



American Water Works
Association

Dedicated to the World's Most Important Resource®

AWWA WEBINAR 

MAY 1, 2020 | 11:00 A.M. - 12:00 P.M. MDT

Free Webinar:
Facing the New Normal for Credit and Collections During COVID-19

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ENVIRONMENT

The next-generation technology for
AGING WATER INFRASTRUCTURE

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WEBINAR MODERATOR



Stephanie Passarelli
Benchmarking Engineer
American Water Works
Association

Stephanie Passarelli is a Benchmarking Engineer with the American Water Works Association. She is the staff liaison to the Management and Leadership Division and associated management committees. In addition, Stephanie manages the AWWA Utility Benchmarking Survey, and is staff engineer to several Utility Management Standards. She is a Registered Civil Engineer in the State of Colorado with 20 years of experience in the industry including AWWA, environmental consulting, wastewater treatment facility, and the Water Research Foundation.

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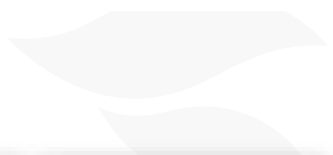
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PANEL OF EXPERTS



Bob Cooke
Executive Consultant
Utilligent



Maria DeChellis
Vice President
Utilligent



Michael Valenta
CIS Analyst and Project
Manager
City of Longmont, CO



Steve Miller
Chief, Customer Service
Charlotte Water

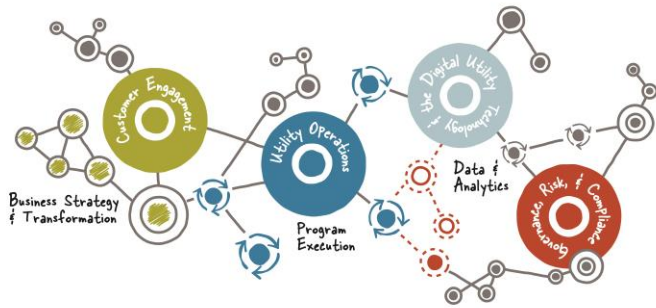
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AGENDA



- | | |
|--|-----------------------------|
| I. Financial Post Pandemic Forecasts | Bob Cooke/ Maria DeChellis |
| II. City of Longmont: Current State | Michael Valenta |
| III. Charlotte Water: Current State | Steve Miller |
| IV. Mitigation Options; Potential Next Steps | Bob Cooke / Maria DeChellis |
| V. City of Longmont: Ideas Being Tested | Michael Valenta |
| VI. Charlotte Water: Ideas Being Tested | Steve Miller |

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American Water Works Association



Facing The New Normal for Credit & Collections During COVID-19

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Your Navigators Through the Murky Waters

Maria DeChellis
 Vice President
 Customer Engagement
 Utilegent



Bob Cooke
 Executive Consultant
 Customer Engagement
 Utilegent



Steve Miller
 Director of Customer Service
 Charlotte Water



Michael Valenta
 Senior CIS Analyst and Project
 Manager
 City of Longmont



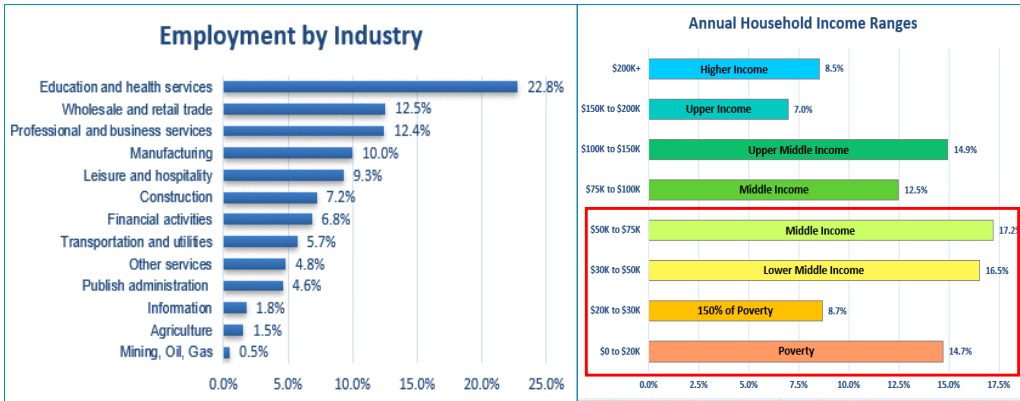
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U.S. Actions Taken for Suspension of Disconnects

With potential unemployment projected at between 30-32%, those not unemployed are faced with reduced hours, furloughs, reduction in pay, forsaken commissions and bonuses, or loss of their jobs.



The hardest hit are the 40% that are in the lower income population. This is the segment of customers that need our help the most.

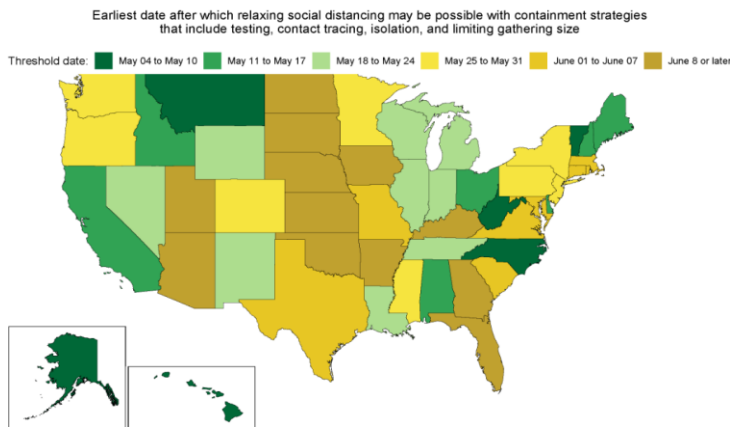
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When Will the Moratorium Be Over?



