

**AGENDA**



**Recommendation for Council Action**

Austin City Council	Item ID	46886	Agenda Number	2.
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Meeting Date:	6/18/2015	Department:	Austin Energy
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**Subject**

Approve an ordinance amending City Code Chapter 15-9 regarding utility deferred payment agreements.

**Amount and Source of Funding**

**Fiscal Note**

Purchasing Language:	
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Prior Council Action:	December 5, 2013 - Approved Ordinance No. 20131205-007
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For More Information:	Kerry Overton, Deputy General Manager, (512) 322-6113
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Council Committee, Boards and Commission Action:	
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MBE / WBE:	
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Related Items:	
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**Additional Backup Information**

City Council approved Ordinance No. 20131205-007 in December 2013 modifying City Code in relation to utility deferred payment arrangements (see summary below).

- Part 2 (D) Disconnected CAP customers who enter into a payment arrangement will have services restored without reconnection fee or deposit.
- Part 3 (D) All residential customers are allowed to enter into 24 month payment arrangements. First installment is due as down payment.
- Part 3 (E) CAP customers pay a maximum of 5% of the United States Department of Health and Human Services monthly poverty guideline for a single person household.
- Part 3 (F) Customers may renegotiate the payment arrangement if they demonstrate a bona fide need for payment relief.

Since passage of that Ordinance, the total number of arrangements and amount of customer debt tied to these arrangements has increased without a corresponding increase in successfully completed payment arrangements.

The attached Ordinance provides staff with greater flexibility to work with community stakeholders in developing administrative policies to address the growing amount of customer debt. Staff anticipates working with stakeholders

over the coming months to discuss guidelines for the policy that will aid customers in paying down their outstanding balances and increase the ability of customer service representatives to work with individuals. An update on policy changes will be brought before the Austin Energy Utility Oversight Committee for review in late summer.