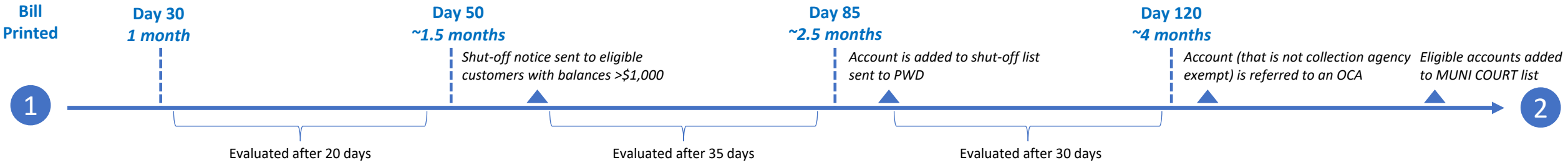


Arrears/Shut Off/Debt Collection Process, Part 1

Residential Account – Assume No Payment is Received, and Overdue Balance is **greater than \$1,000**



Stage 1 - SHUTSTRT
(Shut-Off Start and Penalty threshold)

- Account balance is overdue (past the bill due date)
- Penalty added (5% after first 30 days, ½ of 1% after each subsequent 30-day period)
- Past Due Balance message on all subsequent bills with overdue balance
- Overdue balance is greater than \$0
- Payment plans are monitored for breach of plan (if exists) for 30 days

Stage 2 - SHUTCST1
(Shut-off Notification)

- Account evaluated 20 days later
- If the balance is delinquent (at least 30 days past the bill due date) & meets all conditions for shut-off eligibility² (Overdue Balance > \$1,000, NOT TAP, Sr. Cit., or CARES)
- A shut-off notice is sent to the customer, SHUT-OFF meter work order is created with a shut-off date 35 days in the future (delayed if moratorium rules are applied)

Stage 3 – SHUTOFF
(Request shut-off)

- Account is evaluated after 35 days
- If account balance remains delinquent at least 60 days past the bill due date & meets all conditions for shut-off eligibility², the account is eligible to be selected by the daily shut off process that provides PWD with a list of properties eligible for shut-off
- Accounts that have been through the shut-off process are eligible to be referred to an Outside Collection Agency¹

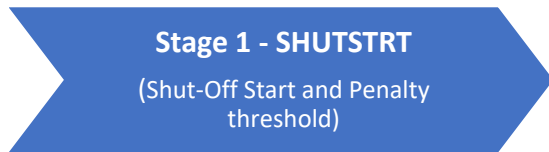
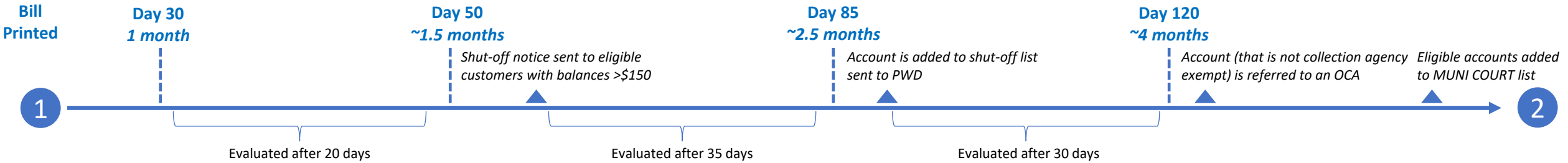
Refer to Outside Collection Agency

- Account is evaluated after 30 days for eligibility¹ for Outside Collection Agency (OCA) referral

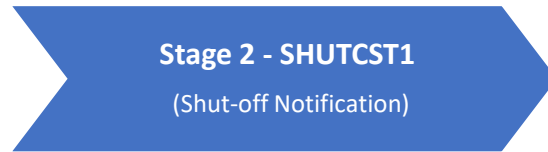
¹Collection Agency Exempt: TAP, Sr. Citizen, CARES low-income, accounts in sequestration, accounts in Law Exempt status
²Shut off exempt: TAP, Senior Citizen, CARES low-income, Law Exempt, Landlords with tenant/occupant in property, certain NB status accounts

Arrears/Shut Off/Debt Collection Process, Part 1

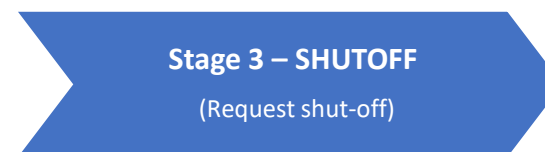
Commercial Account – Assume No Payment is Received, and Overdue Balance is **greater than \$150**



- Account balance is overdue (past the bill due date)
- Penalty added (5% after first 30 days, ½ of 1% after each subsequent 30-day period)
- Past Due Balance message on all subsequent bills with overdue balance
- Overdue balance is greater than \$0
- Payment plans are monitored for breach of plan (if exists) for 30 days



