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April 29, 2021

Ms. Luly Massaro, Clerk
Rhode Island Division of Public Utilities
and Carriers
89 Jefferson Boulevard
Warwick, RI 02888

Re: The City of Newport, Utilities Department, Water Division - Docket 5022
In Re: Suspension Of Service Terminations And
Certain Collection Activities During The COVID-19 Emergency

Dear Ms. Massaro:

Enclosed herewith please find an original and nine copies of Newport Water's Response to the Rhode Island Public Utilities Commission's Data Requests On The Quantification of Waived Fees (Spring 2021 Update).

Thank you for your attention to this matter.

Sincerely,



Joseph A. Keough, Jr.

Enclosures
cc: Service List via electronic mail

Docket 5022
PUC Data Requests on the Quantifications of Waived Fees
April 15, 2021

Newport Water Division Responses

DR1: Does the Newport Water Division (NWD) typically charge late fees to customers? If so, please provide the tariff reference and the types of customers to whom the late fee applies

RESPONSE: The NWD does not charge late fees to customers.

DR-2: Does the NWD typically charge interest on overdue balances to customers? If so, please provide the tariff reference and the types of customers to whom the interest charge applies.

RESPONSE: NWD charges interest on all delinquent accounts at a rate of 18% per annum. The interest charge was established in the Tariffs for Docket 4025, effective July 1, 2009.

DR-3: Does the NWD typically pass through to the user the so called “convenience fees” associated with paying with credit cards or debit cards?

RESPONSE: Yes, transaction fees are passed through to the user when paying with credit cards or debit cards. Payments by credit cards and debit cards are made by our customers using RIeGov. The processing center charges an additional 3% of the amount charged.

DR-4: Does the NWD typically pass through to the user the so called “convenience fees” associated with paying with an ACH/electronic check?

RESPONSE: There are no fees passed through to the customer when paying with an ACH/electronic check.

DR-5: Does the NWD intend to seek recovery of the costs associated with the absorption of the applicable fees?

RESPONSE: Yes

DR-6: Please indicate the date upon which NWD ceased charging customers for late fees, interest fees, credit card/debit card payment fees, or ACH/check fees (please list each separately, even if the date is the same) as a result of the Commission’s decision.

RESPONSE: The NWD stopped charging/accruing interest on past due accounts as of May 1, 2020. The transaction fee for credit/debit card payments stopped being transferred to the customer as of July 1, 2020.

DR-7: Utilities only collect late fees and interest fees on accounts for which payments are made. Similarly, credit card/debit card fees and ACH/electronic check fees are only absorbed by the utility under the PUC’s order if payments are made. For the period commencing on the date

provided in response to number 6 through the most recent date available (identify the date), please provide the following:

- a. The total number of accounts on which payments were made.
- b. The number of accounts where payments were made and interest and/or late fees were waived.
- c. The number of accounts where payments were made by credit card/debit card.
- d. The number of accounts where payments were made by ACH/electronic check.
- e. The dollar amount of credit card/debit card fees absorbed by the utility that would have otherwise been assessed to the customer paying with a credit card/debit card.
- f. The dollar amount of ACH/electronic check absorbed by the utility that would have otherwise been assessed to the customer paying through ACH/electronic check.
- g. The dollar amount of waived late fees on accounts where payments were made.
- h. The dollar amount of waived interest fees on accounts where payments were made. If the response is that the dollar amount cannot be determined but the utility will seek cost recovery, please explain how the utility would quantify the amount to be recovered and meet a reasonable burden of proof

RESPONSE:

- a. 150,014 accounts made payments were made between May 1, 2020 and April 23, 2021.
- b. The City's Collection Department where payments are processed does not track this information and per the billing system manager we cannot capture the information in reverse.
- c. 10,254 accounts made payments by credit/debit cards between July 1, 2020 and April 23, 2021.
- d. 17,276 accounts made ACH payments between July 1, 2020 and April 23, 2021.
- e. NWD absorbed \$53,581.16 in transaction fees on credit/debit card payments for the period July 1, 2020 through April 23, 2021.
- f. N/A
- g. N/A
- h. NWD does not have this information. NWD would propose using a three-year average of interest collected for the same period.

For example, the three-year average for interest collected from May through April is \$41,150.12. NWD collected \$10,862.21 in interest charges for the period May 1, 2020 through April 23, 2021 which is interest that existed on accounts prior to the April 1, 2020 billings. The amount NWD would ask to recover in this example would be \$30,288.

	Interest Collected
May 1, 2017 – April 30, 2018	\$49,344.03
May 1, 2018- April 30, 2019	\$42,734.42
May 1, 2019- April 30, 2020	\$31,371.90
3 Year Average	\$41,150.12

DR-8: Please indicate the first date the Newport Water Division sent termination notices to customers with dates not affected by a Commission decision (in other words, the utility could follow through with a physical termination on or after the notice period if payment or a payment arrangement was not made). Please break out by customer class if applicable

RESPONSE: The Newport Water Division on a monthly basis has issued delinquent notices to customers who have a 90+ day past due balance greater than \$500. The delinquent notices require payment in full or an executed payment plan to avoid termination of service. NWD issues Notices of Termination to customers who are non-responsive to the delinquent notice. NWD is also issuing Notices of Termination to customers who void their extended payment plan even after a courtesy call as a reminder that a payment is due.

Notices of Termination cards have been mailed as follows:

Termination Notices- Date Mailed	Termination date	Residential	Non-Residential	TOTAL
09/28/2020	10/14/2020	21	2	23
10/02/2020	10/21/2020	6		6
10/06/2020	10/28/2020	16	1	17
11/17/2020	12/09/2020	5	3	8
11/24/2020	12/16/2020	12	1	13
12/03/2020	01/06/2021	18	2	20
01/05/2021	01/20/2021	22	6	28
02/02/2021	02/24/2021	36	4	40
02/08/2021	03/03/2021	20	1	21
02/11/2021	03/10/2021	1	1	2
02/11/2021*	03/10/2021	28		28
03/03/2021*	03/24/2021	18	1	19
03/10/2021*	03/25/2021	3		3
03/22/2021	04/14/2021	7		7
03/22/2021*	04/14/2021	3		3
04/01/2021	04/21/2021	41	1	42

*Voided payment plans