



**ANNUAL REPORT TO THE MAYOR
ON THE
TIERED
ASSISTANCE
PROGRAM (TAP)**

Department of Revenue

Calendar Year 2022

March 31, 2023



**City of
Philadelphia**



March 31, 2023


The Honorable James Kenney
Mayor, City of Philadelphia
City Hall, Room 215
Philadelphia, PA 19107

Dear Mayor Kenney:

Enclosed is the Department of Revenue's seventh annual Report to the Mayor on the Tiered Assistance Program (TAP). The report, required under Philadelphia Code Section 19-1605(7), provides metrics for calendar year 2022. During the year, the Water Revenue Bureau and Water Department have worked to significantly enhance the program's functionality and overall customer protection. The efforts enacted this year included the introduction of monthly principal forgiveness accumulation and pre-qualification in the TAP program as a result of participating in the federal Low-Income Household Water Assistance Program. Additional work was done to provide clarity to the application process with an updated customer assistance application checklist that was implemented in February 2022.

The City launched several outreach, promotion, and advertising campaigns to increase awareness of the water bill assistance options available to customers struggling with their water bill. This included various advertisements throughout the City and at public meetings, resource fairs, and other events, to inform customers of opportunities to help reduce their water bills. These advertisements were translated into several languages. PWD and WRB worked with multiple partner agencies to help customers complete their assistance applications and to identify and resolve challenging points in the application process. PWD and WRB also continued an internal project to review all CAP-related letters, to revise their text and format, in response to customer feedback on the complexity of these letters. Over the past year, TAP has continued its efforts to provide meaningful assistance to the water customers of Philadelphia.

Very truly yours,


Commissioner Frank Breslin, CPA
Chief Collections Officer

Enclosure

CC: Darrell L. Clarke, City Council President
Michael A. Decker, Chief Clerk of the City Council

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1. EXECUTIVE SUMMARY

The City of Philadelphia has completed nearly six years of the Tiered Assistance Program (TAP), its assistance program for residential customers who meet low-income or special hardship criteria. The initiative is a result of the enactment of Council Bill 140607-AA and rate determination by the Philadelphia Water, Sewer, and Stormwater Rate Board. TAP provides for participating customers' bills to be capped as a percentage of their income. Monthly bills are capped at between 2% and 4% of their monthly household income based on where their household income stands with respect to the current Federal Poverty Guideline. See Section 2.1 for a more detailed description of TAP.

The ordinance requires that the Revenue Department submit a written report by March 31st of each year of activities undertaken pursuant to the ordinance. This document is the seventh such report and covers calendar year 2022. During this reporting period, the City extended the recertification process to three years and provided, along with federal and local non-profit partners, several one-time measures for additional assistance to TAP customers.

A number of changes were made to the TAP program in 2022, including the introduction of monthly, or ratable, principal forgiveness and development of a TAP pre-qualification pathway for Low-Income Household Water Affordability Program (LIHWAP) grant recipients. The City continued its efforts to encourage vulnerable citizens to enroll in its water assistance programs by using traditional methods such as mailers and advertisements as well as in-person outreach events. Additionally, the City solicited feedback from multiple stakeholders to improve the application checklist. The revised checklist clarifies the documents required to prove income and residency. This checklist launched in early 2022.

BY THE NUMBERS

Philadelphia Code section 19-1605(7)(b)(.1-.4) specifies four types of metrics upon which the Department should report each year: Applicants Enrolled in TAP, Applicants Not Enrolled in TAP, Non-TAP Payment Agreements, and Customers Defaulting from TAP.

Between January 1 and December 31, 2022, the City had fully processed over 18,900 applications and had enrolled 10,405 customers in TAP. See Figure 1 for 2022 TAP Enrollees by Federal Poverty Guideline Percentage.

During December 2022, as of end-of-month data, there were 14,712 active TAP participants.

Together, TAP enrollees during 2022 had approximately \$29M in water account arrears at the time of enrollment.

In addition to those enrolled in TAP, there were 8,537 applicants that were either placed in a program other than TAP because it was determined to be more affordable or their applications were denied, for reasons including failure to meet income or residency requirements and incomplete submissions that were not corrected in time (see Figure 2).

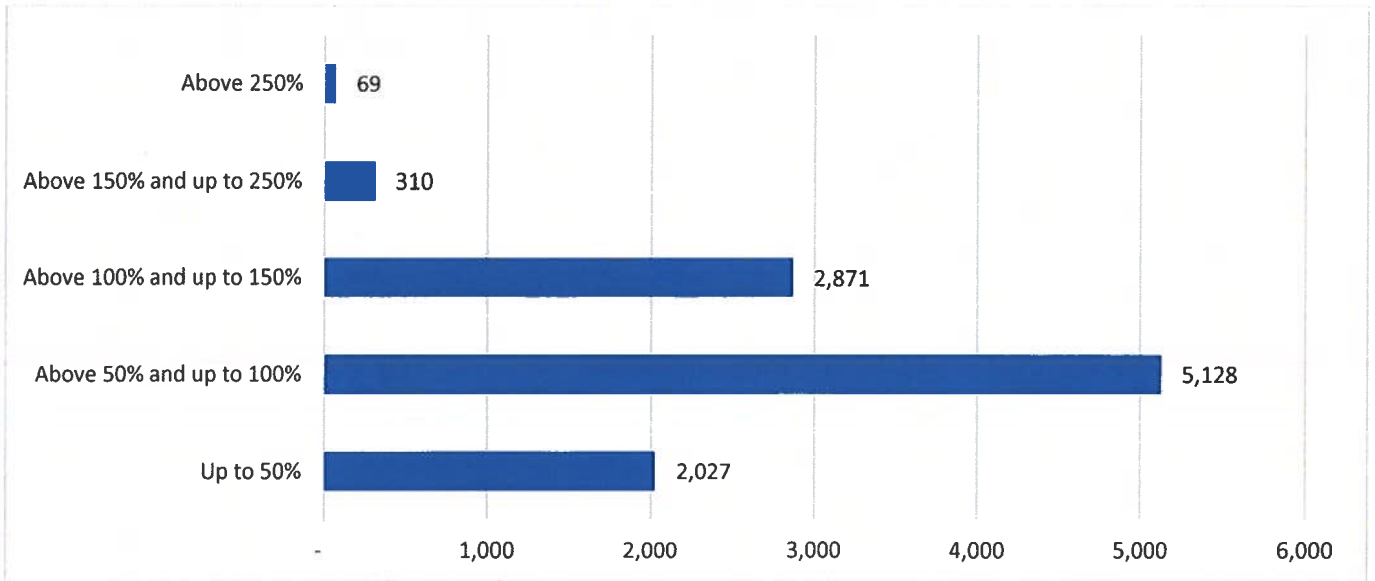


Figure 1. Count of 2022 TAP Enrollees by Federal Poverty Guideline Percentage (total: 10,405)