- Account evaluated 20 days later
- If the balance is delinquent (at least 30 days past the bill due date) & meets all conditions for shut-off eligibility² (Overdue Balance > \$150, NOT Law Exempt)
- A shut-off notice is sent to the customer, SHUT-OFF meter work order is created with a shut-off date 35 days in the future



- Account is evaluated after 35 days
- If account balance remains delinquent at least 60 days past the bill due date & meets all conditions for shut-off eligibility², the account is eligible to be selected by the daily shut off process that provides PWD with a list of properties eligible for shut-off
- Accounts that have been through the shut-off process are eligible to be referred to an Outside Collection Agency¹

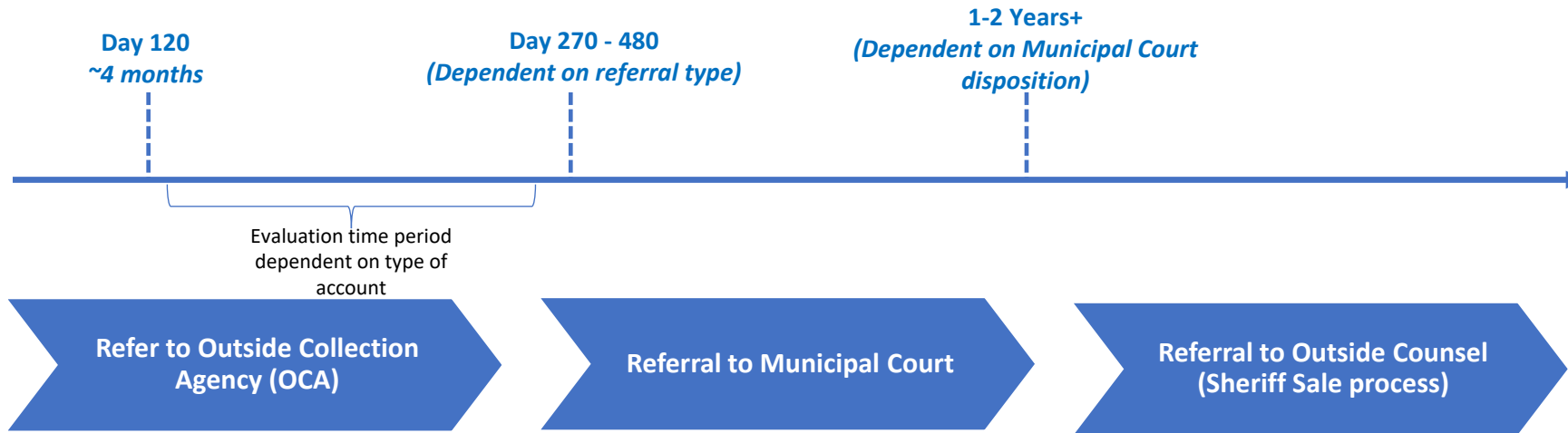


- Account is evaluated after 30 days for eligibility¹ for Outside Collection Agency (OCA) referral

¹Collection Agency Exempt: Accounts in sequestration, accounts in Law Exempt status
²Shut off exempt: Law Exempt, Landlords with tenant/occupant in property, certain NB status accounts

Arrears/Shut Off/Debt Collection Process, Part 2
Residential or Commercial Account – Assume No Payment is Received

2



Referral Type	Duration
Residential and Commercial 1 st and 2 nd referrals	5 months
Stormwater 1 st and 2 nd referrals	9 months
Meter repairs (one referral)	5 months
HELP Loans (one referral)	5 months
Landlord (one referral)	12 months
>\$12,000 (one referral)	12 months

- Account is referred to OCA for 1st referral
- Account is evaluated for 2nd referral 30 days after exiting the 1st referral
- If no 2nd referral, account exists OCA process

- Account evaluated for Municipal Court eligibility 30 days after exiting the OCA process
- Law department determines which cases with balances less than \$12,000 are referred to Municipal Court
- Ineligible cases return to the beginning of the Arrears process
- Commercial accounts with judgments have 90 days to resolve delinquency before being evaluated for Sheriff Sale process

- Account evaluated for Sheriff Sale eligibility¹ 30 days after exiting the Municipal Court process
- First WARNING OF RISK OF WATER FORECLOSURE ACTION certified letter sent
- Account evaluated for second WARNING OF RISK OF WATER FORECLOSURE ACTION letter eligibility 40 days after first letter
- Account evaluated for referral to Outside Counsel 30 days after second letter
- Accounts referred to Outside Counsel for 1 year

¹ Sheriff Sale Exempt: all residential accounts, accounts in sequestration, accounts in Law Exempt status, account balance < \$2,000, combined water and tax balance < \$3,500