

- 1 **Q. Please provide information as to the Company's policy for cut off from initial billing**
2 **to disconnection.**
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4 A. Attachment A is a copy of Newfoundland Power's credit policy respecting the collection
5 of general service (under 10 kW) and domestic accounts. The credit policy was approved
6 by the Board in December 1989.

Credit Policy

**Collection of General Service (Under 10 kW)
and Domestic Accounts**

(approved by the Public Utilities Board on December 14, 1989)

POLICY:
COLLECTION OF GENERAL SERVICE
(UNDER 10KW) AND DOMESTIC ACCOUNTS

Collection of all General Service (Under 10KW) and Domestic Accounts shall be conducted in accordance with the following process.

STEP ONE:

First Reminder: Approximately 30 days after initial billing.

If payment for the previous month's bill is not received by the issuance of the next bill, then an unintimidating reminder will be automatically printed in the message area on the next bill.

STEP TWO:

Payment Reminder Notice: Approximately 47 days after initial billing.

If payment is not received for the initial billing in 1 1/2 months, then a computer generated notice shall be forwarded to the customer requesting payment.

STEP THREE:

First Attempted Personal Contact: Approximately 55 days after initial billing.

If payment is not received for the initial billing in 55 days, then collection staff shall attempt telephone contact with the customer. If the customer is unable to pay the arrears in full, then payment options shall be offered with the objective of bringing the account up to date within a reasonable time.

STEP FOUR:

Delinquent Account Letter: Approximately 65 days after initial billing.

If payment is not received for the initial billing in 65 days then a letter offering payment arrangements or other assistance shall be forwarded to the customer requesting action within 10 days.

STEP FIVE:

Second Attempted Personal Contact: Approximately 75 days after initial billing.

If the 10 day period mentioned in Step Four above expires, then collection staff shall visit the customer's premises in order to establish contact. If the customer is home, payment options shall be offered. If the customer is not home, a card shall be left requesting the customer contact the office the next day.

STEP SIX:

Notice of Intent to Disconnect Service: Approximately 77 days after initial billing.

If payment is not received after Steps One through Five have been undertaken, then a letter advising that if payment is not made in 7 days service will be disconnected. The letter will refer the customer to credit personnel who can help in setting out the customer's options. This notice shall only be sent when disconnection is seriously intended. This notice will not be sent nor will a disconnection occur when the arrears are less than \$100 unless the premises appears to be unoccupied.

Also, in special circumstances disconnection will be delayed for an additional 7 days to enable the customer to make alternative arrangements. Such special circumstances include:

- (i) where the Company is made aware that undue hardship would result because of serious illness or where life-sustaining equipment is in operation;
- (ii) where the Company is made aware that the customer is mentally impaired;
- (iii) where the Company is made aware that an infant less than one year old resides in the premises; and
- (iv) where the Company is made aware that a senior citizen resides in the premises.

Customers who are social services recipients will be granted a one business day extension to consult with their social worker.

The following restrictions on disconnection under the former policy shall remain in effect;

- (i) no disconnections will occur after 3:00 p.m. on a workday or on Fridays;

- (ii) no disconnections will occur on the day previous to a Company holiday; and
- (iii) no disconnection will occur between December 18th. and the first working day of the new year.

In addition, certain winter conditions and restrictions shall apply to any disconnections to take place between November 15 and April 15. These include:

- (i) all winter disconnections must be specifically approved by the Superintendent - Commercial Services for the region involved;
- (ii) senior Citizens' accounts will not be disconnected;
- (iii) senior Citizens' nursing home accounts will not be disconnected;
- (iv) homes in which a person with a major illness resides will not be disconnected; and
- (v) homes of customers who have received a grant from "Share the Light" that winter will not be disconnected.

STEP SEVEN:

Disconnection: Approximately 84 days after initial billing.