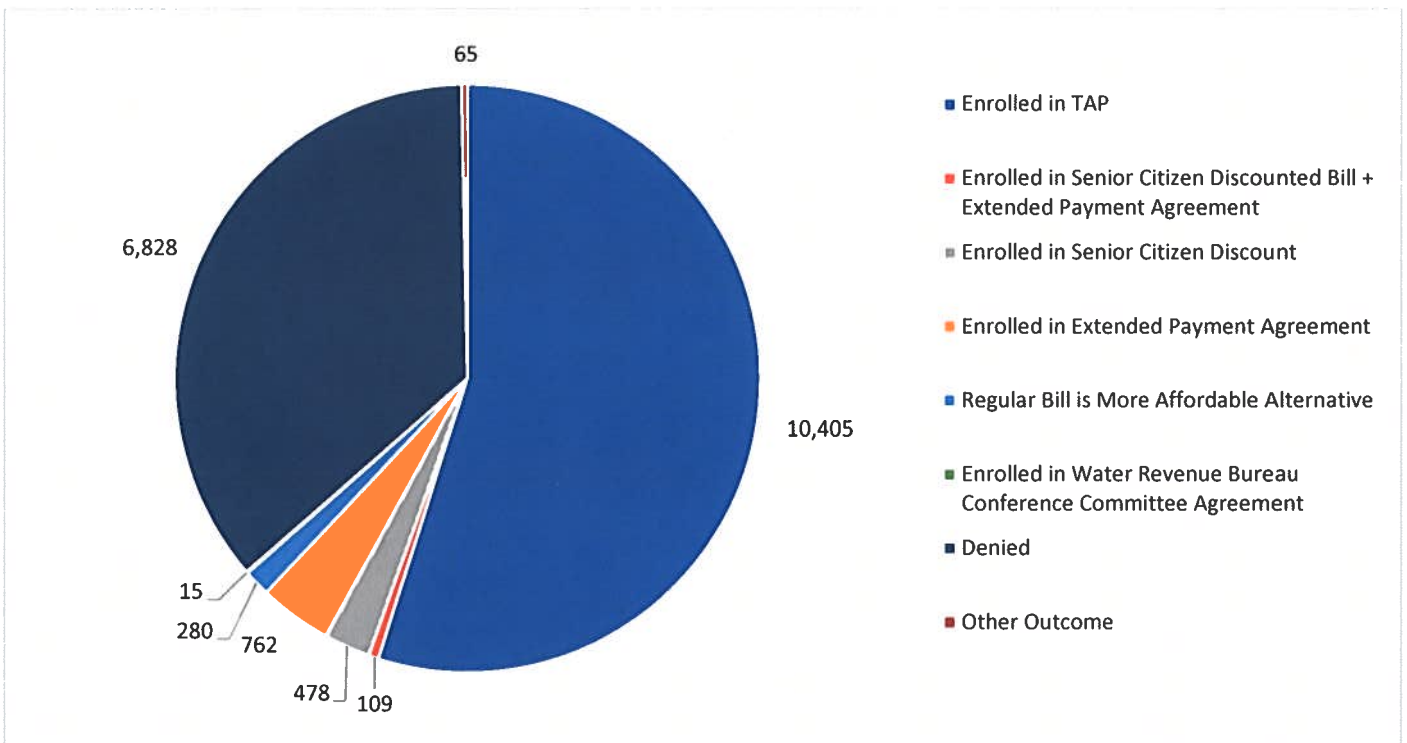


Figure 2. 2022 Customer Assistance Application Outcomes (total: 18,942)

In addition to TAP, this document also reports on non-TAP Payment Agreements, which are defined as payment agreements outside of the TAP bill. As of December 31, 2022, there were 5,208 active residential payment agreements. Of these agreements, 4,682 agreements were created in 2022, while 526 agreements were created in previous years and were still ongoing. Active residential agreements created in 2022 cover roughly \$10.3M in principal debt, \$1M in penalties and \$400,000 in other fees (such as returned check fees). See Figure 3 below for a breakdown of all agreements by type.

