


Policy Title:		Lifeline H ₂ O Plan Administration	
	OFFICE OF THE CHIEF FINANCIAL OFFICER	Category	Lifeline H ₂ O Plan
		Administrative Policy #	500-CS-Lifeline Plan
		Revision #	3
		Review Frequency	Every six months as funding exists
Administrative Division	Billing & Collections	Reviewed By	Chief of Staff, General Counsel, Chief Customer Service Officer; Finance Department
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Implementation Date	8/1/2022	Resolution #	22-0858; amd. 23-0100; amd. 24-0205

1. OBJECTIVES

- 1.1. To outline Detroit Water and Sewerage Department's (DWSD) Lifeline H₂O Plan.

2. PURPOSE

- 2.1. The DWSD acknowledges there are residents in our community who are unable to pay their full water, sewerage and drainage bill because their household income is below certain poverty indicators. Service interruptions are not a viable collection tool for these low-income customers. Non-Residential customers and residential customers with the ability to pay are still subject to a service interruption for non-payment.
- 2.2. Water affordability experts and advocates have long recommended that the cost of water and sewerage services be based on household income to ensure equitable access. DWSD's updated approach establishes an affordable fixed bill amount for households earning up to 200% of the Federal Poverty Level. Households in need of plumbing repairs will be referred to community-based resources when available. The program may be supported by a combination of federal, state, and philanthropic funding, as well as DWSD's allocation of Water Residential Assistance Program (WRAP) funds.
- 2.3. DWSD will vigorously advocate for long term funding to continue the Lifeline H₂O Plan beyond the anticipated availability of existing funding resources. DWSD also commits to receiving feedback on this plan to assess refinements and improvements.
- 2.4. This policy shall remain in effect provided funding is available to cover the payment gap between the fixed bill amount and the actual bill.
- 2.5. This policy establishes roles and responsibilities for the Plan components.

3. DEFINITIONS

“Account Holder” means the individual whose name appears on the active Detroit Water & Sewerage Department (DWSD) account for a single-family residential property. The Account Holder must reside at the service address and be legally responsible for charges billed to the account. Tenants are only considered Account Holders if the DWSD account is formally established in their name.

“Affordability” means that residential customers can pay for water, sewerage, and drainage services, regardless of their income, without having to forgo other necessary expenses such as housing, food, medication, transportation, or other utilities. Water is affordable when cost or program enrollment are never barriers to accessing safe, clean,

reliable water services, bills can be paid in full, on time, and do not incur compounding debt.

“Arrearages” for purposes of this policy means all unpaid past due amounts prior to enrollment in the DWSD Lifeline Plan.

“Assistance” can be defined as a discount or other form of financial assistance on water services, such as debt forgiveness.

“CCF” means centum cubic feet of water. One CCF is equivalent to 748 gallons.

“Gap Amount” means the difference between the Lifeline H₂O payment and the actual charges included with Lifeline H₂O Plan Services.

“Lifeline H₂O Plan Services” means water and sewer consumption up to the allocated CCF based on household size, plus related services charges, plus assessed drainage charges.

“Payment Plan” means DWSD’s EasyPay Plan or its equivalent.

“Program Arrearage” means an unpaid amount due after enrollment in the Lifeline H₂O Plan that appears as a “Balance Forward” on the Customer’s bill.

“Water Conservation Measures program” or “Conservation program” means a water audit to determine whether unnecessary, unconsumed water loss occurs in the household, the nature of plumbing repairs required to prevent such loss, including but not limited to the installation of water saving measures and repair of internal plumbing fixtures necessary to prevent water loss.

4. SCOPE

4.1. This policy applies to all Account Holders who applied for or are enrolled in the Lifeline H₂O Plan.

4.2. This Lifeline H₂O Plan applies only to single family residences.

5. RESPONSIBILITIES

5.1 Account Holder

5.1.1. Account Holder must abide by the DWSD Water and Sewerage Service Terms and Conditions Agreement.

5.1.2. To the extent possible, Account Holder must agree to allow DWSD and its affiliates to communicate with them including but not limited to electronic means, including phone, voicemail, automated messages, email, text/SMS, and/or other electronic means as a method of communicating important account and water usage information on an as needed basis. Translations from English to French, Spanish, Arabic, and Bengali will be made available to customers in need. For those with lack of access to online communications, paper-only communications will be made available.

5.1.3. Account Holder must apply for the Lifeline H₂O Plan.

5.1.4. Account Holder must have a functioning water meter and equipment in their residence that can record and transmit actual usage.

