



## **COVID-19 SWBNO Customer Care Pay Plan **DRAFT****

### **OBJECTIVE AND BACKGROUND**

Understanding the deep impact of the economic downturn caused by the COVID pandemic, the Sewerage and Water Board of New Orleans (SWBNO) has developed its Customer Care Pay Plan to give customers extra flexibility to pay off any outstanding balances. It is also an opportunity to provide a pathway for longer-term delinquent customers to return to good standing.

This plan was based on careful analysis of SWBNO's customer base. This analysis found about 13,000 accounts missed payments during the COVID emergency, and that 94 percent of these customers owe less than \$500. It also found that 90 percent of the 30,000 customers who had outstanding balances before the stay-at-home order owe less than \$3,500.

### **CUSTOMER CARE PAY PLAN – All Accounts**

- Starting in July, all customers behind on their bills will be automatically placed on payment plans with no down-payments required.
- They will not be charged late fees if they consistently make their plans' full monthly payments.
- No payment plan will be shorter than 6 months, and customers can pay off their balances at any time.
- No payment plan will add more than \$100 to customers' regular monthly bills to pay toward their past-due balances. Most plans will add far less than \$100 a month.
- All plans may be negotiable to meet customers' needs. Our Customer Service representatives are standing by to help.
- Payment plans won't begin until July 3 to give customers a grace period after City's reopening before requiring them to address their outstanding balances.
- Future monthly bills will contain tracking information of each customer's individual payment plan and balance.

### **Residents impacted by the COVID emergency**

- SWBNO will give the rest of the year to residential customers, who fell behind after the COVID emergency was declared, to pay off their outstanding balances. Their past-due amounts will be evenly divided among their monthly bills until their balances are eliminated. For example:
  - A household owes \$300 after making only partial payments in March and April and May. This customer will see \$50 added to their regular monthly bill, and their \$300 balance will be paid off by Jan. 1, 2021.
- Customers can also negotiate a longer payment plan, if necessary, to reduce those monthly past-due payment amounts.

### **Residents who were behind before the COVID emergency**

- Residents with delinquent balances before the March emergency will also be automatically placed on payment plans.
- They will see additional charges of no more than \$100 above their regular monthly bills for the next three years (36 months).
- For every six months that they make full and consistent payments, we will remove \$50 in already-paid late fees from their outstanding balances.
- Customers who presently owe more than \$3,600 will be eligible for a 75-percent reduction of their remaining balance if they don't miss a full payment during their three-year (36-month) payment plan.

#### **Businesses impacted by the COVID emergency**

- Commercial accounts with outstanding balances up to \$4,800 will be placed into special payment plans.
- They will not be charged late fees if they make their plans' full monthly payments.
- They will not be charged more than \$200 a month – likely less – in addition to their regular water bills.
- They will have at least 6 months, and up to two years (24 months), to pay off their remaining balances.
- Commercial customers with balances higher than \$4,800 should contact SWBNO Customer Service at 52-WATER (504.529.8237) to discuss their payment options.

#### **Regular collections process will restart in stages through June and July**

- We will begin contacting customers with past-due balances in June to help them with their bills.
- The moratorium on water service disconnections will remain in place until July 20 to give customers time to prepare and to launch their new payment plans.
- Late fees will restart on June 1 for accounts that fall behind in the future or for those customers who do not meet the goals of their payment plans.
- Convenience fees for online payments and payments by phone will restart on July 20.