



# MEMORANDUM

EUGENE WATER & ELECTRIC BOARD

*Rely on us.*

TO: Commissioners Barofsky, Schlossberg, Brown, Carlson, and Morris  
FROM: Julie McGaughey, CCO; Danielle Wright, Customer Operations Manager  
DATE: March 17, 2025  
SUBJECT: Late Fee Timeline  
OBJECTIVE: Information only

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## Background

At the March 4, 2025, Board meeting, commissioners requested information regarding EWEB's collection timeline including bill due dates and late fees.

## Discussion

In June 2023, EWEB revised the bill collection timeline to help customers avoid accumulating significant unpaid balances, reduce uncollectible accounts, and align more closely with industry best practices.

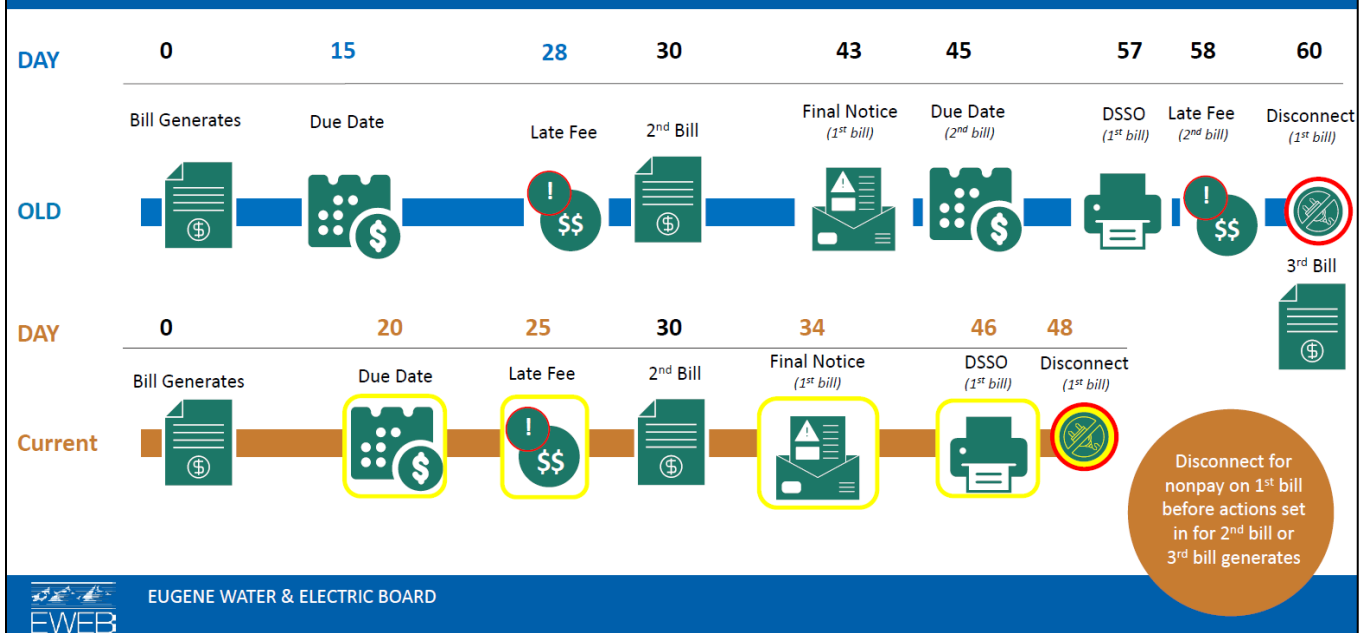
To restore service after a disconnect for non-payment, customers are required to pay the full balance, including fees and, in some circumstances, a deposit. Under the updated policy, customers are now allowed only one past-due bill before possible disconnection. Prior to this update, customers could accrue up to three months of charges which would have to be paid in full before they could be reconnected. While the grace period was reduced from 13 days to 5 days, the overall due date was extended from 15 days to 20 days. This change effectively reduced the late fee penalty step by just three days. Customers now have 25 days from the bill's issue date to make a payment before incurring a late fee.

As EWEB planned for the transition to SAP's Customer Information System, the decision to remain standard and avoid customizations allowed us to more fully utilize all installment and payment plan options.

Customer Service Analysts have the discretion to waive late fees and are encouraged to do so as appropriate. If a customer is unable to pay their bill by the due date and contacts EWEB before the grace period expires, a payment plan can be established, preventing the late fee from being applied.

The below graphic illustrates EWEB's previous collection stream as well as the current one, detailing each step of the customer billing process.

# Shortening the collections path



## 2024 Late Fees and Disconnections

In 2024, excluding the period of transition to the new Customer and Finance System when late charges and disconnections were temporarily suspended, approximately 13,255 late fees were charged per month (11,927 Residential, 1,327 Commercial) totaling approximately \$76,701 per month (\$59,959 Residential, \$16,736 Commercial). On an average basis, EWEB generates approximately 4,835 Disconnection Orders per Month (4,455 Residential, 380 Commercial) and performs approximately 451 disconnections per month (428 Residential, 23 Commercial).

## Requested Board Action

Information only