

**Austin Energy Low Income Consumer Advocates
Resolution 20131107-052 Meeting #4
March 31, 2014**

Attendees:

Robena Jackson (Facilitator), Bob Batlin (Austin Interfaith), Carol Biedrzycki (Texas ROSE), Lanetta Cooper (TLSC), Gloria Cueva (Caritas), Kathleen Hopkins (ABC), Pat Macy (St. Austin), Tonda Owens (Travis County), Linda Perez (MOWAM), Aurora Pizano (Austin Resource Recovery), Dan Pruett (One Voice), Angel Ramirez (VFW), Michael Roth (HACA), Ruby Roa (LOC), Kathy Stark (Austin Tenants' Council), Kerry Overton (AE), J.J. Gutierrez (AE), Lisa Tamez (AE), Sandra Castillo (AE), Lori Kirchgatter (AE), Melissa Davis (AE), Jessica Twining (AE), Irene Nemitsas (AE)

- Welcome
 - Ms. Jackson welcomed group and apologized for delayed start
 - Checked attendance and had new members/alternates introduce themselves
 - A group member asked if a representative would be present from Austin Water Utility – Mr. Overton stated AWU has discussed their concerns with AE and they still want to attend a meeting before the end. Several members stated the importance of AWU participation since many customers have high water bills as well.
 - Reviewed meeting topics to cover:
 - Payment Arrangement Worksheet – wrap up payment arrangement discussion/recommendation with completion of last column “PA Disqualification” and reach consensus on all components
 - “Alternative Payment Arrangement Recommendation” document – review and discuss recommendations provided by sub-group of committee members Bob Batlan, Carol Biedrzycki, Lanetta Cooper, Ruby Roa, Katherine Stark and Mark Widoff
- PA Disqualification
 - Ms. Jackson re-iterated that if the resolution did not change a component of AE’s prior regular policy, on the worksheet it will state “not determined”
 - Ms. Biedrzycki remarked that under column “PA Disqualification” the reason “previous PA broken” was actually changed by resolution and that you are now eligible to receive another payment arrangement if you break a previous arrangement
 - Question posed: what does “disqualify” mean or refer to when discussing payment arrangements?
 - Ms. Tamez answered that it referred to the reasons a customer is not eligible to enter into a payment arrangement
 - Ms. Cooper requested an updated worksheet so they can see the changes they’ve made/agreed upon
 - Ms. Jackson stated it will be made available at the next meeting once a general consensus has been reached on all components
 - Ms. Biedrzycki asked: how is “meter tampering” and “field activity scheduled for non-payment” defined?
 - Meter tampering
 - Ms. Tamez explained meter tampering is theft of service, including either a broken meter seal, disturbed equipment, etc. so as to circumvent the meter itself and continue receiving service

- To determine meter tampering, an investigation is conducted, findings are reviewed, a decision is made, and fees are assessed to account (if meter tampering is determined)
- Customer has the right to appeal the decision and have a hearing conducted
- Ms. Cooper stated that the current ordinance connects meter tampering to an premise as opposed to an individual, and this can hurt innocent tenants who move to the premise afterwards
- Ms. Cooper asked if an innocent tenant is eligible for a PA even if they have meter tampering on the account – Ms. Tamez stated that if the tenant is found innocent of the charge, then yes, they are eligible
- Mr. Pruett asked for more clarification on the meter tampering investigation process – Ms. Jackson suggested that AE provide information at the next meeting – Ms. Tamez agreed to provide
- Ms. Cooper stated that a presumption is still created that the customer did the tampering – they can appeal the decision but the process is long
- Ms. Tamez explained that the meter tampering alert is not added to the account until after the case is investigated and tampering has occurred
- Ms. Jackson re-iterated that there is an AE process in place so as to review and appeal if necessary, as a way to protect these innocent tenants/customers
- Ms. Jackson asked the group: what is the concern with including meter tampering as a reason for PA disqualification?
 - Group decided there was no disagreement that a proven meter tampering charge is a reason for PA disqualification
 - Ms. Cooper was concerned about the hearing process and making sure customers understand they have the right to prove/rebutt the decision
- Mr. Overton stated that even if someone is not the actual person who tampered with the meter, rules state that if they benefitted from that service in any way, they too, are then responsible
 - Field Activity for Non-Payment
 - Ms. Tamez explained this is when field technicians are dispatched to the home to disconnect service for non-payment
- Are we distinguishing between CAP and Regular customers? (question raised by Ms. Cueva)
 - Yes for certain components:
 - Down payment: regular customers are required to provide a down payment equal to one monthly installment vs. CAP customers who have a \$0 down payment
 - No for others:
 - Number of PA's allowed: all customers have unlimited PA's as long as the account is brought to a \$0 balance. All customers are also allowed to 3 PA's, with a 4th PA extended for "bonafide reason"
 - Ms. Biedrzycki stated by not having one policy for all customers, there's a chance those who don't qualify for CAP, yet are still considered low-income, will slip through the cracks of the policy
 - Mr. Pruett requested AE state its opinion on the subject
 - Mr. Overton did not recommend having one overall policy, but split between CAP and regular customers

