's history of turnoffs; and

(iv) Any other relevant account or customer information.

(6) UPON SUCCESSFUL COMPLETION OF PAYMENT ARRANGEMENTS, WSSC SHALL WAIVE LATE FEES FOR BILLS THAT WERE INCLUDED IN THE PAYMENT PLAN.

(b) WSSC offers bill arrangements through its automated interactive voice response system to customers that may include:

(1) A seven-day hold for the current bill; or

(2) Splitting the current bill into two payments.

(c) Customers may also receive assistance through:

(1) Referral to the administrator for the WSSC water fund; and

(2) Application to the customer assistance program.

WSSC Code of Regulations 2021

Title 3. Customer Management Subtitle II. Customer Account Management Chapter 3.45. Customer Assistance Program Administration

3.45.010 Definitions.

In this chapter, the following words have the meanings indicated:

- (a) “Account maintenance fee” or “AMF” means the fee that covers the cost to bring water and sewer service to every home and business including meters, meter readers, and billing.
- (b) “Chesapeake Bay restoration fund fee” or “BRF” is a fee levied by the State of Maryland, collected and remitted to the Comptroller of Maryland by WSSC.
- (c) “Commission” or “WSSC” means the Washington Suburban Sanitary Commission.
- (d) “Customer assistance program” or “CAP” means a financial assistance program for eligible, low-income residential households served by WSSC.
- (e) “Customer assistance program participant, ratepayer or eligible customer” means a household deemed eligible for financial assistance based on eligibility criteria as established by the WSSC or any associated partner agency.
- (f) “Infrastructure investment fee” or “IIF” is a fee that funds a portion of the debt service associated with the replacement and rehabilitation of system infrastructure.
- (g) “Partner agency” means an agency that provides assistance to income eligible residents in Montgomery and Prince George’s Counties using income guidelines and a certification process that is uniformly applied in both jurisdictions.
- (h) “Ready-to-serve fee” means the fee charged to WSSC customers that has two components, the:
 - (1) Account maintenance fee; and
 - (2) Infrastructure investment fee.

3.45.020 Purpose and intent.

- (a) The purpose of this chapter is to establish criteria for the administration of the Commission's customer assistance program.
- (b) The intent of the customer assistance program is to help defray the cost of WSSC charges for customers who meet certain eligibility criteria.

3.45.030 Authority.

Public Utilities Article, § [25-501\(c\)](#), Annotated Code of Maryland, authorizes the Commission to establish a customer assistance program to provide financial assistance to eligible ratepayers.

3.45.040 Scope.

This chapter is applicable to eligible residential households.

3.45.050 Administration.

- (a) The Commission will administer a customer assistance program for eligible, low-income participants.
- (b) Ratepayers determined to be eligible for CAP by a partner agency will receive certain credits as set forth herein.
- (c) A memorandum of understanding or MOU will stipulate the terms of a partnership agreement with the partner agency, including:
 - (1) Use of enrollee data for identifying CAP eligible participants;
 - (2) Data sharing;
 - (3) Monitoring;
 - (4) Storage procedures; and
 - (5) Security and confidentiality requirements.

3.45.060 Program eligibility.

(a) Administration of CAP including program promotions, outreach, and marketing materials may be coordinated with the partner agency or agencies.

(b)

(1) A partner agency will certify the WSSC ratepayer using criteria outlined in its operations manual or equivalent standard policy or procedure document and systems.

(2) Ratepayers will apply using the partner agency or partner's delegated agency enrollment and certification process, such as Montgomery County Health and Human Services Department and Prince George's County Department of Social Services.

(3) For those ratepayers who are already certified with the partner agency as eligible for another assistance program, such as energy assistance, the partner agency will provide an electronic file of those participants within the WSSC service area on a regular basis as provided in the MOU.

(4) Ratepayers identified by the partner agency as eligible, identifiable WSSC customer accounts will automatically be enrolled in the customer assistance program.

(c) Notification of CAP enrollment will be provided by WSSC to the CAP participant.

(d) Participants must recertify annually to participate in CAP in accordance with the partner agency's annual renewal procedures.

