



COVID-19 Suspension of Water Shut-Offs and Best Practices for Water Systems

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On Wednesday March 18, 2020, Governor Jay Inslee called on public utilities to suspend water shut-offs for failure to pay, waive late fees, and expand customer assistance programs for people impacted during this state of emergency. On July 2, 2021 Governor Inslee issued renewed that original request with [Proclamation 20-23.16](#), "Ratepayer Assistance and Preservation of Essential Services." This proclamation prohibits water systems from disconnecting water services due to non-payment, refusing reconnection, and charging fees for late payment and reconnection until October 1, 2021. An earlier version of the proclamation requires all utilities to develop a COVID-19 Customer Assistance Program. Although not explicitly stated in the current version of the proclamation, some aspects from that version are still essential.

The Office of Drinking Water (ODW) understands that it costs money to run water systems and water systems are supported almost entirely by ratepayer dollars, but at this time, water systems in Washington State must suspend residential water shut-offs due to failure to pay. This state of emergency calls for access to safe and reliable water to help slow the spread of COVID-19.

Frequently Asked Questions

How does the Governor Proclamation expect water systems to treat past-due accounts once the proclamation expires September 30, 2021.

- ◆ Continue to make good faith effort to reach customers with past-due accounts,
- ◆ Help customers identify utility, local, state and federal financial assistance programs they may be eligible for.
- ◆ Offer extended payment plans of 12 months or longer.
- ◆ Waive disconnection, reconnection, site visit and late fees accrued during the disconnection moratorium.
- ◆ If a customer is on a payment assistance or payment plan through you or a third-party assistance program refrain from shutting off water or charging late fees
- ◆ Refrain from reporting overdue accounts to credit bureaus or placing liens on customers with overdue accounts for at least 180 days.

How can we help customers that may be under-employed, out of work, or financially struggling during the economic recovery caused by the COVID 19 pandemic?

- ◆ Suspend late fees.
- ◆ Offer payment assistance.
- ◆ Expand the eligibility requirements of your Customer Assistance Program and allow customers to self-certify financial hardship.
- ◆ Offer a one-time bill reduction for customers in need.

We can't offer payment assistance and we don't have enough money in our reserves to deal with customers who fail to pay. We still want to support our community members impacted by the pandemic. What other options do we have?

- ◆ Offer a flexible payment plan. Flexible payment plans can vary, including adjustable bill dates, incremental payments, or payment deferral.
- ◆ Instead of shutting water off as a tool to collect late payments, try to increase your contact with the customer. You should contact all customers with delinquent bills.
- ◆ Evaluate your rate structure and think about implementing a more innovative rate structure with a goal to reduce the economic burden on low income customers

What are the benefits to the utility in developing a customer assistance program?

- ◆ Developing a customer assistance program has many benefits. Having a customer assistance program allows for the system's governing body to charge appropriate utility rates without concerns that the lowest income customers will no longer be able to afford this essential utility. Keeping your rates low to be able to assist these customers only hurts your water utility in the long run. Customer assistance programs support those in need, while allowing you to charge the appropriate rates needed to operate your system. Additionally, establishing customer assistance programs can reduce water shut-offs and reconnection calls. Water shut-offs and re-connections take staff time and have administrative costs for your utility. By helping customers stay connected to your water system, through customer assistance programs, you may save the water system money in the long term.

Who is eligible for our water system's Customer Assistance Program?

- ◆ Each utility establishes eligibility requirements for its customer assistance program. The water system could determine the documentation needed for eligibility or simply could extend the program to all customers with delinquent accounts since March of 2020.

When can we move forward and disconnect past due accounts?

