

FY 2021-2022 Virginia Beach Budget Response to Council Questions

Question Number: 66

Question: Is there typically a payment plan set-up so that the water could be turned on immediately or does the full balance have to be settled first? Is that repayment plan based on the balance or their ability to pay? For those on payment plans, do they have to show the inability to pay to receive the plan?

Date Requested: 4/14/21

Requested By: Council Member Abbott

Department: Public Utilities

Response: Public Utilities does not typically offer payment plans or extensions to customers under normal circumstances after changes to the State Code in 2016 gave customers 90 days past the bill date to pay their balance before being considered eligible for service disconnection. Prior to that State Code change, customers could get an extension for up to 25 days after the regular bill due date and customers requesting payment extensions had to have extenuating circumstances (very large balances, leak repairs pending adjustment, back-billed services, demonstrated hardship, etc.) to be eligible for a payment arrangement and it required approval by a supervisor.

Since 2016 with the modification of state-mandated delinquency requirements and a transition from bi-monthly billing to a monthly billing schedule, customers now have a bill due 21 days after the bill date. They are sent a delinquent notice and charged a late fee 75 days after the bill date. An outbound call notifying the customer that they are nearing eligibility for service disconnection goes out to residential customers 85 days after the bill date. The customer is eligible for service disconnection 90 days after the bill was sent. Customers who had services disconnected for non-payment would have to pay the delinquent balance amount (charges > 90 days) to have the services restored.

Under the State Law related to the moratorium on disconnections approved in November 2020, a "COVID-19 Relief Repayment Plan" was established as a requirement for utilities to offer customers with past due balances. The customer can, through self-certification, indicate a direct or indirect COVID-19 hardship that enables enrollment in a repayment plan; if the customer does not select one of the stated impact reasons and chooses "other," documentation is required to be eligible. There are no income requirements or credit worthiness criteria that must be met to enroll. There are no balance or account criteria to enroll. Customers determine what is affordable to pay and choose a repayment plan up to 24 months.

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Enrollment eligibility includes:

- Residential customers with active service who are at least 30 days in arrears with water and sewer services
- The applicant must be a Virginia Beach resident and an account holder at the requested property.
- Customers complete an online application. There is a calculator tool to estimate their payments based on their current balance and select between two and 24 months for installments and the customer selects the due date for their installment payment. Completed applications are reviewed and enrolled.

Eligible customers can apply for this payment plan online and remain enrolled for the 24-month period so long as they pay the required amounts by the due dates specified in the agreement. The customer will continue to be billed for new charges and must stay current with both the installment amount and current charge amount. If a customer misses the payment of an installment or a regular bill, or does not pay the required amounts in full, they would default the arrangement, the balance would be due, and they would not be able to re-enroll.

More information on the program can be found here:

<https://www.vbgov.com/government/departments/public-utilities/customer-service/Pages/CSpaymentplan.aspx>

Since there are a number of programs offering assistance to customers right now, **we are encouraging customers to apply for assistance before applying for a payment plan.** We have compiled all of the available resources on our website here:

<https://www.vbgov.com/government/departments/public-utilities/customer-service/Pages/PU-PaymentAssistance.aspx>