

E-15 Customer Service Policy (created 12-2023)

Section 1.01 Collection of Delinquent Accounts

Overview

Establish a procedure to collect delinquent accounts.

Procedure:

- A. The intent of this procedure is to attempt to collect payment or a payment arrangement from the disconnected member before the account must be written off as uncollectible.
- B. After the member has had service disconnected for a period of thirty (30) days, a letter will be sent to that member informing the member that the Cooperative will place their account with a collection agency if the account balance is not paid. Payment may be in full or through a payment plan.
- C. Regardless of the number of days, 30, 60, or 90, if the account appears to be uncollectible, it should be turned over to the collection agency or legal counsel for collection as soon as possible.
- D. After the member has been disconnected for a period of 60 days, a letter from legal counsel will be sent to the customer requesting payment before the balance is transferred to the collection agency.
- E. After the member has been disconnected for a period of 90 days with no contact, the account will be written off to uncollectible and a report will be provided to the board each month.
- F. Records will be maintained on all written off accounts. Prior to refunding any deposits or capital credits, amounts still owed to the Cooperative will be deducted.

Section 1.02 Customer Deposits

Overview

Establish procedure in requesting and refunding customer deposits.

Procedure:

- A. For applicants who have an uncollectible account, a \$75.00 minimum deposit is required. This deposit is in addition to the full amount of the uncollectible account plus a \$50.00 standard installation fee if they are requesting service.
- B. Interest will be paid on all deposits held by the Cooperative. In December of each year, the Illinois Commerce Commission will announce the rate of interest which is to be paid on all deposits held during all or part of the subsequent year. This interest rate will be updated in the billing software annually.
- C. The Cooperative will maintain records of deposits together with interest, which collectively will show all transactions pertaining to each deposit.

- D. The deposit plus interest will be automatically refunded after being held for twelve (12) months, as long as the following are true:
1. The customer has not paid late more than four (4) times in the previous twelve (12) months.
 2. The service has not been disconnected for nonpayment in the previous twelve (12) months.
- E. Deposits plus interest shall be refunded when service has been terminated for more than thirty (30) days, less the amount of unpaid bills. A transfer of service from one premise to another within the area served by the Cooperative shall not be deemed a termination of service.

Section 1.03 Establishment of Member Credit Rating Procedure

Overview

Establish procedure to assign a customer a credit rating value.

Procedure:

- A. Each account will be assigned a credit rating value of A through D. The credit rating is controlled in the billing software, NISC, in the company options. The credit ratings are based on a 12 month calendar year.
1. Late payments (60 day and 90 day), a score of 2 or 3 is applied.
 2. Disconnects for nonpayment, a score of 4 is applied.
 3. Returned checks or NSF ACH a score of 4 is applied.
 4. Collection of Account sent to Uncollectible, a score of 3 is applied.
- B. The guidelines below are used in determining a customer's credit rating value in our billing software.
- a. A credit rating of A is applied at 0 points
 - b. A credit rating of B is applied for anything from 1 to 5 points.
 - c. A credit rating of C is applied for any value between 5 and 10, which are the minimum and maximum values respectively.
 - d. A credit rating of D is applied to an account with a value above 10.
- C. A customer's credit rating value can be changed at any time to reflect current payment history. At a minimum, the credit rating value will be reviewed and updated once a year based on the previous year's payment history.

Section 1.04 Delinquent Accounts

Overview

Establish procedure in the disconnection of members who are delinquent in payment.

Procedure:

- A. Members will have at least twenty-one (21) days from the date of their bill being mailed in which to pay their monthly statement before service is disconnected. Payments are due on the 15th of every month. A late fee of 5% of the customers' current balance will be applied on the next business day after the due date. Service will not be disconnected after 12:00 p.m. on Friday, after 12:00 p.m. on the day before a holiday, or after 3:00 p.m. on any other day. Service will not be disconnected on Saturdays, Sundays, or holidays. Holidays are those holidays which are recognized by the Cooperative and are listed in section 1-04 under C-4.
- B. Several factors are to be considered when determining if a customer should be disconnected for non payment.
 1. Amount of bill
 2. Amount of next monthly billing
 3. Credit rating value
 4. History of customer keeping their payment arrangements
- C. Below are guidelines to be used in determining if a customer should be disconnected for non payment.
 1. An account with a balance of \$25.00 or greater for telephone service should be considered for disconnection.
 2. An account with a balance of \$25.00 or greater for internet service should be considered for disconnection.
 3. A customer with a credit rating value of "A or B" can extend a one month bill into the following month without a payment arrangement until the 5th of the following month.
 4. A customer with a credit rating value of "C or D" should be considered for disconnection if no payment arrangement was made with the office. A customer can extend their balance to the last day of the billing month with a payment arrangement. Partial payment is required on a customer's billing account within the billing cycle month to extend until the 5th of the following month.
 5. All past due accounts with a balance of \$25.00 or greater are subject to disconnect on the 5th of the following month from the due date.
- D. The Cooperative will attempt to notify customers the day after billing is completed for the next month if a balance is owed. If the customer shows a 30 day balance they will receive a call and/or email asking for payment to be completed or to contact the office with a payment arrangement.
 1. A payment arrangement should include the following criteria and be entered into the billing software under the customer's account:
 - a. The amount of the payment
 - b. The date of the payment
 - c. How the customer will make the payment, options would include but not limited to, mailing payment, call 833-699-1832, smarthub payment, or stopping in the office.
 - d. If partial payment will be remitted, detailed information when the remaining will be paid.
- E. At least one waiver of the reconnection charge for telephone service will be allowed for each member during each calendar year. The current reconnect fee for telephone service is \$35.00. The reconnect fee for internet service is \$15.00 and no waiver will be granted unless the customer was disconnected in error.