



Luly Massaro, Commission Clerk
RI Public Commission Clerk
78 Jefferson Blvd.
Warwick, RI 02888

Ref: Docket 5022

July 2020

Dear Luly,

The District would like to submit its answers required in Docket 5022 for the month of June.

1. Have collections dropped off for residential and nonresidential customers over eight weeks compared to prior months and prior years?

Collections have dropped off over the past eight weeks by 17% when compared to the previous year, and when compared to the previous eight weeks collections have dropped off by 18%.

2. If so, please quantify the extent of the reduction.

In the past eight weeks, weeks we have collected \$170,771 less than the same period last year.

3. What effect has any such reduction had on the utility's cash flow?

The cash flow is getting very tight and we are doing our best to control spending. If you compare the Income Statement from 2019, which had a net income of \$12,467 to the Income Statement for April of this year, the District is showing a loss of (\$94,531). Sales are down by 8% compared to the previous year, compounded with the slowing of collections has us very concerned. If we are not allowed to start processing our delinquent accounts many of the customers will continue to avoid paying their bills, which will increase our accounts receivable and make it very difficult for us to meet our financial obligations. The unfortunate reality is that the rates will have to drastically increase to meet the short fall as we are a not for profit company. This will shift the burden onto the paying customers which is very unfortunate.

4. Has the utility been unable to meet any obligations, or does it expect to be unable to meet any financial obligations in the next two weeks if it cannot commence termination of service as a collections option?

The District was able to secure a Pay Check Protection Loan in May. This helped us to meet our obligations for the time period. We will meet all of our obligations this month but if we cannot commence with terminations, we will have problems meeting our obligations in the near future.

5. Provide any information on plans for termination of service for nonpayment absent an extension of this order.



PASCOAG
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The District is willing to work with customers who have been impacted by Covid-19 by providing reasonable payment terms. At this point some customers have stopped making payments altogether because they know we cannot disconnect at this time. The District has mailed letters to customers who are past due, asking them to reach out to customer service to setup a payment plan or to get information on agencies providing assistance. We've put information on our Facebook and online bill pay site as well.

Harle Young, Manager of Finance and Customer Service

Attachment Covid-19 Template