



## San Diego Community Power

### Collections and Delinquent Accounts Handling Policy

Effective Date: June 22, 2023

#### **PURPOSE**

This policy establishes a delinquent accounts, late payment notification, collections and write off policy that provides the framework for San Diego Community Power (SDCP) Staff and Back Office Service provider to better serve our customers and set clear expectations on the handling of past due customer charges for both Residential and Non-Residential customers

#### **GENERAL CRITERIA**

1. All customers have an obligation to pay for outstanding SDCP charges for the period in which they received service from SDCP.

#### **DELINQUENCY HANDLING: LATE PAYMENT NOTIFICATION**

2. Any active SDCP customer who has overdue SDCP charges that exceed \$250 for residential and \$500 for non-residential class shown on their SDG&E bill will receive a late payment notification letter from SDCP at the customer's last known mailing address on file or, if customer consented to receive electronic notices or electronic bills, at customer's last known email address on file. The first letter and/or email will be sent after the account balance is 60 days past due, with a second letter and/or email sent after being 90 days past due, informing the customer of their overdue status, the avenues available to pay the overdue SDCP charges, and means to apply for a payment plan arrangement with SDG&E. The customer will be provided 30 days after the second and final late payment notification is sent to either pay in full or make arrangements to cure the past due balance through payment plans offered by SDG&E on behalf of SDCP. If payment in full is not received within the prescribed 30 days, or the terms of an activated payment arrangement are not fulfilled, the delinquent SDCP customer account will be dropped from SDCP generation service and returned to SDG&E bundled generation service on the next account meter read date. SDG&E has discretion to assess the customer an opt out fee in accordance with SDG&E's Schedule CCA ("Transportation of Electric Power for Community Choice Aggregation Customers") and to also enforce their other terms and conditions, including the return to full-bundled SDG&E service on SDG&E's Transitional Bundled Service (TBS) rate. Transfer back to SDG&E service does not relieve the customer of paying SDCP charges and/or other charges due and owing including SDG&E charges, nor does it halt any SDG&E shut-off procedures.

[Please see the following exceptions:](#)

- Customers already on any SDG&E payment arrangement plans who are meeting the payment plan requirements will be excluded from receiving late payment notifications and/or being subjected to SDCP's delinquent accounts handling protocols.
- SDCP customers enrolled in the California Alternate Rates for Energy (CARE) and Family Electric Rate Assistance (FERA) shall receive an additional 2 late payment letters after being 120 days past due and 150 days past due respectively after the initial 2 letters referenced in #2 above and will be provided 30 days, after the 4<sup>th</sup> and final late payment notification letter is sent, to either pay in full or make arrangements to cure the past due balance in installments through payment plans offered through SDG&E on behalf of SDCP. If payment in full is not received within the prescribed 30 days, or the terms of an activated payment arrangement are not fulfilled, the delinquent SDCP customer account will be closed and returned to SDG&E bundled generation service on the next account meter read date. SDG&E has discretion to assess the customer an opt out fee in accordance with SDG&E's Schedule CCA ("Transportation of Electric Power for Community Choice

Aggregation Customers”) and to also enforce their other terms and conditions, including the return to full-bundled SDG&E service on SDG&E’s Transitional Bundled Service (TBS) rate.

- SDCP customers enrolled in the California Alternate Rates for Energy (CARE) and Family Electric Rate Assistance (FERA) at the time SDG&E returns the uncollectable receivable to SDCP are not subject to the collections protocols articulated in this policy if the balance is \$500 or less.

### **COLLECTIONS:**

3. SDCP has selected a proven collections agency through a formal solicitation process to enforce this policy for Non-Residential customers in 2022 in accordance with the 2021 Board approved Collections and Delinquent Accounts Handling policy and will look to expand the scope of service to cover residential customers once the Board approves the policy updates herein.
4. Any overdue SDCP charges (120 days or more past due) totaling \$50.00 or more which have not been paid by a customer who is no longer active and being collected by SDG&E may be referred to a collections agency for settlement.
5. Any overdue SDCP charges (120 days or more past due) totaling \$49.99 or less which have not been paid by a customer who is no longer active and being collected by SDG&E may be considered bad debt and written off.
6. No accrued interest will be charged on any customer account.
7. If a customer has not paid within 180 days following the initiation of the collections process, the collection agency may file credit reporting information on the customer with all applicable agencies.
8. Under review and the guidance of SDCP Staff, the collections agency may be authorized to pursue legal action on any customer with an outstanding balance of \$750 or more.
9. The collection agency is prohibited from selling information provided by SDCP for the purposes of collection of the past due balance.
10. The collection agency retained by SDCP shall comply with all laws or regulations relating to consumer protection, credit reporting or monitoring, debt collections, customer confidentiality, or other similar laws and regulations.
11. After a customer has paid all overdue amounts, all collections activity will terminate for that customer.

### **MISCELLANEOUS:**

12. On no less than an annual basis, SDCP Staff shall review the delinquency handling protocols, late payment notification, collections and write off practices articulated in this policy and propose adjustments to the Board as needed.
13. The Chief Executive Officer (CEO) of SDCP or their designee may, in their discretion, cancel, recall an account from the collection agency or otherwise deviate from the process specified in this policy for reasons including but not limited to cases of unforeseeable events, inconsistent receivable data from SDG&E, exigent circumstances, SDG&E bill presentment limitations or customer hardship.
14. Notwithstanding any other provision of this policy, SDCP may pursue any remedy available under applicable law to collect delinquent amounts due to SDCP.