

**Attachment A:**

**Proposed Customer Service Policies and Practices for Eligible Low-Income Natural Gas Customers**

The City of Kitchener respectfully submits the following comments on the proposed customer service policies and practices for eligible low-income natural gas customers.

**Completed by:** *City of Kitchener, Finance and Corporate Services Department, Saleh Saleh, Supervisor of Collections and Payment Processing, 519-741-2346, saleh.saleh@kitchener.ca*

**Date:** July 22, 2011

**Gas Distributors' Current and Proposed Modified Policies and Practices for Eligible Low-Income Customers**

**Definition of Eligible Low-Income Customer**

Kitchener Utilities accepts recommendations from Regional Social Services on whether or not a customer qualifies for social assistance under the Low Income Assistance Program. The utility does not have the resources to continually reassess the customer's income profile and hence depends on the Regional Social Service to continually assess if a customer qualifies for assistance.

**Security Deposits**

Security deposits are held until the tenant moves out of the property. This allows for Kitchener Utilities to limit uncollectible gas accounts to meet Council expectations on overall management of bad debts.

**Correction of Billing Errors**

Where billing errors have resulted in under-billing, the customer may be charged with the amount erroneously not billed for a period not exceeding:

- a) one year, in the case of a customer who was not responsible for the error, and could not have known there was an error, and
- b) six years in all other cases (Restricted to tampering or fraud)

Where billing errors have resulted in over-billing; the customer will be credited with the amount erroneously paid for a period not to exceed six years.

If a customer has been over-billed by an amount equal to or greater than the customer's average bill, the customer has the option of receiving a cheque or a credit on their next bill.

When a customer is responsible for the under-billing error, the utility may require payment of the full amount on the next bill or on a separate bill.

### **Equal Payment and Equal Billing Plans**

Kitchener Utility customers have the option of subscribing to an equal payment plan. Customers that are in arrears are allowed to sign up for an equal monthly payment plan any time of the year.

### **5A Disconnection Period**

The customer receives 21 days notice from the time the final notice letter is mailed to the time of actual shut-off. Every reasonable effort is made to work with the Region of Waterloo Social Services to avoid utilities being shut-off for the customer.

### **5B Assistance information before Disconnection**

After the final notice is mailed, 13 days notice is given before disconnection. A 24 hour disconnection notice is also hand delivered on the 13th day. After which a grace period of at least 48 hours is given before disconnection.

Final notices sent out by Kitchener Utilities contain information on the amount to be paid by the due date or contact numbers for collection officers in order to ensure payment arrangements are made. An insert from the Region of Waterloo listing agencies that are available for providing financial assistance is also included in the information package. This practice is part of the Council approved arrears management program at the City.

## **6. Arrears Management**

### **6A. Down Payment**

A deposit of \$150 is required from residential gas customers who are tenants. The tenant deposit may be waived for customers signing up for the pre- authorized payment plan.

### **6B. Repayment Time Periods**

Customers receive final notice when arrears age 40 days for tenants and 60 days for owners. If payment is not made by the due date specified, the customer has to make alternate arrangements with the collection officers.

### **6C. Service charges and late payment charges**

Kitchener Utilities policy is to charge interest on a utility bill only once.

### **6D. Payment Defaults**

Collection officers continuously work with low-income customers on payment options.

**6E. Second or Further Arrears Payment Agreement**

Collection officers continuously work with low-income customers on payment options.