Social Distancing with Containment Estimates

Source: University of Washington Institute for Health Metrics and Evaluation (IHME) - April 17, 2020 - <http://www.healthdata.org/covid/updates>



Sampling of State & Utility COVID-19 Moratorium End Dates

Source: www.cleanenergy.org

- 5/1
- 5/15
- 7/1
- End of the month
- Within the next 30 days
- Within 60 Days
- April 2021
- Until the crisis is over
- Indefinitely



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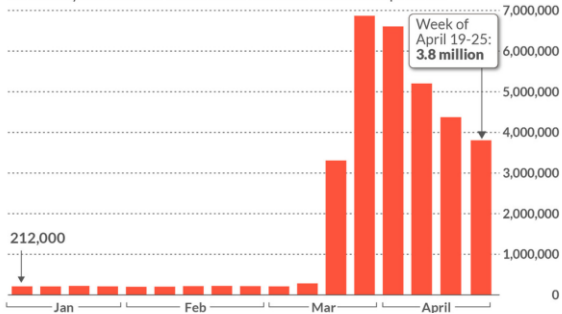
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Jobless > Utility Bills

New jobless claims top 30 million during pandemic

Record layoffs from coronavirus harken back to Great Depression



- As of April 25th, we are at 16% unemployment
- The Fed forecasts unemployment to climb to 32% in the 2nd quarter
- Over 16% of our workforce is part-time
- 29% of our population is eligible to work, but not in the workforce

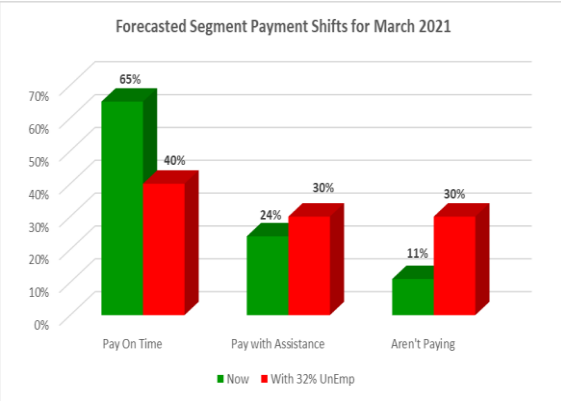
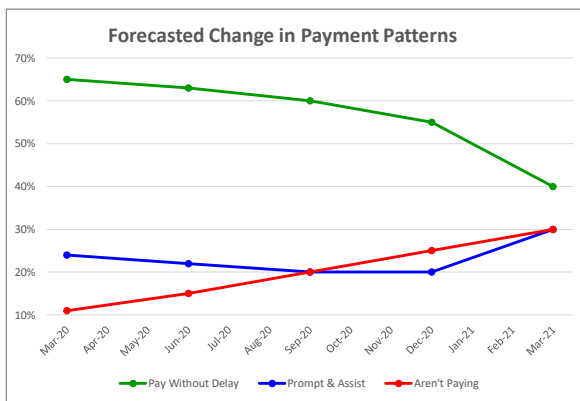
US Population 330.1M				
Excluded from Workforce 69.9M	Eligible, not in Workforce 95.6M	In Workforce 164.6M – 3.5% UnEmp	In Workforce 164.6M – 16% UnEmp	In Workforce 164.6M – 32% UnEmp
60.6 - Under 16 years old 1.3 - Active Military Duty 2.3 - Prison inmates 2.2 - Age 65+ in nursing homes 3.5 - Other institutional care	38.7 - Retired 16.3 - Ill/Disabled 16.0 - Full-Time students 13.5 - Homemakers 6.5 - Stopped looking for work 1.4 - Situational (family care, school or training, ill/disabled) 3.1 - Other	133.1 - Employed full-time 25.7 - Employed part-time 5.8 - Unemployed	116 - Employed full-time 22.6 - Employed part-time 26.0 - Unemployed	93.8 - Employed full-time 18.1 - Employed part-time 32.7 - Unemployed



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Post Moratorium Actions: Payment Behavior Shifts

Figures as of April 2
 (Payment shift forecasts based on data provided by Federal Reserve Economic Data)



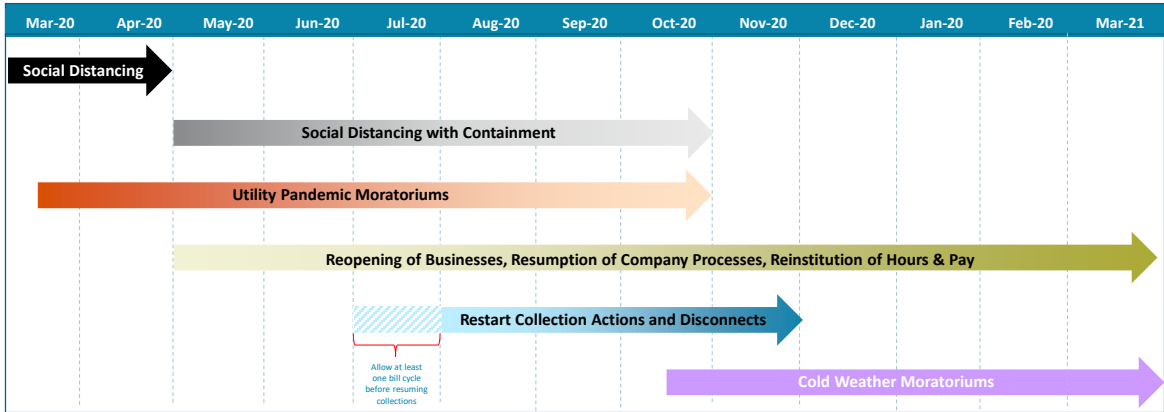
- At the end of the first quarter 2021, the number of customers who **pay in full and on time** may decrease > 25%.
- Those who will **need reminders and assistance** may increase by 6%
- Those who **stop paying** may increase by nearly 20%

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When Will the Moratorium Be Over?

