

COMMISSION ADOPTED POLICY



Title: Monthly Billing of Model 3 Billing Partners

Date of Adoption: January 26, 2010

Date of Revision:

Page 1 of 2

1.0 Purpose and Need

HRSD provides billing services following three basic models. When HRSD last upgraded the billing system, regional billing partners were encouraged to transition to Model 3, where the local water purveyor would actually use the HRSD billing system as their own customer relationship management (CRM) database. Model 3 billing partners have no independent CRM nor do they have internal capacity to bill customers.

As comprehensive local utility service bills have grown with the addition of other utility related public services, monthly billing may be required to keep payments within reasonable ranges. Converting to a monthly billing schedule adds significant costs, processing time and additional labor to the HRSD Customer Information Services Division.

Without a complete system upgrade, HRSD's billing resources are finite and unable to accommodate monthly billing of all customer accounts.

2.0 Definitions

"CRM" means processes implemented by a company to handle its contact with its customers including billing and account management.

"Model 3" means the billing partnership between HRSD and a local water purveyor that is designed to have the local water purveyor perform all required CRM and related utility services data management directly on the HRSD billing system (eliminating the need for the local water purveyor to maintain their own CRM system).

3.0 Guiding Principles

Model 3 billing partners adopted the most cost effective regional solution for utility billing. As such, HRSD will provide extraordinary support of the Model 3 billing partners.

4.0 Procedures

Model 3 billing partners will be permitted to convert to monthly billing frequency upon request. A minimum of six months written notice is required prior to billing frequency conversion. Model 3 billing partners must execute a service agreement with HRSD that requires payment of HRSD costs for producing,

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Page 2 of 2

mailing and collecting utility bills more frequently than bi-monthly. The HRSD cost will be calculated annually and adjusted each year on July 1.

5.0 Responsibility and Authority

The General Manager is authorized to enter into service agreements in accordance with this policy. The Customer Information Services Division of the Information Services Department is responsible for the annual calculation of HRSD billing cost.

Approved:

Handwritten signature of Vishnu K. Lakdawala in black ink.

Vishnu K. Lakdawala, PhD.
Commission Chairman

Handwritten date "1/26/2010" in black ink.

Date

Attest:

Handwritten signature of Jennifer L. Heilman in blue ink.

Jennifer L. Heilman
Commission Secretary

Handwritten date "1-26-10" in blue ink.

Date