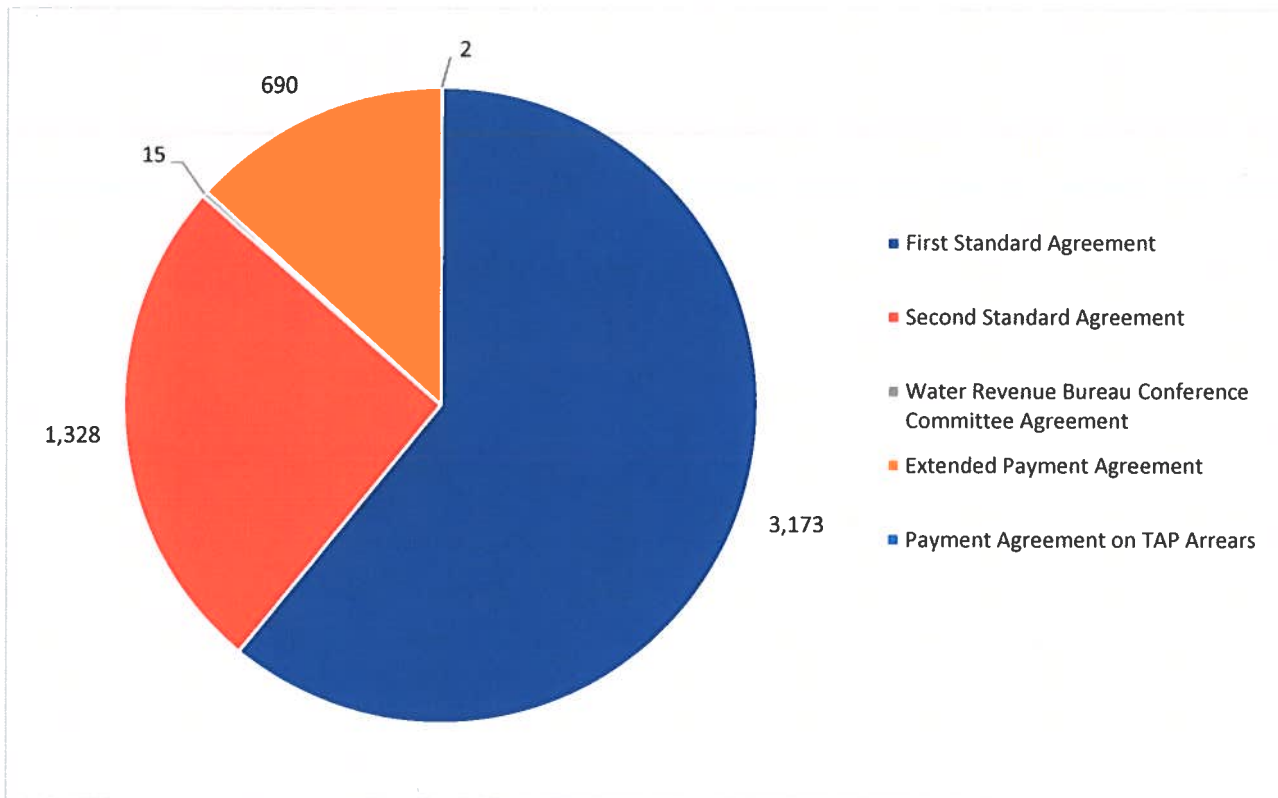


Figure 3. Non-TAP Residential Payment Agreements Active as of 12/31/22 (total: 5,208)¹

As of December 31, 2022, there were 25,900 customers in the Senior Citizen Discount (SCD) program, some of whom were in the program prior to the unified customer assistance application process, that was implemented concurrently with the start of TAP, in 2017. Some customers categorized as Senior Citizens are also enrolled in TAP and have bills capped based on income.

¹ Customers with arrearages on their TAP bills can enter payment agreements to pay those arrearages. Those payment agreements are reflected as “Payment Agreement on TAP Arrears”

2. INTRODUCTION

In 2017, the City of Philadelphia successfully launched a new Tiered Assistance Program (TAP) for residential customers who meet low-income or Special Hardship criteria pursuant to Section 206.0 through 206.10 of the Philadelphia Water Department (PWD) Regulations. At the same time, application and enrollment in other Customer Assistance Programs offered by the Water Revenue Bureau were streamlined into the same process. During 2022, the program continued to change in significant ways, adding improvements and innovations to help serve customers and implementing steps that address additional affordability measures.

Customer Assistance Program



- **Tiered Assistance Program (TAP)**
 - *Based on income or special hardship*
- **Senior Citizen Discount**
- **Payment Agreements w/o time limit**

The TAP initiative is a result of two essential drivers. The first is Philadelphia Code section 19-1605, enacted in 2015. The second are the Philadelphia Water, Sewer, and Stormwater Rate Board's rate determinations in 2016, 2018, and 2021. In the former document, TAP is referred to as the Income-Based Water Rate Assistance Program, or IWRAP. This document will use the program's operational name, TAP.

The ordinance requires the Revenue Department to submit by March 31st of each year, a written report to the Mayor – with timely copies furnished to the Council President and Chief Clerk of City Council – regarding activities undertaken pursuant to the ordinance that occurred during the previous calendar year. Section 19-1605(7) specifies metrics to be included as a part of this annual report, which are included in Section 4, below.

2.1 TIERED ASSISTANCE PROGRAM

Customers approved for TAP receive an individualized rate that is tied to a percentage of their income. Bills are capped at between 2% and 4% of their household income based on where household income stands with respect to the current Federal Poverty Guideline. For monthly gross income limits based on household size for the calendar year 2022, see Table 2 below.

Table 1. Maximum TAP Bill

Household Income to Federal Poverty Level Percentage	Bill as percentage of Household Income
Below 50%	2%
Above 50% and at or below 100%	2.5%
Above 100% and at or below 150%	3%
Above 150% (Special Hardship)	4%

Table 2. Federal Poverty Guidelines for 2022

Household Size	Eligible Monthly Income Levels	
	Maximum Gross Income (150% of FPL)	Maximum Gross Income (250% of FPL)
1 Person	\$1,699 / month	\$2,831 / month
2 People	\$2,289 / month	\$3,815 / month
3 People	\$2,879 / month	\$4,798 / month
4 People	\$3,469 / month	\$5,781 / month
5 People	\$4,059 / month	\$6,765 / month
6 People	\$4,649 / month	\$7,748 / month
7 People	\$5,239 / month	\$8,731 / month
8 People	\$5,829 / month	\$9,715 / month
<i>For each additional person:</i>	Add \$590 to the amount above	Add \$983 to the amount above

If a customer qualifies for TAP based on a special hardship, their monthly bills for water, sewer, and stormwater usage and service charges are fixed at 4% of the household income. Any actual charges above the fixed amount are forgiven. A special hardship includes but is not limited to the following:

- A. Increase in household size
- B. Loss of a job, lasting more than 4 months
- C. Serious illness of household member, lasting more than 9 months
- D. Death of primary wage earner
- E. Domestic violence or abuse
- F. High household expenses
- G. Other circumstances that threaten household’s access to necessities of life

Customers are not required to have any back debt or any balance on their accounts to qualify for TAP. If customers do have back debt on their water accounts, that debt is protected, meaning no enforcement action or collection activity will be taken on that debt while the customer is participating in TAP.

