


Policy Title:		Payment Plan Agreement	
	OFFICE OF THE CHIEF ADMINISTRATIVE OFFICER	Category	Payment Plan Agreement
		Administrative Policy #	
		Revision #	N/A
		Review Frequency	As Needed – no less frequently than triennially
Administrative Division	Customer Service	Reviewed By	Chief Administrative Officer, General Counsel, Chief Customer Service Officer
BOWC Approval		Last Reviewed/Update Date	
Implementation Date			

1. OBJECTIVES

- 1.1. This document provides policies and procedures around establishing a Payment Plan Agreement (PPA) with the Detroit Water and Sewerage Department (DWSD) for residents and non-residents who experience difficulty in paying past due balances. The policies within this document provide customers with an opportunity to avoid service interruption due to a delinquent balance.

2. PURPOSE

- 2.1. This policy affirms DWSD's commitment to assist customers with a PPA that provides solutions to avoid service disruption. DWSD has established these policies to ensure customers are provided with quality and effective customer service while mitigating risks associated with service disruption and past due payments.

3. DEFINITIONS

“Customer” means an Owner, Landlord or Tenant that establishes an account for DWSD services.

“DWSD” refers to Detroit Water and Sewerage Department.

“On-time payment” means on or before the due date established within the agreement.

“Water Residential Assistance Program” otherwise known as WRAP, is a community assistance program designed to help low-income residential customers to access billing assistance and other services.

4. SCOPE

- 4.1. This policy applies to all DWSD customers who wish to extend the permissible payment period on a delinquent balance. Those who are seeking to establish a PPA may request a PPA online through the Customer Care Portal, in person by visiting the Customer Care Center during business hours, or by telephone through the Customer Service Call Center.

5. RESPONSIBILITIES

5.1. Customer Service Division

- 5.1.1. The Customer Service Division is responsible for the general administration, oversight, and communication of this policy to customers.
- 5.1.2. Except for PPAs established under 6.2.5, the Customer Service Division is responsible for reviewing PPA requests and establishing the appropriate DWSD Terms and Conditions within PPAs

5.2. Customer

- 5.2.1. Customers are responsible for abiding by all DWSD Terms and Conditions for a PPA and ensuring all payments are on time and in full.
- 5.2.2. Customers are responsible for the payment of any charges in accordance with this policy. Charges may include, but are not limited to non-sufficient funds and late fees.

6. POLICY

6.1. General

- 6.1.1. All DWSD residential and non-residential customers are eligible to request a PPA, with no income restrictions.
- 6.1.2. In order to enter into a PPA, the customer's name must be on the account and only the customer or an authorized user can enter into the PPA.
- 6.1.3. In order to continue participation with an established PPA, all payments must be made in full and on-time based on the established payment plan and corresponding due dates. Note that in full and on-time refers both to the PPA amount as well as the current bill.
- 6.1.4. Failure to make payments on or before the due date will result in a discontinuation of the PPA and may result in service interruption.
- 6.1.5. If service is interrupted, full payment of the past due balance is required and a late fee may be charged. Refer to the Water, Sewer, and Drainage Charges policy for additional information on late fees.
- 6.1.6. Customers are required to provide payment information on file at the time of the request. If a customer is paying by check and it is returned with nonsufficient funds, a late fee may be charged at the discretion of DWSD.
- 6.1.7. As long as customer continues to adhere to the PPA requirements, the customer will not be subject to service interruption or collection efforts.

6.2. Payment Plan Agreement

- 6.2.1. The 10/30/50 Plan was developed by DWSD as a method of assisting residential customers with delinquent balances. This approach allows the customer to make a down payment of 10%, 30%, or 50% of the past due balance.

6.2.2. The 30/50 Plan was developed by DWSD as a method of assisting non-residential customers with delinquent balances. This approach allows the customer to make a down payment of 30% or 50% of the past due balance.

6.2.3. The down payment percentage is based on the number of PPAs the customer has entered into within the preceding 18 month period, and is determined by the following guidelines:

- a) First PPA for residential customers requires down payment of 10% of the existing balance (30% for non-residential)
- b) Second PPA for residential customers requires down payment of 30% of the existing balance (50% for non-residential)
- c) Third PPA for residential and non-residential customers or higher requires down payment of 50% of the existing balance

6.2.4. The balance of the past due amount is equally spread over a 6-24 month period which the customer pays in addition to the normal monthly bill. These amounts are automatically populated by the Customer Information System (CIS) but may be adjusted by Manager override. Monthly bill payments are determined by the balance owed, as follows:

a) Residential

- 6.2.4.a.1. \$450 or less – 6 months maximum
- 6.2.4.a.2. \$450.01 - \$900 – 12 months maximum
- 6.2.4.a.3. \$900.01 – \$1,350 – 18 months maximum
- 6.2.4.a.4. \$1,350.01+ – 24 months

b) Non-Residential

- 6.2.4.b.1. \$1,000 or less – 6 months maximum
- 6.2.4.b.2. \$1,000.01+ – 12 months maximum

6.2.5. Management retains the authority to enter into PPAs that vary from the guidelines noted above.

6.3. Water Residential Assistance Program for Low-Income Residents

6.3.1. Low-income residents may qualify for the Water Residential Assistance Program (WRAP) to access billing assistance and additional resources. Refer to the WRAP Policy for further information.

6.4. Reasonable and Necessary Accommodations

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

7. PROCEDURE

7.1. Requesting a PPA

7.1.1. Customers should request a PPA no later than 30 days after a past due water or sewage bill.

7.1.2. Customers seeking to establish a PPA may request a PPA online through the Customer Care Portal, in person by visiting the Customer Care Center during business hours, or by telephone through the Customer Service Call Center. Customers seeking to participate in a PPA should apply online through the Customer Care Portal or via visit to the Customer Care Center during regular business hours.

Note: the Customer Care Portal requires the customer to complete a registration process prior to requesting a PPA. A customer seeking to establish a PPA over the telephone with the Customer Service Call Center must be the individual on the account.

7.1.3. The account must be in the resident's or business's name and the customer must submit any required documents in the Application for Service policy.

7.1.4. At the time of the PPA request, DWSD will complete a work order to ensure the customer's service is not interrupted and the details of the PPA will be shown on the customer's bill.

7.2. Closing a PPA

7.2.1. Upon final payment from the customer, the PPA is considered "satisfied" and the customer's bill will no longer include PPA information.

7.2.2. If a customer fails to pay the required PPA amount on the due date, the PPA is broken by the customer and the full balance will then be due immediately. The customer's service may be interrupted.