5.1.5. Account Holder must agree to upgrades in metering system as they become available.

- 5.1.6. Account Holder must agree to participate in water conservation measures, audits, and plumbing repairs, if necessary and or requested by DWSD.
- 5.2.1. Lifeline H₂O Customer Service Determines Account Holder eligibility and enrolls eligible Account Holders into the Lifeline H₂O Plan, and provides enrollment reports by account.
- 5.2.2. Determines compliance regarding the use of assistance funds and maintains ongoing records of the amounts and sources of assistance utilized for each customer for each billing cycle.
- 5.2.3. For enrolled Account Holders whose monthly water consumption exceeds the allocated CCF for three consecutive months, places Account Holder in the Water Conservation Measures program, which may include an in-home water conservation audit, a conservation kit, and referrals to community action agencies for any necessary plumbing repairs. Water conservation measures are based on a first come first serve basis as funding and budget allows.
- 5.2.4. Provides monthly enrollment reports, which denote enrolled Account Holders to be applied during the billing cycle.
- 5.2.5. Refers customers to partner agencies, as needed, for payment assistance, plumbing repairs, and other community support programs.
- 5.2.6. Flags enrolled accounts in the Customer Information System (CIS) to ensure accounts remain protected against water service interruptions.

5.3. DWSD – Finance Department

- 5.3.1. Tracks statistical information for monthly reporting to Board of Water Commissioners.

5.4. DWSD - Public Affairs

- 5.4.1. Executes education and outreach campaign regarding Lifeline H₂O Plan, including, but not limited to, community meetings, door hangers, door-to-door outreach, mailings, social media, and outbound calls.

6. POLICY

6.1. Application to Lifeline H₂O Plan

- 6.1.1. Account Holders who are eligible for SNAP¹ benefits, LIHEAP benefits or Medicaid may be deemed income eligible to apply for Lifeline H₂O Plan.
- 6.1.2. Account Holders must submit an application to DWSD, which will determine eligibility for the Lifeline H₂O Plan.
- 6.1.3. To participate in the Lifeline H₂O Plan, Account Holders must allow DWSD or its partner(s) to enter their home to inspect and/or install and/or upgrade their metering system to ensure accurate reads.
- 6.1.4. DWSD or its partner(s) will evaluate household income to determine Account Holder's eligibility for the Lifeline H₂O Plan.
- 6.1.5. Account Holders who are determined to be income eligible will remain in the Lifeline H₂O Plan as long as they remain income eligible and otherwise comply with all Plan requirements, and as long as funding exists to support the Plan for the enrollment period.

¹ Federal Supplemental Nutrition Assistance Program or Michigan Food Assistance Program

6.2. Calculation of Lifeline H₂O Plan Payment

- 6.2.1. **Monthly Payment Amount.** **Eligible Account Holders enrolled in the Lifeline H₂O Plan will be charged a fixed monthly amount of \$34 for water, sewer, drainage, and service charges.**

Usage Included. The fixed monthly bill amount includes up to 6 CCF of water usage per billing cycle.

- 6.2.2. **Consumption Over the Monthly Allotment.** Account Holders who exceed the monthly 6 CCF allotment will be charged standard published rates for each additional CCF of water and sewer usage.

6.2.3. **Example:**

A Lifeline H₂O customer uses 8 CCF of water during one billing period. Under the plan, the Account Holder pays a fixed monthly bill amount of \$34 for up to 6 CCF of water and sewer service. Because the Account Holder used 2 CCF over the included amount, they are charged the standard published DWSD rates for excess usage.

- Water overage: 2 CCF × \$4.95 = \$9.90
- Sewer overage: 2 CCF × \$6.10 = \$12.20

Total overage charges: \$9.90 + \$12.20 = \$22.10

Total amount due: \$34 + \$22.10 = \$56.10

- 6.2.4. In addition to the \$34 fixed amount and any overage charges, the total amount due may include adjustments, past-due balances, and other applicable fees as defined elsewhere in this policy.

6.3. Water Conservation Measures to Reduce Monthly Bill

- 6.3.1. DWSD will notify enrolled Account Holders when there is water usage during non-peak hours (12 a.m. to 4 a.m.) in any month so that Account Holder can take action to prevent going over the allocated CCF or to address any leaks inside the home. (See also, Section 6.3.3.)

- 6.3.2. Account Holders may monitor their usage using DWSD's Customer Portal at csportal.detroitmi.gov.

6.3.3. When usage exceeds the allocated CCF monthly allotment for three consecutive months during enrollment in the Lifeline H₂O Plan, DWSD may schedule a water conservation audit, provide water saving measures, and refer any possible plumbing repair needs to local community action agencies. If the excess usage is due to a verified leak, the Account Holder may also follow the [Irregular Water Usage Due to Leak](#) policy.

6.4. Arrearages

6.4.1. Eligibility and Prior Arrearages. To qualify for enrollment in the Lifeline H₂O Plan, the Account Holder must not have a balance past due and no Program Arrearages. Any past due balance must be resolved prior to enrollment.

