



Delinquent Accounts and Bad Debt Collections Policy Update

(Board Policy 13)

Leslie Brown

Community Advisory Committee

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Background

- Policy 13 applies specifically to customers who owe PCE for electricity generation charges after their accounts have closed.
 - The policy outlines the process for PCE to collect payment from these customers.
 - Once their account closes for any reason, customers have 60 days to make payment for any overdue PCE charges to PG&E. After that PG&E sends the debt to PCE, and policy 13 takes affect to settle the amount.
 - They also have the option to sign up for a payment plan with PG&E to resolve these charges and avoid collections.

Update to Bad Debt Collections Policy

- Current Policy

- Has been suspended since late 2019.
- Bad debts older than 7/1/23 have been written off, as most debt accrual occurred during the COVID-19 pandemic.

- Updated Policy: Pre-Collections Option

- Closed accounts with a balance eligible for collections will have the option to pay PCE directly before being sent to collections.
 - A pre-collections notice will be sent to the customer, and they have 30 days to reply and receive payment instructions.
 - Payment can be accepted online via Square or through a physical check.

Update to Bad Debt Collections Policy

- Collections

- Customers that do not respond to the pre-collections notice within the 30 days will be sent to a collection agent, Optio Solutions.
 - Optio Solutions is based in Petaluma, CA and has significant experience collecting in the electric utility industry. Sonoma Clean Power is also a client.
 - CARE and FERA customers will not be sent to collections.

- Balance Write-Offs

- Closed accounts with an unpaid balance that is ineligible for collections will be written-off, as is current practice under the existing policy.