3.45.070 Financial assistance for ready-to-serve charges.

(a) WSSC will provide financial assistance to CAP participants in the form of a credit that will appear on the water and sewer bill.

(b) The amount of the assistance will be equivalent to the ready-to-serve fee portion of the water bill.

(c) Except as provided in subsection [\(d\)](#) of this section, the credit will appear on the first bill that the customer receives in the fiscal year after the date that the customer is certified as a CAP participant.

(d) If a customer is certified as CAP eligible after one or more bills have already been issued in a given fiscal year, WSSC shall award credits retroactively to:

- (1) The first bill issued in the fiscal year in which the customer was certified as CAP eligible; or
- (2) If the ratepayer did not yet live in the property when the previous bills were issued, to the first bill that was issued after the date of occupancy at the property.

(e) The Director of Customer Service, at the Director's sole discretion, may terminate participation in the CAP by a household for:

- (1) Fraud;
- (2) Failure to notify WSSC of relocation of residence; or
- (3) Other failure to meet obligations to WSSC and its ratepayers as set forth in WSSC regulations and the laws of the State of Maryland.

3.45.080 WAIVER OF LATE FEES

LATE FEES FOR WATER AND SEWER BILLS SHALL BE WAIVED FOR CAP CUSTOMERS.

[3.45.080] **3.45.090** Financial assistance for high bills.

- (a) Except as provided in subsection [\(c\)](#) of this section, CAP customers who receive a bill that qualifies for a high bill adjustment under WSSC [3.20.030\(a\)](#) shall receive an adjusted bill that excludes 100 percent of the excess water and sewer usage.
- (b) The adjusted bill shall be calculated based on the customer's average daily consumption as set forth in WSSC [3.20.030\(a\)](#).
- (c) CAP customers may only receive the adjustment in subsection [\(a\)](#) of this section if WSSC has confirmed, through a meter check reading, that water usage following the high billing period has returned to normal.
- (d) A CAP customer may only receive this adjustment for one billing period within any three-year period.

[3.45.090] **3.45.100** Financial assistance for property inspections.

A CAP customer who is experiencing higher than normal water usage may receive one free property inspection per calendar year.

[3.45.100] **3.45.110** Extended payment arrangements.

A CAP customer who qualifies for payment arrangements under WSSC [3.25.140](#) may enter into payment arrangements for a period of up to 48 months.

[3.45.110] **3.45.120** Chesapeake Bay restoration fund exemption program.

(a) WSSC administers the Chesapeake Bay restoration fund program on behalf of the State of Maryland.

(b) Ratepayers approved for the CAP program will be automatically eligible for exemption from the Chesapeake Bay restoration fund fee.

(c) Ratepayers who are not eligible for the CAP program, or who do not wish to apply, may apply directly to WSSC for exemption from the Chesapeake Bay restoration fund fee.

(d) To qualify for an exemption, a ratepayer shall meet two of the following four criteria:

- (1) Receipt of energy assistance or WSSC water fund assistance within the last 12 months;
- (2) Receipt of public assistance or food stamps within the last 12 months;
- (3) Receipt of veterans' or Social Security disability benefits within the last 12 months; or
- (4) Meet the income criteria as defined by the Maryland Department of the Environment.

(e) Ratepayers shall reapply annually for the exemption

[3.45.120] **3.45.130** Annual program year and source of funds.

(a) The CAP program year will begin July 1st and end June 30th of each fiscal year.

(b) The source of funds for the CAP financial assistance program is from revenue generated by WSSC.

[3.45.130] **3.45.140** Dispute resolution.

Any disputes that arise concerning eligibility for program participation must be addressed directly to the partner agency.

[3.45.140] **3.45.150** Program measurement and reporting.

(a) The customer assistance program will be reviewed on an annual basis for utilization and effectiveness.

(b) The Commission will produce an annual report summarizing the program's performance for the prior year including:

- (1) Number of recipients approved for financial assistance;
- (2) Resources and total level of support provided by the Commission; and
- (3) Other information that will ensure transparency and cost-effective service and administration.