It could be up to **one year** before some forms of Collection actions may resume and customers may have up to that amount of past due amounts



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Operational Impact

To solve the unique issues posed by COVID-19, existing operations across the utility must be examined, augmented, or completely reimagined. Employees must be engaged to perform everyday processes and procedures in an entirely new way.

Rates and Pricing

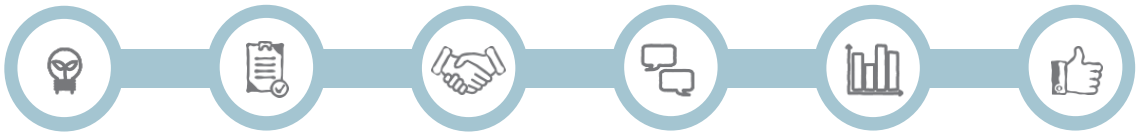
Pricing and programs to be used to reduce customer debt, using insights to drive changes

Employee Engagement Staffing

Engaging employees to support adoption of new policies and procedures, roll-out of new initiatives

Receivables and Bad Debt

Forecast and mitigation of longer-term financial impacts, track and determine effectiveness of communication, assistance, programs



Water Conservation And Other Programs

Creating or modifying programs to help reduce water usage and costs, targeted programs for commercial customer restart, and alternatives

Customer Engagement and Marketing

Communication, messaging, and engagement across residential and commercial accounts; creating strategic community partnerships

Credit and Collections

Collection paths, leverage data to segment activities, providing alternate credit paths



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CITY OF LONGMONT

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Community Overview

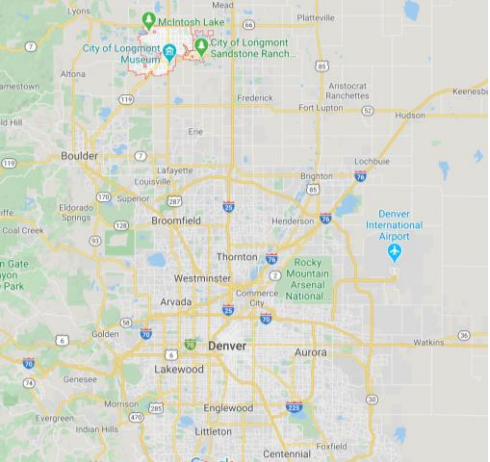


Located along Colorado’s northern Front Range

- 37 miles from Denver
- 16 miles from Boulder
- 30 miles from Rocky Mountain N.P.

30 square miles.

Home to over 97,000 residents, several high-tech companies and a vibrant restaurant scene.



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CITY OF LONGMONT UTILITIES

Demographics

- 42,000 active customers
 - 88% Residential
 - 12% Commercial
- 3 distinct divisions
 - Public Works & Natural Resources (PWNR)
 - Longmont Power & Communications (LPC)
 - Utility Billing

Utilities Provided

- Electric (41,000 customers)
- Water (27,000 customers)
- Wastewater
- Storm Water & Drainage
- Solid Waste
- Parks & Greenway Maintenance
- NextLight™ Broadband



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LONGMONT UTILITIES: PREVIOUS NORMAL



FINANCIAL POLICIES

- Payment arrangements allowed up to 6 months for most residential customers
- Water: Lienable
- Electric: Non-lienable (may require deposit)
- Most tenant-occupied services revert to landlord upon move-out
- Positive ID and privacy policies strictly enforced



READING, BILLING, AND CUSTOMER CONTACT

- 11 CSRs in 1 call center
- 1 walk-in location for in-person payments
- No IVR
- Majority of meters are AMR or manually read.
- Monthly billing
- 4 billing cycles
- Customer web portal is utilized by about 50% of customers



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LONGMONT UTILITIES: CURRENT STATE

BUILDINGS



Civic Center

- Closed to public
- Only location for cash payments
- Location for most in-person account management needs

CONTACT CENTER



Call Center

- Call Center is only location certified for taking card payments over the phone
- CSRs are in two teams that rotate weekly
- Half work remote from home
- Half work in the Call Center

OPERATIONS



Personal Protective Equipment

- Ordered PPE
- Sponsored a series of successful PPE donation drives
- Masks required for all on-site employees
- All employees working with the public or within a public setting.

EMPLOYEE



Employee Safety

- Plexiglass barriers have been installed for pending reopening
- Utility Billing counter
 - Treasury counter
- Temperature screening required of all employees to enter bldg.