Once enrolled in TAP, customers are able to benefit from penalty forgiveness and principal forgiveness. Penalty forgiveness is the process by which TAP participants can have penalty charges forgiven after 24 full payments of their TAP bills. The penalty forgiveness program began in July of 2017. Principal forgiveness is the process by which TAP participants can have their unpaid, pre-TAP water bills forgiven, and the process was updated in June 2022 with the implementation of ratable forgiveness. From the beginning of the principal forgiveness program in September of 2020 to June 2022, TAP participants were able to have their unpaid, pre-TAP water bills forgiven after 24 full payments of their TAP bills. Effective July 1, 2022, each month a TAP participant makes a complete TAP payment, 1/24th of their pre-TAP principal debt is forgiven.² Customers also received lump sum principal forgiveness in June 2022 to reflect the number of full TAP bill payments they had already made since September 1, 2020.

PWD and WRB implemented ratable forgiveness by jointly filing an Amendment to Philadelphia Water Department Regulations Section 206.7 and the corresponding definitions in Section 206.1. The initial filing was made on February 8, and the City filed the final version of the amendments on May 31, 2022 after receiving written comments and conducting a public hearing. Ratable forgiveness went into effect on July 1, 2022.

² Per PWD regulations, customers who are removed from TAP for intentionally false enrollment or re-certification will be back-billed for the difference between their TAP bill and the general rate for months they participated in the program.

2.2 2022 HIGHLIGHTS

Recertification

Recertification in the TAP program was restarted in September 2021, after a pause through 2020, and it had subsequent impacts in the early months of 2022. Some customers who failed to recertify were removed from TAP, leading to a decrease in the number of customers enrolled in TAP.

Per PWD Regulations, recertification is required “no more frequently than once every year.” Initially, TAP customers were eligible for recertification after 12 months, and recertifications were metered out to help manage the workflow. In response to stakeholder feedback and supply chain delays, and to retain and attract TAP participants, in 2022 WRB and PWD **lengthened the time between recertifications from annually to every three years**. WRB also extended the number of days a customer is required to respond to the request to recertify from 60 days to 120.

Because the recertification lifecycle increased from one to three years, the deadline for recertification for most TAP customers will be in March of 2024 or later, therefore significantly reducing the number of customers removed for failing to recertify in 2022.

Ratable Forgiveness

As mentioned above, PWD and WRB implemented ratable forgiveness effective July 1, 2022. Under ratable forgiveness, TAP participants can have 1/24th of their pre-TAP principal debt forgiven for each full TAP Bill payment. Since ratable forgiveness went into effect in 2022, customers received **\$17,310,664.89 in principal forgiveness**, \$11,736,380.06 of which was retroactive lump sum forgiveness to reflect past bills that had earned ratable forgiveness.

Implemented Policy Changes

Several programmatic changes were implemented to help make the application process more accessible for customers. In the spring of 2022, WRB revised internal guidance for reviewing documentation submitted from customers and implemented the updated guidance in June 2022. The application checklist was updated to clarify these changes and the application requirements for customers.

Clarifying Messages in Customer Letters

Per regulations, WRB is required to communicate in writing every decision made on a customer assistance application and/or any other decision that impacts TAP participants. Within the application request, submittal, and review process, there are dozens of unique situations that can arise that require such communication each with a unique letter to be sent to customers. Periodically WRB received feedback from customers via focus groups and the Contact Center that several of these letters were confusing. In response, PWD launched an internal project in 2021 that is still ongoing, to review all CAP-related letters. As part of this project, each letter’s text and format is individually reviewed and revised by key members of WRB and PWD staff to be easier to understand and provide consistent and clear feedback to customers. Stakeholders, which included staff from WRB communications, WRB’s policy team, PWD Communications, the Customer Assistance Division, the CAMP (Customer Assistance Management Program; the TAP software system) support team, the Contact Center, and others, met regularly to make changes to several letters and implement three to four iterations of each. One of the first moves in 2022 was for letters to be generated out of a flexible framework as part of CAMP, increasing the ease with which letters can be edited based on customer and other stakeholder feedback. By the end of December 2022, eight of the letters were either in final review or had been promoted to production.

Efforts to provide consistent feedback to customers

TAP, and several other customer assistance programs, are administered by WRB, but customer questions about the program are received by both WRB and the PWD Contact Center. Contact Center agents are responsible for resolving all customer inquiries as quickly as possible, and these inquiries range from high bill complaints, requests for service move ins and move outs, requests for adjustments, requests for payment agreements, concerns about shut-offs, requests for water shut-off while conducting repairs, and others, along with questions about customer assistance. In an effort to support the Contact Center agents with TAP-specific customer questions, the most helpful items among the TAP informational resources created in prior years were further refined and provided. Contact Center staff periodically received training on new software features and policies, re-visited prior topics for refresher training, and communicated concerns received by customers and/or questions agents themselves had about the program.

A dedicated TAP support email address was monitored throughout the year so that Contact Center agents as well as WRB Customer Assistance Division (CAD) staff can send questions or concerns at any time to CAMP support staff.

CAD supervisors, administrators, and agents regularly met with the CAMP support team to discuss new requirements, resolve questions, and learn about new issues or concerns. Periodically, CAD agents participated in 'Town Hall' forums to train on new features promoted to production and respond to any questions or concerns brought forward.

PWD also established a career path for Customer Assistance specialists within the Contact Center, and the first staff member has successfully completed the process. Similarly, PWD Public Affairs and WRB Communications made efforts to enhance coordination and to consider and review different initiatives for outreach, including preparing materials for outside agencies and non-profits looking to support water customers. These efforts are discussed in section 3.

