

May 15, 2020

SUEZ Water Rhode Island Inc. Plan to Help Customers with Their Water Bills

BACKGROUND:

The COVID-19 health emergency has caused significant financial challenges for many of our customers in Rhode Island. To respond to our customers' needs, SUEZ Water Rhode Island Inc. ("SUEZ") has developed a wide assortment of programs to help mitigate the sudden loss of income to individuals and families.

Consistent with the State of Rhode Island and Providence Plantations Public Utilities Commission's order on March 16, 2020, and subsequent extensions of March 30, 2020 and April 13, 2020, SUEZ suspended all collection activities, which include:

- All collection notices,
- Collection calls, and
- Termination of water service to delinquent accounts

Currently, SUEZ will not shut off service to any customer that has an unpaid outstanding balance.

SUEZ continues to make every effort to work with customers that require additional payment assistance or are experiencing financial hardship by offering deferred payment plans in an equitable manner within the guidelines of the approved tariff regulations, as permitted by Order No. 23786. Deferred payment plans are based on each customer's financial circumstances, allowing customers to make a down payment followed by equal monthly installments, without accruing interest. These payment plans are offered year-round, and typically range from 3-12 months in duration.

In addition, SUEZ is proposing, by way of this letter and outlined below, short and mid-term plans designed to help customers who are having difficulty paying their bills now while maintaining the financial health of the company, which ultimately helps all customers. Additional revenues help ensure the maintenance and renewal of infrastructure, water quality and continuity of service.

Throughout this crisis, the company has tracked the financial impact of reduced revenues, including an increase in the percentage of customers who are in arrears from 3.6% to 11% from April 23 to May 11. This percentage is expected to increase as the crisis continues.

The company also recognizes that customers who have difficulty paying their bills now might take advantage of payment programs that will lessen a mounting water bill they would face later.

To minimize impact on our customers, SUEZ proposes a phased collections restart approach over the next several months that closely evaluates the need of the customer, focusing on outreach, and customer assistance during and post-crisis. There are two main components of the proposal:

SHORT/MID-TERM PLAN:

1. Establish interim engagement plan, informing customers about payment channels and customer support programs, while softly reminding them about overdue balances on their account through various channels. (Residential, Commercial, Industrial, Wholesale class customers)
 - Bill message (currently implemented) – allows for quick updates/outreach to customers and is generally listed under the important messages section of all customer bills – will run until further notice and can be updated as needed by SUEZ.
 - Current Message, “We know that these times can be challenging. The current health crisis has brought financial worries to many of our customers. If you need assistance paying your water bill, programs are available to help. Please call us to discuss payment plan or financial assistance options.”
 - New Accounts Receivable (AR) letter (being developed)
 - System generated, standardized notice that replaces regular AR notices, and does not reference shut off.
 - New language is encouraging and supportive in line with the current state of affairs and outlines payment plans, payment options and is inclusive of account specifics (such as balance & due date, etc.) to remind customers they have an overdue balance.
 - Notice can be triggered for customers (by customer class) with an overdue balance larger than \$X (TBD), after Y days (TBD) past due date.
 - New televox outbound reminder call (being developed)
 - System generated, standardized, automated outbound phone call.
 - This call would specifically reference the AR notice with a friendly encouraging tone and all details reminding the customer of their outstanding balance. This call would be triggered X days (TBD) after sending the new AR notice (details listed above).
 - Letter to all customers via bill (currently implemented)
 - General letter to all customers via bill on-ert, which outlines payment methods and financial assistance programs available to customers, such as payment plans.

LONG-TERM PLAN:

2. Plans to restart traditional collections once COVID-19 restrictions are lifted are currently being reviewed at SUEZ to determine if there are areas where updates or changes may be required. Traditional collections efforts would only go into effect after the defined period of interim outreach, set forth above. Below is the collections procedure utilized prior to the COVID-19 crisis, pursuant to the SUEZ Water Rhode Island approved tariff. In all instances, the process starts on day 30, after the bill is rendered.

- Residential, commercial, industrial and wholesale customers with past due balances from \$10-19.99 receive:
 - Reminder notice
 - Reminder call #1
 - Reminder call #2
 - No Severance: Customer account does not get referred for shut off
- Residential, commercial, industrial and wholesale customers with past due balances from \$20-49.99 receive:
 - Shut off notice (outlines pay by date to avoid shut off)
 - Reminder call #1
 - Reminder call #2
 - No Severance: Customer account does not get referred for shut off
- Residential, commercial, industrial and wholesale customers with past due balances from \$50-Up receive:
 - Shut off notice (outlines pay by date to avoid shut off)
 - Reminder call #1
 - Start Severance – Customer account referred for shut off
 - Door Hanger/Tag left at premise of intent for shut off
 - Cut off for non-payment only if all other efforts are exhausted, inclusive of payment plan assistance

SUMMARY:

These are unprecedented times as our customers attempt to navigate the challenges associated with the COVID-19 crisis. SUEZ recommends a phased outreach approach that will allow our customers to regain some degree of financial stability while offering soft reminder notices, reminder calls, and payment plan options for those customers experiencing financial hardship.

This multi-part plan allows for a gradual or phased restart to collections, taking into consideration the impact on both the customer and company in the short/mid-term periods during and post COVID-19. The return to normal collection operations in the long-term, while phased, would take effect after our interim plan has been executed. SUEZ will continue to closely monitor this plan over the next few months.

It is of utmost importance to SUEZ that its customers maintain safe, reliable water service during this crisis and we will continue to work with all of our customers to ensure continuity of service going forward. Our customer service staff is available to assist customers during normal business hours if they require information on payment plans and/or are experiencing a financial hardship during this time.