



August 27, 2021

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Mrs. Luly Massaro
Commission Clerk
RI Public Utilities Commission
89 Jefferson Boulevard
Warwick, RI 02888

RE: Dk 5022; Public Utilities Commission; Set 4

Dear Mrs. Massaro:

Attached please find an original and nine copies of Providence Water's responses to the fourth set of data requests from the Commission.

If you have any questions, I can be reached extension 7238.

Sincerely,



Nancy E. Parrillo
Senior Manager-Finance

cc: service list(via email)

PROVIDENCE WATER SUPPLY BOARD

RIPUC DOCKET NO. 5022

PUBLIC UTILITIES COMMISSION'S FOURTH SET OF DATA REQUESTS

DIRECTED TO ALL REGULATED UTILITIES

WAIVED FEES – AUGUST 2021 UPDATE

(Issued August 12, 2021)

1. Does Providence Water believe that the inability to charge late/interest fees is a hindrance to collections of outstanding balances? Please explain in detail.

RESPONSE:

Yes. Providence Water believes that the inability to charge late/interest fees has been a hindrance in our attempts to collect outstanding balances. It has become apparent to us that with the waiving of interest and late fees customers feel there is no urgency to pay their water bill. We increased our collection calling staff by rotating clerks from other departments, both during the day and after hours, to no avail. Therefore, Providence Water has recently begun more aggressive collection practices, which includes the termination of properties, in an attempt to maximize our collection efforts.

PROVIDENCE WATER SUPPLY BOARD

RIPUC DOCKET NO. 5022

PUBLIC UTILITIES COMMISSION'S FOURTH SET OF DATA REQUESTS

DIRECTED TO ALL REGULATED UTILITIES

WAIVED FEES – AUGUST 2021 UPDATE

(Issued August 12, 2021)

2. If the prohibition on charging late/interest fees is lifted, what measures and means of communications would Providence Water utilize to inform customers that they will again be subject to these fees on overdue balances? What does Providence Water believe is a reasonable notice period prior to the lifting of the prohibition to properly educate customers?

RESPONSE:

Providence Water bills our customers on a monthly basis. If the prohibition against charging late/interest fees is lifted, we would include an **IMPORTANT NOTICE** bill stuffer in our next issued bill to inform them that in one-month Providence Water will resume charging the RIPUC approved 1% per month interest on any outstanding balances. We believe one month is sufficient notice.

Our printing vendor is prepared to print in bold red ink on the outside of our upcoming billing envelopes the phrase: **IMPORTANT NOTICE INSIDE - PLEASE READ**. The bill stuffer will inform customers that the charging of late/interest fees has been reinstated by the RIPUC. We will also be advising customers that we offer payment agreements, allowing a customer the opportunity to make affordable payments, while remaining current on their upcoming monthly water bills. Along with the bill stuffer, Providence Water will add an **IMPORTANT NOTICE** to our website and utilize our social media platforms to get the word out. We will also post a notification in our Customer Service Center for customers to see when they come in to pay their bills. Notices will be printed in English and Spanish.

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WAIVED FEES – AUGUST 2021 UPDATE

(Issued August 12, 2021)

3. Has Providence Water determined if the waiver of credit card/debit card/online check fees has resulted in better collections activities from any class of customers? If so, please explain/provide data. If not, please explain. If the utility already absorbs these fees, please advise.

RESPONSE:

The waiver of credit card/debit card/online check fees has been in effect since June 2020 and has not resulted in better collection activities. We hoped that this customer incentive would help our customer payment activity, but unfortunately we have witnessed just the opposite, because these payment methods has actually slightly decreased.

Below are our monthly payment averages for these payment methods, prior to and since June 2020:

Prior to June 2020 -

Average number of credit card payments per month - **5,803**

Average number of ACH payments per month - **13,364**

Since June of 2020 -

Average number of credit card payments per month - **5,660**

Average number of ACH Payments per month - **12,993**

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(Issued August 12, 2021)

4. If the Commission were to lift the prohibition on assessing credit card fees, what is Providence Water's intent on whether to reinstitute the fee? If the utility already absorbs the fees, this can be N/A.

RESPONSE:

If the prohibition against assessing credit card fees is lifted by the RIPUC, Providence Water will again make these fees the responsibility of the customer utilizing the service.

Providence Water has incurred a cost of \$433,880.90 (approx. \$31K/month) since June 2020 as a result of this prohibition. There has been nothing in our rates to specifically cover this expense, and we would like to recover this expense as soon as possible.