Grants

In 2022, PWD customers began receiving one-time federal Low-Income Household Water Assistance Program (LIHWAP) grants. Customers who qualify for LIHWAP also are eligible for TAP enrollment, and in 2022, PWD and WRB worked towards developing a pilot program to pre-qualify LIHWAP recipients for TAP enrollment. A new module has been developed in the application review software to consume data from the Commonwealth of Pennsylvania's Department of Health Services (DHS) of customers approved for LIHWAP grants in order to pre-qualify them for TAP enrollment. The module was designed so that much of its code can be re-used for any future pre-qualification initiatives, should they be pursued by the City with other state or municipal organizations.

Other grant activity occurred during the year, outside the purview of the Tiered Assistance Program.

Forthcoming Changes

LIHWAP pre-qualification is scheduled to be implemented in production in 2023. The City and the Commonwealth finalized a data sharing agreement that will allow for LIHWAP recipients to be enrolled in the TAP program, using LIHWAP enrollment to satisfy the requirements of their application. After the LIHWAP pre-qualification pilot has been introduced, pre-qualification and reciprocity may be introduced for other assistance programs. This work is ongoing.

The CAP application format may also be redesigned in 2023.

Between January 1 and December 31, 2022, the City had fully processed over 18,900 applications and had enrolled 10,405 customers in TAP. As of December 31, 2022, there were 14,712 active TAP participants.

3. CUSTOMER OUTREACH AND SUPPORT

In 2022, there were many efforts to keep customers informed about ongoing changes to customer assistance programs. Much of the outreach work done over the year involved informing customers of the forms of debt protection available. Several advertisements and campaigns were developed to raise awareness and promote the ways customers could receive help with their water bills. Outreach content was guided by research. The majority of outgoing communications promoted Water Customer Assistance Programs, LIHWAP and other one-time grants offered by partners, recertification, debt forgiveness, eligibility via special hardship, and ways to get help with the application form.

Media and Ad buys

Throughout 2022, PWD ran an outreach, promotion and advertising campaign to create awareness of Water Customer Assistance programs, encourage customers to apply, and reduce back bills. The campaign included more than 40 unique “touches” or methods of presenting information about TAP, and also included flyers, postcards, bill stuffers, emails, and advertisements on SEPTA in both English and Spanish.

The campaign used advertisements in print, on social media, websites, and on radio, including March/April radio spots with WDAS’ Patty Jackson, a trusted voice in Philadelphia’s Black community, and 75 radio spots in March, April, and May on WURD and participation in the ECO WURD Earth Day event. Advertising in May saw a variety of digital media advertising through WURD, including newsletter ads, and Facebook and Instagram posts. WURD is the only African American-owned and operated talk radio station in the Commonwealth of Pennsylvania and is an essential channel for engaging with Philadelphia’s Black Community.

PWD maintained strong efforts in Spanish language outreach, with bilingual print and digital campaigns with *Al Dia*, and radio promotion through *La Mega*, including a series of ads with radio personality and community influencer Maria Del Pilar.

Owned media

PWD’s direct contact with customers continued to grow. By December 31, there were 12,516 subscribers for PWD Customer Assistance email updates. These emails had an open rate of 53.5%.

Web traffic to the Customer Assistance Application Portal at <https://cap.phila.gov/start> shows the impact of increased communications and outreach. Over the outreach campaign period of February 1, 2022, to October 31, 2022, there were 33,856 new users. This is up 124% over the previous nine-month period (15,094 from May 4, 2021 – January 31, 2022).

Outreach in communities

PWD continued working closely with communities in 2022, particularly faith-based groups in the Black community. PWD planned community meetings, summits and other gatherings, including meetings with Black community leaders and Black grassroots community members, and PWD provided information about TAP and LIHWAP to parishioners at several Black churches, including at Mt. Zion Baptist, St. Matthew AME, Mother Bethel AME, Enon Tabernacle Baptist, Pinn Memorial, and Church of Christian Compassion. This outreach effort is ongoing.

PWD reached out to Reverend Naomi Washington-Leapheart, the Director of the Commission on Faith-Based and Interfaith Affairs at the Office of Public Engagement and provided CAP fact sheets and social media graphics to be shared on the Office of Public Engagement's platforms. Going forward, PWD will look to partner with them on any in-person or virtual resource events.

PWD met with the Residential Customer Assistance and Services (RCAS) committee in May. Discussions in 2022 covered topics including June utility fairs, Community Resource Corps work, updates from partners, and the City's efforts to review water shut-off policies and introduce new customer protections. Community Legal Services (CLS) submitted feedback to the RCAS committee detailing concerns about the logistics of implementing the new shut-off procedures and requested a further extension of the shut-off moratorium. The Water and Revenue Commissioners sent a response detailing the coordinated Administration effort in developing the new shut-off procedures that protected the city's most vulnerable customers.

PWD has continued outreach to partners with CAP social media toolkit, including sharing flyers for CMC for LIHEAP customers, the Citywide social media group, and RCAS.

Customer outreach and support events

PWD took part in a number of virtual and in-person events in 2022 to directly help customers with their assistance applications and to get the word out about several programs.

PWD held a series of Virtual Utility Fairs in partnership with PECO and PGW, as well as in-person events that featured representatives from the PA Department of Human Services, Energy Coordinating Agency (ECA), Utility Emergency Services Fund (UESF), Community Legal Services (CLS), and the Pennsylvania Utility Commission (PUC). Over 350 customers attended these sessions and made over 70 applications.

PWD Assistance Clinics began at the end of July and continued through October 26. These weekly virtual events provided customers one-on-one help accessing water assistance programs. In addition to PWD programs, customers received information on state grants available to eligible PWD customers. In total, there were 551 appointments made, 253 appointments kept, and 85 assistance applications submitted. If customers decided not to apply for an assistance program, they were offered a payment agreement. As a result, 27 customers elected to set up payment agreements.

PWD held nine Water Assistance Days events focused on the 19132/19121 zip codes, identified as areas with the most need by PWD data analysis, where customers were helped with applications. Approximately 50 customers participated in these events.

