

## PUTNAM PUBLIC SERVICE DISTRICT

### Deferred Payment Agreement Policy

Effective 7/12/2018

PUTNAM PUBLIC SERVICE DISTRICT (District) in accordance with the West Virginia Public Service Commission (WVPSC) Water Rule 4.8.a.9 and/or Sewer Rule 4.8.b.9, establishes a Deferred Payment Agreement Policy. The purpose of this policy is to assist customers who have either received a notice of termination for non-payment of water and/or sewer charges due to unusually high bills that are not eligible for leak adjustments; unexplained high usage; or who have demonstrated an ability to pay but only in installments. The policy shall be maintained in the District's office for inspection by the public during normal business hours and shall be applied in a non-discriminatory manner to all customers.

The following are defined:

1. Deferred Payment Agreement (DPA) – an arrangement for payment of a debt over a specified time period.
2. DPA Payment – is the amount due above the current charges.
3. Current Payment – is the amount due on current charges.
4. Total DPA Payment – is the DPA Payment plus the Current Payment.
5. Latest Pay Date – last date the bill may be paid without late penalty.

The Deferred Payment Agreement is a legal, binding agreement between the District and the Customer of Record and is to be signed by both parties.

1. A customer who has been informed of termination of water service for non-payment of the water and/or sewer charges or who has an ability to pay but only in installment shall be given the opportunity of a DPA.

The customer must:

- a. Demonstrate the ability to pay but only in installments or
- b. Have extraordinary circumstances defined as:
  1. A major water leak that results in a bill over and above the normal historic usage. This leak may or may not be eligible for adjustment.
  2. Extended hospitalization, verified by documentation, during the billing cycle in question.
  3. Extended unemployment, verified by documentation, during the billing cycle in question.
  4. Any other extenuating circumstances, verified by documentation, during the billing cycle in question.

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2. The customer shall be informed at the time a termination notice is issued of the availability of a reasonable payment plan and a customer may also request a DPA prior to a bill becoming delinquent.
  - a. The customer shall provide documentation to show need for DPA and how much they can afford to pay monthly in order to enter into a deferred payment agreement.
  - b. Examples of documentation may include but not limited to the following:
    - Letter of Termination of Employment; Hospital Bill / Release; Unemployment Benefit Letter; Bank Statement; Short Term / Long Term Benefit Letter; Low Earnings Slip; DHHR Assistance Voucher(s); SS Disability Benefits Denial / Approval; etc.
  - c. The total account balance, at the time of the request, will be extended over a *four* month payment period.
  - d. The District reserves the right to review each DPA request for unusual circumstances and make the necessary ruling regarding the approval or denial of additional months to be added to the DPA payment schedule.
3. No more than one DPA per account may be in effect at a time.
4. No verbal agreements will be granted.
5. Details of the DPA are to be negotiated between the District and the customer and may consider several factors, including but not limited to the following:
  - a. Amount and time of delinquency
  - b. Ability of the customer to pay
  - c. Payment history
  - d. Time the delinquency has been outstanding
  - e. Reasons for outstanding delinquency
  - f. Any other factors deemed relevant by the District
6. Total DPA Payment must be received by Latest Pay Date listed on the billing statement *and* the signed DPA or the account will be considered delinquent; the customer is considered in default of the agreement; and this shall be cause for termination.

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7. The customer may receive termination notices and delinquent phone calls during the duration of the DPA.
8. If the Current Payment and/or the DPA Payment is not received by District in accordance with the terms of the agreement - WATER service can be terminated in accordance to WVPSC Water Rule 4.8.a and/or Sewer Rule 4.8.b.
  - a. In accordance with the termination procedures, if Current Payment and/or the DPA Payment is not paid in full and on time, a termination notice will be issued by First Class Mail, at minimum, ten (10) calendar days prior to termination.
    1. Both payments (Current & DPA) must be received to avoid termination.
    2. If the customer makes the Total DPA Payment within the notice period, service **SHALL NOT** be terminated.
    3. If the customer has had two (2) returned checks by the bank due to insufficient funds in the past six (6) months the District may refuse the customer's check and **terminate** service without additional notice.
    4. To avoid termination a customer makes a payment by check which is subsequently dishonored by the bank, the District shall provide termination notice by personal contact, telephone, or First Class Mail five (5) calendar days (excluding holidays and weekends) prior to termination.
9. If a customer is scheduled for termination and contacts the office to request a Promise-To-Pay (PTP); the PTP will be granted (if the account is eligible for a PTP) under the District's PTP procedures. If customer defaults on the PTP; the customer is subject to the termination procedures under the current termination notice mailed to the customer.
10. It is the customer's responsibility to inform the District if the customer's financial condition significantly changes and the existing payment arrangement is no longer feasible. The District may renegotiate the DPA provided the customer provides documentation to support these changes.

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- a. During renegotiations the customer is still **required to pay the current charges IN FULL and ON TIME** and make some payment on the delinquency.
  - b. The request for a renegotiated DPA must be made to the District's Business Office before the date of termination.
  - c. No more than two (2) DPA's will be offered in a twelve (12) month time period. This two (2) includes any renegotiated DPA.
  - d. If customer defaults on two (2) DPA's; no further DPA will be granted for a period of twelve months from the default date on most recent DPA.
11. Failure to comply with the terms of this agreement on the part of the customer shall cause the agreement to be null and void. Termination will proceed pursuant to the WVPSC Water and/or Sewer Rules and Regulations.
12. If water service is terminated for non-payment of the Current Payment and/or the DPA Payment; the entire past due balance, disconnect/reconnect fees, and deposit requirements must be paid in full prior to service reconnection.
- a. If the customer has signed two (2) deferred payment agreements in the previous twelve (12) months, a renegotiated DPA cannot be considered.
  - b. If the customer has had one (1) or zero deferred payment agreements in the previous twelve (12) months; a DPA can be negotiated. Service will be restored once the renegotiated DPA is signed and the DPA Payment, disconnect/reconnect fees, and deposit requirements are paid.
13. The DPA shall include language informing the customer of the right to challenge the reasonableness of the proposed payments to the WVPSC. During the challenge, WATER service will not be terminated as long as the customer pays the current water and/or sewer charges in full and on time.

*This institution is an equal opportunity provider.*