

11. Internet Bill Payments with Old/Invalid Account Numbers

- 11.1 As the number of customers that choose to pay their monthly utility bills using their bank's online bill payment service increases, it is becoming a common problem where customers will move from one account to another, but will not update their customer account number with their bank's service. As a result, we are frequently moving payments from a customer's old account to their new account, and removing the late payment penalty that resulted from us applying the customer's payment to the account they referenced.

The software system SU uses to process the internet bill payments received electronically is fully automated, and will always apply the payment to the account number the customer instructed us to apply it to.

It is time consuming for SU staff to find, properly document, correct these accounts, and notify the customer that they need to update their banking information. For numerous customers, we continue to have to move payments and waive penalties several months after they have moved and after we have notified the customer several times.

Stoughton Utilities shall not remove any penalties for internet bill payments that are applied to the account number the customer listed on the internet bill payment. Since we are applying the payment exactly as the customer had instructed when they scheduled their payment with their bank, there has been no error or misapplication committed by SU staff when the payment is applied to the account specified by the customer.

The PSC policy on the removal of late payment penalties states:

The utility may not waive any properly applied late payment charge, except when the utility fails to obtain scheduled meter readings, the utility shall waive the late payment charge upon dispute of the estimate by the customer.

SU's policy on the removal of late payment penalties states:

Pursuant to Subsection 113.0406(1)(i)(6) of the Public Service Commission, Stoughton Utilities (SU) will not remove any properly applied late payment penalty. Mail service, customer vacations, or other circumstances related to the customers are not suitable justifications for the removal of penalties.

Penalties will only be removed if a customer payment was applied incorrectly by SU, the customer is able to prove with a SU or Stoughton Police Department (SPD) issued receipt that a payment was lost by SU or SPD staff, a billing statement was issued late due to internal SU delays, a billing statement was issued in the wrong amount and needed to be corrected and reissued, or if a customer has entered into a Deferred Payment Agreement.

- 11.2 When customer service representatives take calls from customers that have had their internet bill payment applied to their old account, they should make sure to not refer to the payment as 'misapplied' they should not tell the customer that their penalty will be waived, and they should remind the customer that they must update their account number with their bank in order for their payments to be applied to their new account.

When the Utilities Accounts Specialist finds these payments during their periodic review of closed accounts with credit balances, they should follow-up with a call to the customer instructing them to update their banking information. If we do not have a phone number on file, we will contact the customer by postal mail.

Effective: Tuesday, August 27, 2013

Brian R. Hoops

Utilities Office & Information Systems Supervisor