PWD has launched a partnership with Community Resource Corps (CRC), an organization out of the Mayor's Office of Civic Engagement and Volunteer Service, dedicated to projects that help mitigate poverty. The first phase of the partnership focused on outreach to customers who were previously denied for having incomplete applications and not responding to a follow-up letter in a timely manner, TAP customers who failed to recertify, and delinquent customers in areas with high/concentrated delinquency. Through phone banking, and door-to-door canvassing, the CRC found that 47% of customers needed support to complete their applications. To date, the CRC effort has resulted in 75 CAP applications submitted. Actions to reach the remaining successful contacts will continue. The second phase of the partnership evolved to make direct outreach to customers in danger of water shut-off. Using technology

provided by the Mayor's Office of Civic Engagement, CRC is currently texting customers and coordinating any assistance the customer needs.

In July, PWD launched a partnership with the Philly Counts team that coordinates community engagement efforts with other partners to assist water customers with CAP applications. The team attempted phone contact with 1,900 customers, had 260 conversations and generated 187 CAP applications.

Language Access:

PWD and Revenue have a designated Language Access coordinator and alternates who works closely with the Office of Immigrant Affairs (OIA) to ensure language access services are accessible and available for staff to assist Limited English Proficient customers.

PWD and Revenue currently provide vital documents in the following languages in addition to English: Arabic, Italian, Khmer (Cambodian), Portuguese, Russian, Simplified Chinese, Spanish, Traditional Chinese, and Vietnamese.

Vital documents that have been translated include:

- Customer Assistance Program Application (9 languages)
- CAP flyers
- Annual Water Quality Reports
- Rate Increase Fact Sheets
- Lead Program Fact Sheets and Materials
- Construction letters and door hangers
- Industrial Waste Warning and Violation Notices
- H.E.L.P. Loan Fact Sheet
- Basement Backup Protection Program Materials
- Plumbing Repairs Program Materials
- Notice of Defect form and fact sheet

Language Access Coordinators continue to have documents translated on an as-needed basis and can schedule in-person interpreters when necessary.

The Customer Assistance documents webpage was updated to include flyers promoting assistance programs in French Creole, Haitian Creole, Traditional Chinese, Simplified Chinese, and Vietnamese. Community members and partners may download these documents from <https://www.phila.gov/documents/water-bill-customer-assistance-application-and-documents/>

4. REPORTING METRICS

City Code Section 19-1605(7)(b) requires several metrics to be provided in this annual report, including:

1. The number of applicants enrolled in TAP, and a breakdown of such enrollments by income level, along with the gross amount of arrears calculated for these enrollees.
2. The number of applicants that were not enrolled in TAP and a breakdown of the reasons for their TAP ineligibility.
3. The number of non-TAP Payment Agreements and a breakdown of such payment agreements by type, term, and amount covered.
4. The number of TAP customers who defaulted during the applicable period and the reason(s) for the default.

Each metric is addressed in this section. The first customers were enrolled in TAP beginning in July 2017. The metrics in this section include customers who have applied as part of the recertification process.

4.1 APPLICANTS ENROLLED IN TAP

Between January 1st and December 31st, 2022, the City enrolled **10,405 customers in TAP**. This number is slightly higher than 2020, but still lower than previous years owing to the reduction in application activity. The enrollees had **approximately \$29M in water account arrears** at the time of enrollment. For consistency between reports, water account arrears are labeled “Pre-TAP Debt.” Table 3 shows the breakdown of these TAP enrollees in income ranges with respect to the Federal Poverty Guideline.

Table 3. New Applicants Enrolled in TAP in 2022

Income Level as Compared to Federal Poverty Guideline	Total Enrollees	Total Pre-TAP Debt^{3,4}
Up to 50%	2,027	\$5,481,193.89
Above 50% and up to 100%	5,128	\$13,755,601.39
Above 100% and up to 150%	2,871	\$8,110,525.02
Above 150% and up to 250%	310	\$1,329,534.94
Above 250%	69	\$280,413.78
Total	10,405	\$28,957,269.02

³ Under the ordinance’s requirement to promptly review applications for changed circumstances, there are rare cases where the same customer was enrolled in TAP more than once in the calendar year. In those cases, only that customer’s most recent enrollment and associated debt are reported in Table 3 and Table 4. Since TAP is a program in which customers can recertify for continuous participation, Pre-TAP Debt as shown in the tables above may represent debt that was already protected from enforcement while the customer was previously enrolled in TAP. Thus, the debt is associated with the most recent enrollment, but it may not all be debt newly protected through TAP participation.

Table 4. Total Debt of Applicants Enrolled in TAP in 2022

Debt Range	Total Enrollees	Total Pre-TAP Debt^{3,4}
< \$0	237	\$(43,513.98)
\$0-\$200	2,240	\$149,460.21
\$200-\$500	1,156	\$394,948.21
\$500-\$1,000	1,304	\$949,618.66
\$1,000-\$2,000	1,502	\$2,212,754.80
\$2,000-\$5,000	2,082	\$6,794,944.47
\$5,000-\$10,000	1,286	\$9,058,618.83
\$10,000-\$20,000	487	\$6,394,929.76
\$20,000-\$50,000	109	\$2,873,123.27
\$50,000+	2	\$128,870.81
Total	10,405	\$28,957,269.02

⁴ The Total Pre-TAP Debt total excludes any customers with account credits at the time of enrollment (which are shown in the first line of Table 4).

4.2 APPLICANTS NOT ENROLLED IN TAP

In addition to the 10,405 applicants enrolled in TAP (see Table 3, above) during 2022, 8,537 applicants were not enrolled in TAP. This group includes 1) applicants who were denied for ineligibility or an incomplete application following a request for further information; 2) those who were placed in a different program that provided a more affordable alternative than TAP; and 3) those whose applications had some other outcome, like residing in an ineligible installation type, causing it to stop being processed.

As of December 31, 2022, there were 25,900 customers in the Senior Citizen Discount (SCD) program, some of whom were in the program prior to the unified customer assistance application process that was introduced with the launch of TAP in 2017.