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LONGMONT UTILITIES: CURRENT STATE

PROJECTS



- CIS
- AMI
- Customer portal / IVR

REMOTE CSRs



- Deployed City laptops to CSRs
- Deployed jump server for remote access to CIS
- Restricted security settings for remote CSRs
- Enabled inbound calls to remote CSRs
- Maintain ability to monitor the queue and calls

PAYMENTS



- Unable to accept cash payments.
- Remote CSRs cannot take card payments.
- Increased portal payments
- Cash payments through Western Union. (not a formal agreement)
- Established non-contact ID verification protocols

DELINQUENCY



- Discontinued shutoffs, penalty and reconnection fees
- Reinstated services
- City code allows liens for water/wastewater but not for electricity



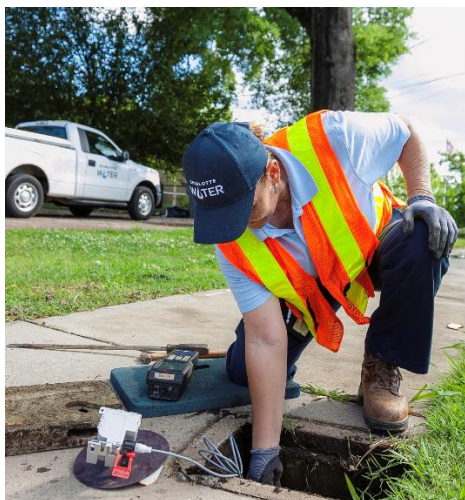
<https://www.colorado.gov/governor/sites/default/files/inline-files/D%202020%20031%20Evictions%20and%20Foreclosures.pdf>

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CHARLOTTE WATER

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Charlotte Water



- Charlotte Water is a department of the City of Charlotte and services Mecklenburg County, including Charlotte and five towns
- Operates three water and seven wastewater treatment facilities
- Maintains 8,769 miles of water and sewer pipe
- 301,000 water services
- Bills monthly for water, sewer and storm water
- AAA bond rating with all three rating agencies
- \$450M operating budget and ~1,000 employees
- \$1.64B five-year CIP budget



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Charlotte Water: Customer Related COVID-19 Actions

Stopped

- Delinquent turn-offs (reconnected previous disconnected)
- Late fees
- Delinquent letters
- Outbound delinquency dialer
- Relaxed payment arrangement practices
- Relaxed other special program requirements

NC Executive Order 124

- Effective March 31st to May 31st
- No utility shall terminate service for non-payment
- Utility providers shall not collect late fees/penalties
- Payment plans must be offered of at least six months
- Encouraged utilities to reconnect previously disconnected acct.
- Also, guidance for cable, telecom, evictions and mortgages
- Requirement to communicate this EO to all customers

Source: <https://governor.nc.gov/documents/executive-order-no-124>

State of North Carolina

ROY COOPER
GOVERNOR

March 31, 2020

EXECUTIVE ORDER NO. 124

ASSISTING NORTH CAROLINIANS BY PROHIBITING UTILITY SHUT-OFFS, LATE FEES, AND RECONNECTION FEES; PROVIDING GUIDANCE ABOUT RESTRICTIONS ON EVICTIONS; AND ENCOURAGING TELECOMMUNICATIONS PROVIDERS, BANKS, AND MORTGAGE SERVICERS TO PROVIDE ASSISTANCE AND FLEXIBILITY TO THEIR CUSTOMERS

WHEREAS, on March 10, 2020, the undersigned issued Executive Order No. 116 which declared a State of Emergency to coordinate the State's response and protective actions to address the Coronavirus Disease 2019 (COVID-19) public health emergency and to provide for the health, safety, and welfare of residents and visitors located in North Carolina ("Declaration of a State of Emergency"); and

WHEREAS, on March 11, 2020, the World Health Organization declared COVID-19 a global pandemic; and

WHEREAS, on March 13, 2020, the President of the United States declared the ongoing COVID-19 outbreak a pandemic of sufficient severity and magnitude to warrant an emergency declaration for all states, tribes, territories, and the District of Columbia pursuant to Section 501(b) of the Robert T. Stafford Disaster Relief and Emergency Assistance Act, 42 U.S.C. § 5121-5207 (the "Stafford Act"); and

WHEREAS, on March 13, 2020, the President of the United States pursuant to Sections 201 and 301 of the National Emergencies Act, 50 U.S.C. § 1601, et seq. and consistent with Section 1135 of the Social Security Act, as amended (42 U.S.C. § 1320b-5), declared that the



Charlotte Water: Employee Actions





Charlotte Water Data Points

Pre-COVID-19

- Typically perform **4,332** payment arrangements each month
- Late fees billed generally equal 0.0217% of total water and sewer revenue
- Typically perform **1,340** delinquent turnoffs per month
- Residential usage in February averaged 5.155 Ccf per customer
- Typical call center day, **2,448** calls
- 4,800 move-ins last April
- 369 new meter installations last April

COVID-19

- In April we project to have **453** requests for payment arrangements (90% decrease)
- Late fees forgiven equal 0.0352% of total water and sewer revenue (62% increase for April)
- For April we have **24,123** accounts eligible for delinquent turnoff (1,700% increase)
- Residential usage in March increased to 5.222 Ccf per customer
- New typical day, **1,331** calls (54% reduction)
- 4,375 move-ins this April
- 304 new meter installations this April



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THE NEW NORMAL
Short, Mid, and Long-Term
Strategies

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Short, Mid, and Longer-term strategies