- To provide payment extensions for all customers allows larger amount of debt to float for a longer period of time, causing revenue recovery to diminish over time
 - Recommends splitting into two groups (CAP/regular) and continuing to hone specific program elements to ensure “non-CAP/low-income” group is also reached
 - Having one overarching policy for all customers could bring a wave of unintended consequences
 - Ms. Roa stated that allowing one policy for all allows more time for those who need help catching up with payments
 - Mr. Batlin stated that current data highlighting effects of “interim” policy does not seem to be making things worse off than before – and that much of the current components could remain intact
 - Ms. Cooper stated if AE had a system of identifying “Non CAP/low-income” customers things would be different. As such, need to be more flexible with options (i.e. allow more PA’s, extend day late options, etc.)
 - Mr. Pruett stated if we can’t serve all groups with the 2-prong approach, then need to institute one policy for all
 - Ms. Hopkins suggested the idea of reducing the number of payment arrangements allowed for regular customers
 - Unlimited (if account is brought to \$0) + 1 for bonafide reason
 - Ms. Biedrzycki stated this still doesn’t ensure that the non-CAP/low-income group is covered
 - Ms. Jackson asked AE: should there be a third category for this non-CAP/low-income group or only two?
 - Ms. Gutierrez believed establishing a third group would be difficult to execute
 - Mr. Overton stated that the current policy of penny short, day late can be put on the table to discuss; idea was welcomed by the group
- Ms. Jackson asked for show of hands concerning whether or not one policy (for all) should be recommended for # of PA’s allowed:
 - 8 – voted yes for one overarching policy
 - 5 – voted to continue discussing the subject
- Clarification requested (by Ms. Cueva) on component “Disconnect for Non-Payment” (DNP) under reasons for “PA Disqualification”
 - Decided by group that DNP can remain as a reason only after all PA’s have been exhausted (either 3rd or 4th bonafide)
 - Not applicable to 1st or 2nd payment arrangements
- Ms. Gutierrez went back to Mr. Batlin’s comment concerning current interim policy and its appearance of minor adverse affects – stated that it will not help recover current \$18 million in debt
- Ms. Jackson asked for show of hands concerning consensus on all reasons for “PA Disqualification” as applies to both CAP and regular customers:
 - Meter tampering: all agreed as long as detailed process provided by AE at next meeting
 - Disconnect for non-payment: all agreed as long as verbiage added at end: “Disconnection for non-payment after all PA’s exhausted”
 - Field Activity scheduled for non-payment: all agreed as long as verbiage added at end: “Field activity scheduled for non-payment”
 - Returned Payment on Account (insufficient funds or NSF)– there were questions on this
- Mr. Overton believed NSF needed to stay a reason because it is much more costly for AE to receive insufficient funds (time-wise and administratively) as opposed to customers just not paying their bill – in addition, it is illegal
 - Ms. Biedrzycki stated that sometimes it is accidental

- Mr. Overton stated that when this happens, AE goes back and investigates and provides any credits that are due
- Ms. Gutierrez stated that after 2 NSF payments, the customer becomes a cash-only customer
- Mr. Batlin commented that the group has yet to discuss “the overall ability to pay your bill”
 - Mr. Pruett stated he felt the presence of two sides in the group – with AE not agreeing to having one overarching policy
 - Mr. Ramirez stated – if there is only one policy and AE is asked to do income verification, who would bear the administrative cost? If rates increase, we all pay
- Ms. Jackson turned last part of discussion to “Alternative Payment Arrangement Recommendation” document
 - Smaller group of committee members who wanted to provide recommendations for new payment arrangement policy
 - Ms. Cooper wanted to know if there were any questions/comments/issues
 - Question arose concerning old past due balances and payment arrangements
 - Ms. Gutierrez stated current policy: if you are a current customer and have a past due balance, then it’s ok to enter into a PA. But if you have left the area and are returning with a past due debt on the account, current policy requires full payment or 50% down payment before services are re-established
 - Ms. Tamez described further and that the case goes to escalations, which works with local agencies to try and pay down the debt. They also negotiate the down payment percentage (isn’t always 50%-full payment depending on situation)
 - Ms. Cooper stated that these people should be given a PA option to establish new service
 - Mr. Overton stated the reason for the requirement of old debt payment is that by allowing customers with old debt to be reconnected via a PA, they are foregoing entire policy process set in place
 - As current customer there is no incentive to stay current on bill, set up pay plans, payment arrangements, etc. for past due balances – because you know you can always get reconnected via a PA even if you have outstanding debt (or are establishing new service)
- Next meeting
 - Start on arrearage policy – Discount Steering Committee to present recommendation
 - Next meeting on Wednesday, April 16, 9:30a-12:30p
 - Parking – committee members can park across the street in the Palmer Events Center in Austin Energy employee spots
 - Just need to receive a tag/sticker to place in windshield from AE beforehand