Table 5. Applicants Not Enrolled in TAP

Outcome	Total Count
Denied	
Failed to meet Income and Residency Guidelines	3
Failed to meet Income Guidelines (no Special Hardship)	321
Failed to meet Residency Guidelines	318
Installation Type Not Eligible for TAP	6
Missing or Invalid Income or Residency Documentation	5,595
Missing information on application form	86
Not the Customer applying	499
Total Denials	6,828
Enrolled in More Affordable Alternative	
Senior Citizen Discounted Bill ⁵	478
Senior Citizen Discounted Bill + Extended Payment Agreement	109
Regular Bill ⁶	280
Regular Bill + Extended Payment Agreement	762
WRBCC Agreement	15
Total More Affordable Alternative Placements	1,644
Other Outcomes	
Customer Withdrew Application	-
Data Transfer ⁷	65
Total Other Outcomes	65
Total Applicants Not Enrolled in TAP	8,537

⁵ Senior Citizen Discounted Bill may also include a standard payment agreement. Standard agreements are reported in Section 4.3, below.

⁶ Regular Bill may also include a standard payment agreement. Standard agreements are reported in Section 4.3, below.

⁷ When customers had more than one application in progress at the same time, information was transferred to the newest application for processing, older applications were categorized as "Data Transfer," and were no longer processed. Similarly, previously denied applications were transferred for re-evaluation when WRB identified available OOPA information, or the customer submitted additional required documentation after denial. The subsequent approvals or denials are also captured in these figures.

4.3 NON-TAP PAYMENT AGREEMENTS

As of December 31, 2022, there were 5,208 active payment agreements between residential water customers and WRB. Of these agreements, 4,682 (90%) were created in 2022, while 526 (10%) were created in previous years and were still ongoing as of the end of 2022. Residential agreements are categorized as one of five types, some of which relate to TAP:

- 1) **First Standard Agreements:** First standard agreements are available to residential customers irrespective of income. Under a first standard agreement, a 25% down payment is requested from the customer.
- 2) **Second Standard Agreements:** Second standard agreements are available to residential customers irrespective of income. Under a second standard agreement, a 50% down payment is requested from the customer.
- 3) **Water Revenue Bureau Conference Committee (WRBCC) Agreements:** WRBCC agreements were available to residential customers who meet income qualifications, were previously enrolled in the WRBCC program, and had WRBCC be the most affordable alternative or opted to remain in the WRBCC program.
- 4) **Extended Payment Agreements:** Extended Payment Agreements were introduced during 2017 to assist customers who were income-ineligible for TAP.
- 5) **TAP Payment Agreements:** These agreements were introduced during 2017 to allow customers to catch up on missed TAP payments.

The 4,682 active residential agreements created in 2022 were made up of 3,000 First Standard Agreements, 1,234 Second Standard Agreements, 15 Water Revenue Bureau Conference Committee (WRBCC) Agreements, 431 Extended Payment Agreements, and 2 TAP Payment Agreements. Active residential agreements created in 2022 cover roughly \$10.3M in principal debt, \$1.0M in penalties and \$400,000 in other fees (such as returned check fees).

Table 6, Table 7, and Table 8 provide counts for active residential agreements as of December 31, 2022 by term range along with the principal, penalties, and other fees covered under the agreements. Table 6 shows information for agreements created in 2022; Table 7 shows agreements created before 2022; and Table 8 shows all agreements (the sum of agreements shown in Table 6 and Table 7).

Table 6. Active (as of 12/31/22) Residential Agreements Created in Calendar Year 2022

Agreement Type by Term Range	Count	Principal	Penalties	Other Fees
First Standard Agreements				
0–12 Months	432	\$466,270.56	\$27,425.19	\$11,316.82
13–24 Months	1,987	\$3,062,434.40	\$206,123.70	\$108,679.06
25–36 Months	208	\$522,935.79	\$39,650.69	\$23,338.09
37–48 Months	135	\$453,097.86	\$38,032.97	\$18,757.70
49–60 Months	238	\$1,368,696.43	\$169,315.19	\$47,989.42
Total First Standard Agreements	3,000	\$5,873,435.04	\$480,547.74	\$210,081.09
Second Standard Agreements				
0–12 Months	134	\$160,594.92	\$11,169.20	\$6,153.89
13–24 Months	544	\$845,058.88	\$73,128.56	\$38,074.97
25–36 Months	212	\$481,075.13	\$59,794.27	\$25,173.65
37–48 Months	111	\$350,747.34	\$41,336.09	\$17,333.88
49–60 Months	233	\$1,059,227.50	\$201,555.16	\$48,773.08
Total Second Standard Agreements	1,234	\$2,896,703.77	\$386,983.28	\$135,509.47
WRBCC Agreements				
0–12 Months	15	\$39,834.04	\$2,555.48	\$131.45
Total WRBCC Agreements	15	\$39,834.04	\$2,555.48	\$131.45
Extended Payment Agreements				
13–24 Months	51	\$57,477.56	\$3,521.62	\$2,497.72
25–36 Months	56	\$95,441.44	\$5,863.00	\$4,701.05
37–48 Months	36	\$79,329.38	\$5,817.19	\$3,653.65
49–60 Months	26	\$64,033.14	\$4,328.14	\$3,034.95
>60 Months	262	\$1,192,705.53	\$150,943.99	\$43,099.76
Total Extended Payment Agreements	431	\$1,488,987.05	\$170,473.94	\$56,987.13
TAP Payment Agreements				
0–12 Months	2	\$687.99	\$-	\$20.00
Total TAP Payment Agreements	2	\$687.99	\$-	\$20.00
Total of all Agreements	4,682	\$10,299,647.89	\$1,040,560.44	\$402,729.14