Time Period	Duration	Primary Goals	Outcome
Short-Term 	Immediate (with Shelter-in-Place order)	<ul style="list-style-type: none"> Provide customer and commercial relief plans Create foundation for long-term messaging/activities Develop programs, partnerships with external / internal groups Identify customer segments and actions (Res/Com) Develop new policies/plans/ operational procedures and support employee engagement / adoption 	Messaging, plans, position with customers
Mid-Term 	Reopening with restrictions	<ul style="list-style-type: none"> Minimize financial damage / forecast impacts Stimulate payment behaviors Develop new policies/plans/ operational procedures and support employee engagement Plan for potential reemergence (lessons learned) 	Policies, Target approaches, provide approach
Long-Term 	Reopened and recovering	<ul style="list-style-type: none"> Governmental or regulatory planning Manage policy implementation Develop effective transition plan Reintroduce collective action Develop new policies/plans/ operational procedures and support employee change acceptance 	Education, Communication, steady-state, Updated financial projections, policy



Short-Term: Continue helping to flatten the impact



Continue to make it easy to pay

- Paying by any channel, with any payment type, without fees
- Allow online payments without requiring a login
- Allow non-account holders to pay an account holder's bill
- Provide alternatives for cash only customers such as debit/credit cards, prepaid cards, or PayPal

Consider a partial payment program for customers requesting financial assistance

- A program similar to budget billing but with payments relative to an average bill with a true-up

Fees

- Waive returned check fees when an alternative payment or arrangement is made
- Discontinue penalties for broken payment arrangements and restrictions based on prior cancelled arrangements
- Review policies for establishing new accounts and conditions of account establishment in lieu of deposits
- Revisit payment distribution allocations to determine if adjustments can be made.





Short-Term: Begin to establish your 'Brand'

Communication: In lieu of having government officials communicate your policies or 'impose' behavior, be the face for your customers.

- Confirm continuation of autopay for customers falling into delinquency
- Communicate often before moratorium ends – Don't let your customers forget you
- Thank your customers each time they pay – personal messaging (IVR, Stub, etc.)

"Our utility understands the hardship of you, our residents and businesses, and that you had a choice to make. Thank you for helping us ensure safe, healthy, and reliable service during this difficult time. Your payment confirmation number is xxxxxxxx"

Correspondence: Replace current collection paths and triggered events with payment reminders, how to apply for financial assistance, and bill pay options in lieu of dunning and disconnect messages

"We notice that no payment was made on your amount due. This may be a difficult time for you and we are #InItTogether. There are a variety of options.....xxxxxx"

"We continue to encourage customers to stay as current with payments as possible to avoid building up large balances for later. In addition, we are relaxing our usual timelines for payment arrangements to help those affected better manage their bills." **Piedmont Natural Gas**

"In the meanwhile, customers are encouraged to pay what they can, when they can to avoid building up a large balance that may be harder to pay off later."

Nashville Electric Service

Incentivize: Similar to e-bill enrollment or customer self-service

- 10% off of bills after x months of on-time payments
- Switch over to e-bills to reduce operational costs.



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Actions to Consider: Personalizing Customer Treatment



CAN PAY & DO
Acknowledge them

- Thank-you message
- Call queue priority
- Special offers
- Onetime late waiver

CAN PAY & AREN'T
Encourage them

- Reminders
- Ebill & autopay
- Due date change
- Budget billing & pay plans

CAN PAY & WON'T
Enforce action

Prioritize for post-moratorium severance actions

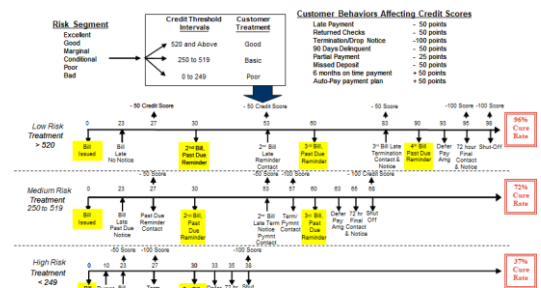
- Severance
- Legal action
- Credit reporting

JUST CAN'T PAY
Enable them

- Discount rate plans
- Government assistance
- Community assistance
- Affordable pay plans

One size does not fit all

- Segment your customers based on customer type, situation, financial capability, and payment behavior



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Mid-Term: Developing a Plan

Now is the time to consider 'Project Management' planning of Mid to Long-term recovery steps

- Identify your date
 - ✓ Work with City Council proactively to communicate post-pandemic statistics and gain buy-in for new policies / programs
 - ✓ Tailor for your location (Butte, MT <-> NYC, NY)
 - ✓ When to commence penalties
 - ✓ (OPINION): A return to turn-offs after 12 months is the 'safer' bet than a 4-6 month– but either way you should communicate a date.
- Staff your project task force team
 - ✓ Finance, credit and collections, customer service, IT
- Set your goal
 - ✓ Achievable activities, costs, impacts
 - ✓ Prioritize roll-out
 - ✓ Set regular status updates to all stakeholders
 - ✓ Mock go-lives, practice treatments
 - ✓ Don't forget documentation (SOPs, policies, etc.)

