

DEFERRED PAYMENT AGREEMENT POLICY

If a customer has an excessive bill or has an extraordinary circumstance and is only able to pay in installments, Clay Roane PSD will provide the customer with the opportunity to enter into a deferred payment agreement (DPA) to avoid termination of service. ([Appendix H](#))

Only one (1) Deferred Payment Agreement per customer will be granted in any twelve-month period per account. The request MUST be made by all parties of record. Under no circumstances shall Clay Roane PSD extend a DPA beyond 12 months.

No verbal agreements will be granted. It is the customer's responsibility to request to sign a DPA before the end of the ten-day grace period date provided on the final notice at the office of Clay Roane PSD during business hours.

A 50% down payment is required to establish an installment plan for customers with bill amounts that are greater than \$150. A late charge of 10% will be added to the most recent unpaid current charge balance after the grace period ends for the first month. No additional late charges will be added to the deferred amount. However, new water use charges will be assessed the late fee if payment is not received by the end of the grace period during the deferred period.

Guideline for Deferred Payment Plans

Amount Past Due	Max. No. of Months	Approx. Monthly Amt.
\$150.00- \$300.00	3	\$50- \$100
\$301.00-\$500.00	4	\$76-\$125
\$501.00-700.00	5	\$100-\$140
\$701.00-900.00	6	\$117-\$150
\$901.00- ??	7-12 depend on balance	\$130- ??

The customer shall

demonstrate the ability to pay but only in installments after providing written documentation, (this may involve discussion and review of personal finances). Clay Roane PSD will review, but not limited to, the amount and time of the delinquency, payment history, number of requests for payment extensions in customer's history, security deposit level and why the debt is outstanding.

Once the deferred payment agreement has been approved, the customer shall review and sign the completed DPA, and submit the required down payment. The customer will be required to pay their current bill on time and in full and make timely payments on past due amounts in accordance with the deferred payment agreement. The days set for payment will not be extended. If the customer fails to pay the current bill on time, late charges will be added to the current charge. Once a deferred agreement has been signed and enacted, Clay Roane PSD will in some circumstances elect to place a statutory lien on the physical property for the water service until the original water bill amount is paid in full.

If the customer's financial condition significantly changes and the existing DPA results in hardship, Clay Roane PSD may renegotiate the payment agreement only after the customer provides documentation in support of their claim that their financial condition has changed. In addition, if the financial situation improves, the customer is expected to pay all amounts due in the DPA promptly. During this brief renegotiation period, the customer must continue to pay their current bill on time and in full and make some payment on the delinquency.

If the deferred payment is not received in accordance with the terms of the agreement, the DPA is void and all balances must be paid in full. Clay Roane PSD will NOT provide written notice to the customer of the default. An attempt to contact the customer by phone will be made stating water service is scheduled for termination without additional notice after five (5) business days. If a payment is made with a bad check, then service can be terminated after 5 business days to the customer or personal contact or telephone contact is made, then at least 24 hours in advance of service termination will be provided.

Once a disconnected customer has paid his delinquency in full, or the utility has agreed to enter into a deferred payment agreement with the customer, and all the disconnect and/or reconnect fees have been paid, the utility shall reconnect the customer's water service as soon as possible but no later than twenty-four (24) hours from the time the customer pays all disconnect and reconnect fees.

If the customer currently has a DPA in place but is in violation of other rules (illegal connections, failure to repair exterior or interior plumbing, tampering) the water service will be terminated. An attempt to contact customers by phone will be made prior to the service termination.