- 6.4.2. **Payment of Lifeline H₂O Amount.** For Lifeline H₂O Plan Services, all available assistance funds will be used to pay the difference between the capped amount and the actual monthly water, sewerage and drainage charges.

- 6.4.3. **Failure to Make Full Payment.** If the Account Holder does not pay the full Lifeline H₂O amount, including overage charges, for usage above the allocated

CCF, the unpaid amount will accrue on the next bill as a Balance Forward, which is a Program Arrearage that the Lifeline H₂O enrollee is responsible for paying. A Program Arrearage represents non-compliance with the Lifeline H₂O Policy and may affect continued enrollment.

6.5. Failure to Comply with Lifeline H₂O Plan Requirements

- 6.5.1. If DWSD determines an enrolled Account Holder is not in compliance with plan requirements (i.e. failure to allow installation of functioning meter, no payment, a partial payment, a Program Arrearage or a balance forward for three (3) months, the Account Holder will be un-enrolled from the Plan and referred to appropriate City or community programs and resources for additional support.

6.6. Unenrollment

- 6.6.1. If the Customer receives three (3) consecutive bills with a balance forward due to non-payment or partial payment, the customer is unenrolled from the Lifeline H₂O Plan.³ A customer may also be unenrolled due to non-compliance unrelated to payment (e.g., not setting up account with required information, or refusing access to metering equipment, etc.). (See also, Section 6.7)
- 6.6.2. Collection efforts will begin for Program Arrearage and penalties will resume.
- 6.6.3. After unenrollment from the Lifeline H₂O Plan, the Account Holder may enter into a Payment Plan for Program Arrearages to avoid collection efforts and penalties but cannot re-enroll into Lifeline H₂O until Program Arrearages are paid in full. (See also, 6.7.1).

6.7. Re-Enrollment

- 6.7.1. If Account Holder pays all prior Program Arrearages owed, they may be re-enrolled into the Lifeline H₂O Plan. Account Holder must contact DWSD to be re-enrolled in the Plan.
 - 6.7.2. Program Arrearages will not be forgiven or removed upon re-enrollment.
 - 6.7.3. The re-enrolled Account Holder will be responsible for paying regular Lifeline H₂O Plan charges as described in Section 6.2.
- 6.8. **Enrollment Period.** The enrollment period begins and ends as required by the funding source, regardless of the date enrollee joins the Lifeline H₂O Plan.

6.9. Ombudsman

- 6.9.1. Any person who believes DWSD has not followed this policy, the City of Detroit Ombudsman serves as an outside, neutral third party to ensure DWSD follows this policy and may act as a liaison to advocate on behalf of a customer. (See also, 2012 Detroit City Charter Article 7.5 – Chapter 4 – Sec. 75-401 to 7.5-417)

6.10. Reasonable and Necessary Accommodations

- 6.10.1. Management may take reasonable and necessary actions to accomplish the intent of this policy.

7. PROCEDURES

7.1. Billing Process

- 7.1.1. Finance Department receives monthly data indicating new and/or removed participants in Lifeline H₂O Plan.

7.1.1.1. Finance Department calculates the amount of billing statement based on Account Holder usage and applies proper billing code to account.

7.1.1.1.1. After removal from Lifeline H₂O Plan, arrearages will be handled pursuant to DWSD's Residential and Non-Residential Collection Policy

7.1.2. Billing Department prepares statements indicating:

- (a) Previous month's activity, including adjustments and any balance forward,
- (b) The amount owed, and
- (c) Overage amounts due for usage above allocated CCF, if any.

7.1.3. Billing Department performs the following monthly billing tasks for program enrollees:

- (a) for each month of enrollment, excludes the program gap amount from the amount due on the bill; and
- (b) starting with the second printed bill during enrollment and continuously through the month after enrollment terminates, applies a credit adjustment or payment with available third-party assistance funds equal to the prior month's gap amount.

7.1.3.1. When funds available have been exhausted, DWSD will notate Account Holder's account and handle the debt in the usual manner for uncollected residential accounts.

7.1.4. When enrollees no longer meet Lifeline H₂O requirements, the Collections Analyst unenrolls those Account Holders.

7.1.5. If the Account Holder resolves their past due balance or enters into a payment plan after termination from Lifeline H₂O Plan, the Collections Analyst initiates a work order and updates the status of the customer in the CIS.

7.2. Missed Payments; Unpaid Amount(s) Owing; Collection.

7.2.1. If Account Holder misses three consecutive payments, they will be un-enrolled from the Lifeline H₂O Plan and will begin receiving a regular bill without program benefits.

7.2.1.1. Collections will proceed with usual process for collection of arrearages pursuant to DWSD policy.