ID	WBS	Task Name	Duration	Start	Finish	Predecessors
26	1.1.1.4	Infrastructure Workstream	32 days	Mon 9/23/19	Tue 11/7/19	
27	1.1.1.4.1	Draft Environment Plan	5 days	Mon 9/23/19	Fri 9/27/19	9
28	1.1.1.4.2	Software Installation	27 days	Mon 9/30/19	Tue 11/7/19	
29	1.1.1.4.2.1	Installation in Development environment For Solution	5 days	Mon 9/30/19	Fri 10/4/19	27
30	1.1.1.4.2.2	Installation in Training environment For Solution	5 days	Mon 10/7/19	Fri 10/11/19	29
31	1.1.1.4.2.3	Installation in Conversion environment For Solution	5 days	Mon 10/14/19	Fri 10/18/19	30
32	1.1.1.4.2.4	DFSC Test Environment Provisioning	10 days	Mon 10/21/19	Fri 11/1/19	31
33	1.1.1.4.2.5	CSG Test Environment Provisioning	2 days	Mon 11/4/19	Tue 11/7/19	32
34	1.1.1.5	Conversion Workstream	25 days	Mon 9/23/19	Fri 10/25/19	
35	1.1.1.5.1	Conversion Strategy Development	20 days	Mon 9/23/19	Fri 10/18/19	9
36	1.1.1.5.2	Review and Revise Conversion Strategy Document	5 days	Mon 10/21/19	Fri 10/25/19	35
37	1.1.1.6	Configuration Workstream	329 days	Mon 7/2/18	Fri 10/11/19	
38	1.1.1.6.1	Documentation Review	15 days	Mon 9/23/19	Fri 10/11/19	9
39	1.1.1.6.2	Domain Review and preparation for Workshops	20 days	Mon 7/2/18	Fri 7/27/18	



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Short to Mid-Term : Financial Treatment



Time to make decisions about how to treat debt

- Consider separate 'accounts' or agreements to treat pre-moratorium debt differently than post moratorium
- Bringing usage prices to \$0.00 on tiers is more difficult to calculate actual loss than customer or infrastructure fixed charges
- Should new accounts be established to capture and be able to compare loss?
- Work with Finance or CFOs (debt versus expense) to discuss potential write-off of partial moratorium debt based on successful completion of agreements
- Explore application of write-off dollars to past due balances accumulated during the moratorium

Create Debt Forgiveness programs

- Matching a percentage of debt forgiveness to amount paid
- Providing a percentage of debt forgiveness after x number of consecutive payments made
- Forgiving a portion of debt to qualified income customers
- Develop qualification criteria for debt forgiveness

No "down payment" – Payment Arrangement begins with next bill

– Tier One - All Customer Service CSRs

Customer Type	Number of Installments	% of Average Bill
• Financial Assistance • Low Income, Life Support, elderly & disabled	4 Years – 24 Installments	25% of Average Bill
• Residential	2 Years – 12 Installments	50% of Average Bill
• Multi-Residential and COM/IND	1 Year – 12 Installments (COM/IND)	75% of Average Bill
• Post Severance	1 Year – 6 Installments (Res) .5 Year – 6 Installment (COM/IND)	100% of Average Bill

– Tier Two - Escalation to Customer Service Team Lead or Supervisor

Customer Type	Number of Installments	% of Average Bill
• Financial Assistance	4 Years – 24 Installments	25% of Average Bill
• Residential - Low Risk	2 Years – 12 Installments	50% of Average Bill
• Residential - Medium Risk	2 Years – 12 Installments	50% of Average Bill
• Multi-Residential - Low Risk	1 Year – 12 Installments (COM/IND)	75% of Average Bill
• COM/IND - Low Risk	1 Year – 12 Installments (COM/IND)	75% of Average Bill
• Residential - High Risk	2 Years – 12 Installments (Res)	75% of Average Bill
• Multi-Residential - Medium Risk	1 Year – 12 Installments (COM/IND)	75% of Average Bill
• COM/IND - High Risk	1 Year – 12 Installments (COM/IND)	75% of Average Bill
• Residential - Post Severance	1 Year – 6 Installments (Res)	100% of Average Bill
• Multi-Residential - High Risk	.5 Year – 6 Installments (COM/IND)	100% of Average Bill
• COM/IND - Medium-High Risk	.5 Year – 6 Installments (COM/IND)	100% of Average Bill

Risk Category	Collects Based Qualifier	Last Payment Qualifier	Bills in Arrears Qualifier
Low Risk	0 – 2 times in Collections	0 to 60 Days	1 Bill
Medium Risk	3 – 4 times in Collections	61 to 120 Days	2 to 3 Bills
High Risk	5+ times in Collections	121+ Days	3+ Bills



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Mid-Term: Partnerships and Interventions

Coordinate actions with other utilities servicing your same customer (*electric, gas, water*)

- Assure consistency in dates (*e.g. when moratorium ends, when collection actions begin, etc.*)
- Align uniformity in processes regarding commencement of dunning actions, disconnects, and application of associated fees
- Avoid creating competition for payments between utilities
 - Coordinate customer funding, social assistance, and utility programs for a unified payment program for the customer
 - Consider a 3rd party utility “debt counselor” to guide customers in paying off their accumulated debt while remaining current with their post moratorium bills

Once stay-at-home is lifted, community intervention strategy showing a united front with housing, energy, cable, telephone, etc. to provide holistic support is critical!



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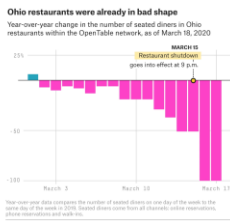


Mid-Term: Businesses and the new reality

Despite \$484 Billion Loan Program, a Flood of Small Business Bankruptcies Likely in Coming Months



Letters from the storefront: Coronavirus' crushing impact on small business in America



Most utilities have ‘Residential’ assistance program. Additional ‘Business aid’ or fund should be considered/implemented

- Longer-term agreements
- Consider monitoring requirements (SBA loan adherence) – what will you do if they get behind with assistance?

