



Hutchinson Utilities Commission Transition Plan

Resuming Collection Activity & Service Disconnections

The transition plan includes communication and notices to consumers about the planned return to normal collection activities and service conditions, provides for continued temporary waiver for certain fees/charges for those residential customers who make and keep payment arrangements, and advises our customers of energy assistance available to help them pay for their energy services.

Transition Plan:

- a. 60 day - (May/June) notice and outreach to United Community Action Partnership (UCAP) agency, various other agencies, and customers about restarting collection activity and service disconnections prior to resuming service disconnections for residential customers in arrearages who have not called and made payment arrangements.
- b. 60 day - (July/August) Temporary waiver of disconnection fees, reconnection fees, penalties/interest and other fees and charges.
- c. Late fees and penalties will continue to be waived provided customers make and keep payment arrangements either through a budget plan or special payment arrangement.
- d. Payment arrangement durations and monthly amounts will be at the discretion of customer service staff. Arrangements will reflect the best likelihood a customer will follow through on the payment arrangements agreed upon. If a customer needs to change the terms of a payment arrangement, HUC will work with customers on those changes, so long as the customer reaches out to HUC prior to breaking an established arrangement. HUC anticipates that some payment arrangements may be made over a 12-month period, however, it is important to note that some plans may be longer than 12 months if delinquent balances are large or household income is limited. Similarly, some past due balances may be relatively small and would require less than 12 months to resolve.
- e. Customers on payment arrangements will receive the ability to miss a payment arrangement one time prior to HUC following the normal disconnection process the following month.
- f. Financial assistance avenues will be communicated to customers. Ex.: RentHelpMN, LIHEAP/EAP, Local organizations.

Timing of disconnection notices:

May 3rd, 2021 – First notice & initial outreach to consumers & UCAP agency.

June 4th, 2021 – Second notice to consumers & CAP agencies about the intentions of resuming service disconnections.

June 28th, 2021– Disconnection letters mailed out identifying due date and dollar amount owed.

July 20th, 2021 – Resume service disconnections on residential customers with past due balances that have not made payment arrangements.

September 16th, 2021 – Late fees, penalty fees, and disconnection/reconnection fees resume.

- HUC notes that all customers with delinquent balances will receive the outreach mailings in early May and early June. HUC anticipates after the initial mailing in May some customers will call HUC to set up payment arrangements.
- HUC's disconnection process will acknowledge customers with past due balances who have applied for or been deemed eligible for LIHEAP/EAP assistance. HUC will work with such customers to ensure that payment plans reflect such energy assistance.
- Phone calls will also provide customer information on resuming service disconnections.
- HUC will add the energy assistance program avenues to HUC's website and Facebook pages.

Hutchinson Utilities Commission has taken the following steps during the past year to communicate with customers in arrears:

- Monthly call reminders about past due balances
- COVID-19 call reminders providing customers with information to energy assistance programs
- UCAP help call reminders
- Email correspondence
- Communicated suspension of disconnects and late fees

Resources:

United Community Action Partnership (UCAP)
218 Main St S Suite 103
Hutchinson, MN
Hutchinson Office: 320-587-5244 or 800-829-2132
Willmar Office: 800-992-1710

Common Cup
105 Second Ave SW Suite 2
Hutchinson MN 55350
320-587-2213

McLeod County Social Services
1805 Ford Ave N Suite 100
Glencoe, MN 55336
320-864-3144 or 800-247-1756

COVID-19 Emergency Rental Assistance (MN Housing)

[COVID-19 Emergency Rental Assistance Program \(renthelpmn.org\)](https://renthelpmn.org)

Due to the continuing economic hardship created by the ongoing pandemic and certain restrictions, the expected addition of over \$100 million in Low-Income Home Energy Assistance Program (LIHEAP) funds for Minnesota from the American Rescue Plan Act, and the likelihood that disconnection activity will be resuming over the summer, the Minnesota Energy Assistance Program (EAP) plans to implement several policy updates. These changes, according to a spokesperson for the Minnesota Department of Commerce, are effective April 15, 2021.

To ensure Energy Assistance is available to Minnesotans when disconnections resume, the DOC is extending the deadline for submitting an [application](#) for this program year from May 31, 2021, to September 1, 2021.

The additional LIHEAP funding coming from the American Rescue Plan Act provides sufficient resources to increase the Energy Assistance Program (EAP) income eligibility threshold from 50 percent of State Median Income (SMI) to [60 percent of SMI](#), which is the highest amount allowed by the LIHEAP statute. This change, said the DOC, allows help for more households in need and ensures LIHEAP funds go to the people they are intended to help. Commerce EAP will work with local Service Providers to identify households previously ineligible, with incomes between 50 percent and 60 percent SMI, to ensure they are served. Updated income guidelines were also released and DOC said they will be updated on its website soon.

Primary Heat Payments Collapsed

Normally, for connected utilities, primary heat payments are broken into 4 separate monthly payments. Starting April 15, all newly created primary heat payments will be collapsed to one payment.