Table 7. Active (as of 12/31/22) Residential Agreements Created Before 2022

Agreement Type by Term Range	Count	Principal	Penalties	Other Fees
First Standard Agreements				
13–24 Months	61	\$100,547.54	\$5,359.60	\$1,626.72
25–36 Months	26	\$85,145.73	\$4,679.53	\$1,946.37
37–48 Months	18	\$67,596.69	\$9,993.73	\$2,457.00
49–60 Months	67	\$386,239.34	\$70,805.56	\$8,406.63
>60 Months	1	\$5,020.91	\$4,115.33	\$80.00
Total First Standard Agreements	173	\$644,550.21	\$94,953.75	\$14,516.72
Second Standard Agreements				
0–12 Months	2	\$1,902.45	\$209.61	\$111.45
13–24 Months	7	\$12,949.43	\$318.00	\$232.90
25–36 Months	23	\$45,675.90	\$6,972.09	\$1,500.30
37–48 Months	13	\$32,161.14	\$12,121.44	\$1,558.85
49–60 Months	49	\$327,004.98	\$56,517.56	\$7,503.00
Total Second Standard Agreements	94	\$419,693.90	\$76,138.70	\$10,906.50
Extended Payment Agreements				
13–24 Months	2	\$1,980.88	\$55.09	\$-
25–36 Months	3	\$4,592.08	\$85.30	\$-
37–48 Months	12	\$19,487.95	\$992.13	\$617.25
49–60 Months	14	\$28,505.30	\$3,271.77	\$494.35
>60 Months	228	\$1,102,532.60	\$146,616.64	\$19,675.17
Total Extended Payment Agreements	259	\$1,157,098.81	\$151,020.93	\$20,786.77
Total of all Agreements	526	\$2,221,342.92	\$322,113.38	\$46,209.99

Table 8. Summary of All Active (as of 12/31/22) Residential Agreements

Agreement Type by Term Range	Count	Principal	Penalties	Other Fees
First Standard Agreements				
0–12 Months	432	\$466,270.56	\$27,425.19	\$11,316.82
13–24 Months	2048	\$3,162,981.94	\$211,483.30	\$110,305.78
25–36 Months	234	\$608,081.52	\$44,330.22	\$25,284.46
37–48 Months	153	\$520,694.55	\$48,026.70	\$21,214.70
49–60 Months	305	\$1,754,935.77	\$240,120.75	\$56,396.05
>60 Months	1	\$5,020.91	\$4,115.33	\$80.00
Total First Standard Agreements	3,173	\$6,517,985.25	\$575,501.49	\$224,597.81
Second Standard Agreements				
0–12 Months	136	\$162,497.37	\$11,378.81	\$6,265.34
13–24 Months	551	\$858,008.31	\$73,446.56	\$38,307.87
25–36 Months	235	\$526,751.03	\$66,766.36	\$26,673.95
37–48 Months	124	\$382,908.48	\$53,457.53	\$18,892.73
49–60 Months	282	\$1,386,232.48	\$258,072.72	\$56,276.08
Total Second Standard Agreements	1,328	\$3,316,397.67	\$463,121.98	\$146,415.97
WRBCC Agreements				
0–12 Months	15	\$39,834.04	\$2,555.48	\$131.45
Total WRBCC Agreements	15	\$39,834.04	\$2,555.48	\$131.45
Extended Payment Agreements				
13–24 Months	53	\$59,458.44	\$3,576.71	\$2,497.72
25–36 Months	59	\$100,033.52	\$5,948.30	\$4,701.05
37–48 Months	48	\$98,817.33	\$6,809.32	\$4,270.90
49–60 Months	40	\$92,538.44	\$7,599.91	\$3,529.30
>60 Months	490	\$2,295,238.13	\$297,560.63	\$62,774.93
Total Extended Payment Agreements	690	\$2,646,085.86	\$321,494.87	\$77,773.90
TAP Payment Agreements				
0–12 Months	2	\$687.99	\$0.00	\$20.00
Total TAP Payment Agreements	2	\$687.99	\$0.00	\$20.00
Total of all Agreements	5,208	\$12,520,990.81	\$1,362,673.82	\$448,939.13

4.4 CUSTOMERS DEFAULTING FROM TAP

PWD Regulations Section 206.6(c)⁸ describes the reasons a customer may be removed from TAP.

During 2022, there were 9,496 cases of TAP participants defaulting from TAP, all for failure to successfully recertify. Of those, 7,122 did not respond to the recertification request in a timely manner, 2,078 were denied, 40 had their application data transferred to another application, and 256 were enrolled in an alternate program. Table 9 below describes the outcome of these recertification applications. There were no defaults for submitting intentionally false information/documentation, unauthorized use of service, or failure to accept and reasonably maintain free conservation services. Customers who opted out of TAP or closed their water accounts are not considered to have defaulted from TAP.

Table 9. Customers Defaulting from TAP

Outcome	Count
Did Not Respond	7,122
Denied	
Failed to meet Income and Residency Guidelines	1
Failed to meet Income Guidelines (no Special Hardship)	50
Failed to meet Residency Guidelines	32
Installation Type Not Eligible for TAP	2
Missing or Invalid Income or Residency Documentation	1,962
Missing information on application form	25
Not the Customer applying	6
Total Denials	2,078
Enrolled in More Affordable Alternative	
Senior Citizen Discounted Bill	85
Senior Citizen Discounted Bill + Extended Payment Agreement	14
Regular Bill	71
Regular Bill + Extended Payment Agreement	86
Total More Affordable Alternative Placements	256
Other Outcomes	
Data Transfer	40
Total Other Outcomes	40
Total Customers Defaulting from TAP	9,496

⁸ “In addition to removal from TAP pursuant to Section 206.6(a) and (b) of these regulations, a TAP Customer may be removed from TAP for submitting intentionally false enrollment or recertification information/documentation, unauthorized use of service (providing water for use at a location other than the Customer’s primary residence), failure to recertify upon request by WRB, or failure to accept and reasonably maintain free conservation services offered by the Water Department.”

5. CONCLUSION

During 2022 the City continued to successfully operate an effective and supportive customer assistance program. This past calendar year the primary focus was enhancing the program to better serve customers while minimizing any negative impacts due to debt incurred during COVID-19.

During 2022, WRB enrolled **10,405 customers in TAP**. As of December 2022, there were **14,712 active TAP participants**. Some of these customers are beginning their fifth year of TAP participation. Ongoing efforts to improve established processes and communications have helped allow the program to operate more smoothly and adapt to constantly changing circumstances of the year.