Create specific Business Hardship agents who can **analyze more specific needs, usage, and unique** arrangements for (even small) commercial businesses

- Support businesses who will require ramp up time
- Help businesses that are (unfortunately) shutting notify you in advance to ‘stop the bleed’ and plan for even partial repayment of debt

Municipals – Consider highly specialized arrangements with City Law Departments or partnerships with private firms to analyze actual propensity/ability to pay



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Mid to Long-term Planning: Prepare for Post Moratorium Actions



- Define **disconnect for non-pay criteria** and create a **focused pre-disconnect campaign** to include calls, letters, bill messages, and door hangers
- Look at pre-moratorium credit and payment behavior to **segment dunning and disconnect actions**
- Focus actions on customers who were **90 days past due prior** to the moratorium period
- **Suppress actions** for customers that have been on **financial assistance up to twelve months prior** to the moratorium
- Prioritize actions by **debt age and amount owed** relative to monthly bill amount
 - \$1,000 a month customer owing \$3,000 is **not the same** as a \$100 a month customer owing \$3,000



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Long-Term: Post Moratorium Actions



Describe Commencement of Collection and Disconnect Actions

- Devise programs to address debt accumulated during disconnect suspension, keeping customers current on their post moratorium debt, and maintaining service connections for customers who cannot afford to pay their current bill
- Develop customer communication programs outlining post moratorium payment expectations, dunning notifications, and collection/disconnect actions

Create a Long-Term Strategy for Debt Recovery

- Assess the provision for uncollectable regarding application to active debt (*e.g. in a forgiveness program*) and allocation to forecasted write-offs
- Develop a consortium of utilities, service providers, social agencies, and community organizations to coordinate post moratorium actions and customer advocacy
- Create strategies for final bill debt collection and 3rd party debt recovery actions
 - Forecast recovery rates and placement/recall strategies and Create action plans for warehoused debt
- Establish change management processes for Post Moratorium debt relief



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Long-Term Considerations

Additional secondary impacts

- Printing (*more mail = more print/mail/postage*)
- Bankruptcies (*staffing / processing time*)
- Develop staffing plans for **post-moratorium** customer support due to:
 - **Increased volume** of contacts and session times
 - Shifts in day of week/time of day with **more work from home contacts**
 - Changes in procedures, hours of operation, and customer interactions
- H/R and Organizational Change Management: Your own employees may also require assistance (*that may require special 'employee account' handlers*)



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CITY OF LONGMONT

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REPORTING AND TRACKING TRENDS

Billing & Delinquency

Delinquency Tracking

- New system built for reporting on delinquency history
- Better perspective on current state and changing patterns

Advanced leak detection & notification

Addressing high bill complaints

Consumption Patterns

- Feb & March water usage is down slightly compared to same months in 2018 and 2019.
- Some obvious reductions for specific business types
- Degree of impact by COVID-19 is not yet clear.
 - Weather in Colorado from year-to-year is very inconsistent.
 - Forecasting will require additional study as more data comes in.



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CHANGES UNDER CONSIDERATION



Delinquency

- Modify delinquency rules
- New reminder letters
- Review disconnection priority
- Establish new exemption types
- Notification/reminder letters
- Changes to City ordinances?
- Collection agency
 - New terms?
 - New timeline?
- Review write-off policies
- Identify services not covered by moratorium

Other Financial Processes

Payment arrangements

- May authorize additional plans/terms
- Improve communication of installment schedule

Payment application priority

Deposit policies

- New customers
- Existing deposits
- Restoration of service (for shutoffs after moratorium ends)

Implementation of new payment methods

Review budget billing plans

Review internal credit scoring system



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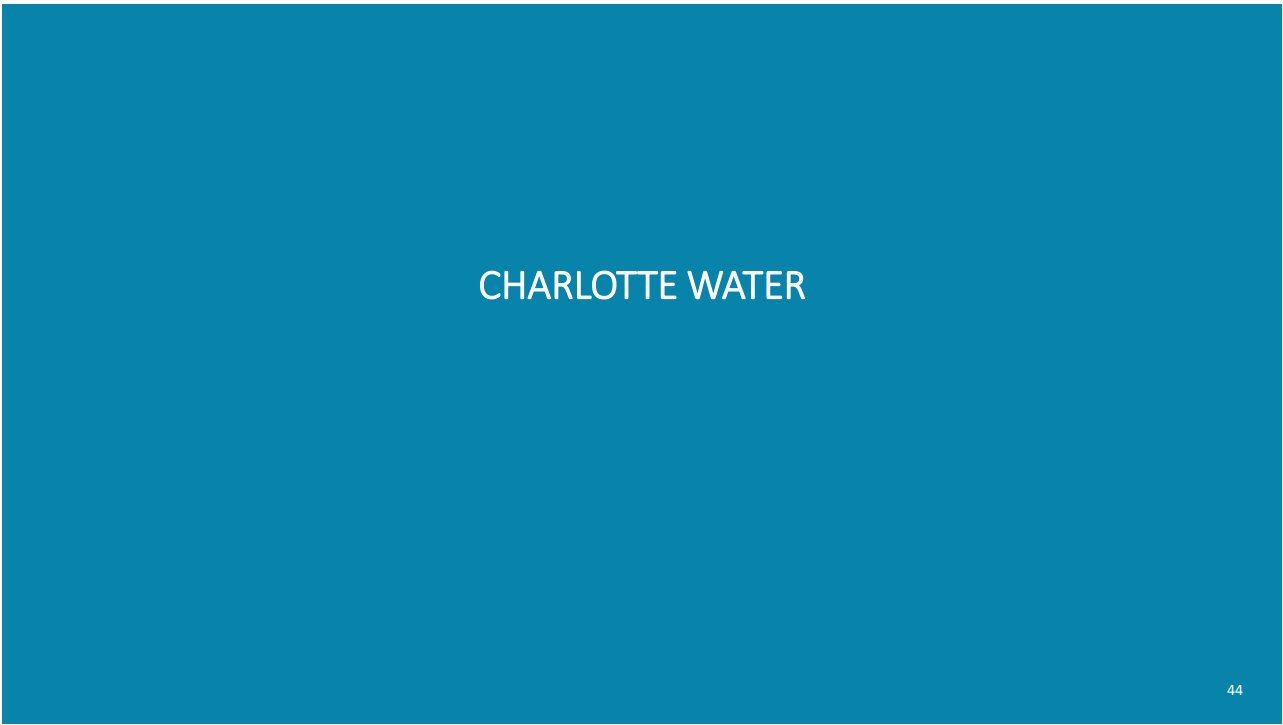