- ◆ While Governor Proclamation 20.23.16 expires on September 30, 2021, that doesn't erase the requirement to follow the specific notification proceedings you have set up in your governing documents. We suggest:
 - Notices occur at a reasonable time in advance of disconnection, with 30 days recommended as the minimum.
 - Notices and communications be sent in a language that is accessible to customers, including translations, where appropriate. The Department of Justice's safe harbor provision recommends, at a minimum, that entities translate vital information for each language group constituting at least 5 percent of the population.
 - Provide at least two additional good faith efforts over a reasonable time period. We recommend each notification to be no less than 30 days apart. Notifications should be via multiple modes of communication that may include phone, mail, bill insert, email, door hangers, or in person visits, to contact the customer and before disconnecting.
 - If your utility is regulated by the Utilities and Transportation Commission please contact the UTC by email at consumer@utc.wa.gov or by calling the WUTC hotline at 1-888-333-WUTC (9882). To learn more, visit utc.wa.gov/CovidHelp.
- ◆ If you have followed your notification proceedings with enough lead time to have notified customers at risk of disconnection by the proclamation expiration and are adhering to the suggestions of this FAQ, shut-offs may resume on October 1, 2021. If you haven't started your notification proceedings with enough lead time, you must follow your notification process before shutting off for non-payment.
- ◆ Customers participating in any long-term payment arrangements will not be disconnected from service if the customer follows the terms of the payment arrangement.

How else can we help our customers?

- ◆ In order to encourage payment while following recommendations for social distancing, allow payments by credit card. Waive credit card fees your water system may usually apply.
- ◆ Put customers in contact with your local community action agency or other local nonprofit that may be able to assist customers with utility bills.
- ◆ Do your research! Many organizations, such as MRSC and AWWA, have great resources for local utilities dealing with financial hardship right now.

I keep hearing about a statewide low-income water assistance program. What is that and how can my customers apply?

- ◆ This is the federal Low-Income Household Water Affordability Program or LIHWAP for short. The Washington version is called Washington Water

Assistance and is administered by Washington State Department of Commerce.

- ◆ LIHWAP is meant to assist the customers with the most need in regards to income. Customers must be 150 percent of the federal poverty limit to be eligible.
- ◆ For water systems to receive payments a vendor agreement needs to be signed with your local Community Action Agency. If you aren't sure who your local Community Action Agency is please see wapartnership.org/List-of-CAPs-in-WA.

What if I know a customer is in the process of applying for assistance through Washington Water Assistance or another third-party program?

- ◆ Don't disconnect or charge late fees while they are in the application process.
- ◆ If they are eligible for arrearage assistance you will get a payment straight from your local CAA.
- ◆ If they aren't eligible for arrearage assistance you won't hear from the local CAA and you should continue to reach out to the customer to talk about options.

Is suspending our water shut-off processes a form of discriminatory billing?

- ◆ Failure on the part of a customer to pay a water bill for their services means that other customers bear those additional costs, but there are some situations, such as a public health emergency, that call for flexibility in billing practices.
- ◆ The Governor has suspended some of the Utility and Transportation Commission rate restrictions. This allows the use of ratepayer dollars to provide customer assistance to other ratepayers that may be impacted by COVID-19.

Are publicly owned water systems allowed to develop customer assistance programs? Isn't this considered a "gift of public funds"?

- ◆ Washington's State Constitution allows gifts of public funds in "support of the poor and infirm". Under the RCW regulating municipalities, water and sewer districts, counties, public utility districts, municipal corporations or quasi-municipal corporations providing utility services, it is legal and encouraged to offer reduced utility rates for low-income customers.

Do we have to track and report how many customers are eligible for shut-off or accrual of late fees?

- ◆ The proclamation does not specifically require you to track or report the customers you aren't shutting off or charging late fees of. **Tracking this information provides vital data that could be called on in the future, and we encourage you to collect it.** Many states are requiring this type of tracking in their "no shut-off" proclamations. Please see a sample [Delinquency Report to](#)

[Board](#) on our website. Please note, that if you are a UTC regulated company, they may have different tracking requirements.

- Please also consider tracking revenue loss, including declines in fee collection and customer payments. This helps document impacts and assists in identifying potential sources of relief funding.

If you have any more questions, please call your ODW Regional Office.

Eastern Region	Northwest Region	Southwest Region
509-329-2100	253-395-6750	360-236-3030



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