



**Board Action Memorandum**

**TO:** Jackie Flowers, Director of Utilities  
**COPY:** Charleen Jacobs, Director and Board Offices  
**FROM:** John Hoffman, TPU Customer Services  
**MEETING DATE:** April 13, 2022  
**DATE:** April 1, 2022

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**STRATEGIC DIRECTIVE ALIGNMENT (select as many that apply):**

Please indicate which of the Public Utility Board’s Strategic Directives is supported by this action.

- SD1 – Equity & Inclusion
- SD2 – Financial Sustainability
- SD3 – Rates
- SD4 – Stakeholder Engagement
- SD5 – Environmental Leadership
- SD6 – Innovation
- SD7 – Reliability & Resiliency
- SD8 – Telecom
- SD9 – Economic Development
- SD10 – Government Relations
- SD11 – Decarbonization/Electric Vehicles
- SD12 – Employee Relations
- SD13 – Customer Service
- SD14 – Resource Planning

**SUMMARY:**

Tacoma Public Utilities (TPU) recommends a temporary, two-year waiver of certain disconnection and reconnection service fees listed in TMC 12.01. The proposed changes would waive the standard field visit fee, daytime reconnection fee, and provide a one-time waiver per customer of an after-hours reconnection fee, if those fees are assessed in the next two years due to non-payment of charges incurred before March 31, 2022 and if the utility customer establishes or reestablishes an extended payment plan related to such non-payment. The recommended changes would be in effect until May 31, 2024 and are consistent with Mayor Woodards’ Emergency Rule No. 2, which was amended to ensure that late fees are not charged on balances incurred by utility customers during the period of the emergency.

**BACKGROUND:**

Emergency Rule No. 2, effective March 17, 2020, postponed utility shutoffs for nonpayment. Emergency Rule No. 2 was amended on September 28, 2021 to ensure that late fees are not charged on balances incurred during the period of emergency. Emergency Rule No. 2 was rescinded as of March 31, 2022. Customers with delinquent balances as of March 19, 2022 were automatically placed on 24-month extended payment plans and a procedure was adopted administratively to ensure that late fees would not be charged on balances incurred by utility customers during the period of the emergency. The intent of the proposed code change is to ensure, for a two year period, that those customers participating in an extended payment plan to retire delinquent balances incurred when utility disconnections were postponed are not charged field collection fees associated with those balances.

Separately, TPU begun installing Advanced Meters, many of which have remote disconnection and reconnection capabilities. Customers who receive an Advanced Meter will not be assessed these specific fees on remote disconnections and reconnections, which is another benefit of Advanced Meter deployment.



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The recommendation is that, from the effective date of the code change up to May 31, 2024, disconnection and reconnection fees due to non-payment be waived, so long as the utility customer has established or reestablished an extended payment plan related to non-payment of charges incurred before March 31, 2022.

**ARE THE EXPENDITURES AND REVENUES PLANNED AND BUDGETED? No**

**IF THE EXPENSE IS NOT BUDGETED, PLEASE EXPLAIN HOW IT IS TO BE COVERED.**

As the proposed action is limited to customers specifically negotiating an extended payment arrangement related to charges incurred before March 31, 2022, it is estimated that the loss of revenue will be negligible.

**IF THE ACTION REQUESTED IS APPROVAL OF A CONTRACT, INCLUDE LANGUAGE IN RESOLUTION AUTHORIZING \$200,000 INCREASE IN ADMINISTRATIVE AUTHORITY TO DIRECTOR? No**

**ATTACHMENTS:**

Proposed TMC language with recommendations redlined.

**CONTACT:**

Primary Contact: John Hoffman, Customer Services Assistant Manager, (253) 720-8208

Supervisor's Name: Steve Hatcher, Customer Services Manager, (253) 502-8691

Additional staff requiring a Zoom presentation link:

Martha Lantz, Deputy City Attorney; Matt Hubbard, Advanced Metering Program