COORDINATION & PLANNING WITH OTHER AGENCIES / DEPARTMENTS

- Reopen Civic Center for payments
- Documentation of impact by COVID-19 (for reemergence):
Improve call tracking, New classifications for write-offs and other financial decisions, New reports
- Possible rate changes
- Look for opportunities to help customers
- Train staff for new policies & procedures
- Practice new procedures with a team simulation
- Maintain health and safety of employees and the community
- Continue contingency planning

TEAM PLANNING

- Financial Assistance programs
- Public Relations
- Legal
- Risk Management
- Human Resources
- Collection Agencies
- Public Utility Commission
- Other state agencies
- Third-party contractors
- Tax agencies
- City Council / Utility Board / City Manager
- Senior Services
- Schools
- And more....





Ideas Being Tested and Path Forward

Some things considered but decided against

- Restore water partially on?
- Waiving convenience fee?

Measures Taken

- Encouraging customers to establish payment arrangements now
- Resumed a much 'softer' delinquency letter
- Outbound dialer to resume soon

Flushing communication for commercial buildings with low or no usage

Customer payment patterns and revenue data being analyzed

When will we resume late fees and delinquency? Likely triggers:

- EO 124 expires
- State of Emergency ends
- Payment locations fully operational
- Community assistance agencies are ready
- Ensure call center is ready
- What are other local utilities doing?
- Does the timing feel right?



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In Summary



- You are doing well! Your responsibility is to your customers and ensuring safety – and you are doing awesome!
- Correspondence is everything – if they don't hear from you, they won't remember you
- Make it easy and rewarding to pay.. Keep options simple and easy to understand.
- This is a project. No less – Plan it.
- Communicate the expectations you have clearly and concisely. Both to governmental officers and to your customers
- Develop debt payback and forgiveness programs
- Coordinate actions with other utilities in your service



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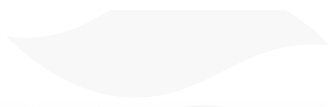
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Questions?



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ASK THE EXPERTS



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Utelligent



Maria DeChellis
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Michael Valenta
City of Longmont, CO



Steve Miller
Charlotte Water

Enter your **question** into the **question pane** at the lower right hand side of the screen.

Please specify to whom you are addressing the question.

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ADDITIONAL RESOURCES

- Find more resources at awwa.org/coronavirus
- View our [COVID-19 Webinar Series](#)
 - [Free Webinar Recording: COVID-19 Implications to Operations, Compliance & Training](#)
 - [Free Webinar Recording: Legal Aspects of COVID-19 for Water Utilities](#)
 - [Free Webinar Recording: Be a Trusted Source: How to Handle Communication Challenges During COVID-19](#)
 - [Free Webinar Recording: Utility Actions to Sustain Operations During COVID-19](#)

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UPCOMING WEBINARS

May 6: What's New with Cyanobacteria and Cyanotoxins: A Review of Leading Research

May 12: An Experiment in Environmental Leadership: Denver Water Variance Experience

May 14: Manganese: Exploring Treatment Technologies

[Register for a 2020 Webinar Bundle](#)

View the full 2020 schedule at awwa.org/webinars

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THANK YOU FOR JOINING TODAY'S WEBINAR

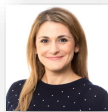
- As part of your registration, you are entitled to an additional 30-day archive access of today's program.
- Until next time, keep the water safe and secure.



PRESENTER BIOGRAPHY INFORMATION



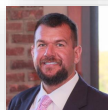
Bob Cooke is an executive consultant in Utelligent's Customer Engagement practice and is recognized as an industry leader across all aspects of Customer Interaction and Meter-to-Cash functions. His 20 years of utility experience spans electric, gas, and water in regulated and retail environments across investor-owned utilities, co-ops, and municipalities in single city or multiple state locations across North America. Bob is a marine veteran and former Vice President of Citibank and AT&T Credit.



Maria is a 20-year industry veteran of the utility industry. She has consulted at more than 60 utilities in both regulated and deregulated energy and water space and is a certified Project Manager and Change Management Professional. Maria was previously the Chief of Customer Support and Services with the City of Baltimore Department of Public Works and is a trustee for the American Water Works Association Management and Leadership Committee.



Michael Valenta has worked in the utility CIS industry as a consultant for over 20 years for implementations, integrations, and process improvements. Michael is now a Senior CIS Analyst and Project Manager at the City of Longmont, Colorado, where he supports the Utility Billing department and is guiding their utilities' transitions to new systems and processes.



Steve Miller (Charlotte) has over 27 years of outstanding water utility experience and is currently the Chief of Customer Service at Charlotte Water, serving over one million customers through 300,000 meters. Steve and his team are responsible for Charlotte Water's metering system, account services, new service connections, field services, revenue recovery, and backflow program.



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