

## **City of Denton Pay Arrangement Program Guidelines**

### **General Considerations:**

City of Denton utility customers may request a pay arrangement to extend time to pay beyond the bill's printed due date in order to prevent termination of service for nonpayment.

The City of Denton Pay Arrangement Program is set forth in City Ordinance Sec. 26-9 (d) ("Billing and collection for services – Alternatives to termination of service"). For the purposes of the program, the following definitions apply.

Balance - any billed utility charges which have been presented on a monthly bill providing a due by date indicating when charges will become eligible for nonpayment penalties and/or service interruption.

Installment – portion of the balance which must be made to prevent default of a set pay arrangement.

Long-term arrangement - an arrangement to split a large balance for payment over more than one month. Long-term arrangement guidelines may apply to customers whose services have been disconnected or terminated for non-payment.

Short-term arrangement - an arrangement for a temporary extension to pay a balance in full. Short-term arrangements are restricted to accounts which have not reached the interruption date for balances due.

### **Pay Arrangement Guidelines & Qualifications:**

Pay arrangements should meet the following criteria:

Short-term arrangement qualification(s):

- (1) Arrangement due date is set for the due date of the current bill.

Long-term arrangement qualification(s):

- (1) Down payment of at least fifty (50) percent of the outstanding balance may be required prior to arrangement issuance;
- (2) Each installment shall be due on the printed bill due date showing the installment;
- (3) Arrangement must be paid in consecutive months; and
- (4) Standard arrangements may be no longer than three (3) months.

In addition to the arrangement specific qualifications, all arrangements should meet the following general qualifications:

- (1) Accounts must be on post-paid utility service;
- (2) Accounts may have one (1) active short-term or long-term arrangement at any given time;
- (3) Established payment dates may not be altered later; and
- (4) The customer must meet defined pay arrangement obligations to prevent default.

### **Pay Arrangement Terms, Obligations, and Eligibility:**

City of Denton customers may utilize the pay arrangement program as frequently as needed to allow additional time to pay utility bills. Customers entering into an arrangement receive protection from late fees or penalties and service interruption for any balance included in an active arrangement that is in good standing.

Pay Arrangements are a binding agreement. Arrangements may not be altered once established. To prevent default, each arrangement installment(s) must be made in full by the determined date.

Failure to make installment payment in full results in default of the arrangement and balances become immediately due. The account becomes eligible for interruption the first business day after default. Interruption of service due to defaulted payment arrangement is subject to a service deposit as set forth in City Ordinance Sec. 26-8 (d) ("Grounds for discontinuance of service; timing of disconnection of service").

If a customer is in default of two (2) pay arrangements of any kind during a 12-month period, the customer becomes temporarily ineligible to enter pay arrangements for a one-year period. Pay arrangement ineligibility does not prevent the customer from utilizing other bill assistance options such as Pay As You Go prepaid utilities or the budget billing program so long as program guidelines are otherwise met.

**Customer Payment Responsibility:**

City of Denton Pay Arrangement Program is provided as a courtesy to customers and is not an entitlement. Customers are responsible for any billed charges including those covered by arrangements as set forth in Denton City Charter, Sec. 12.02 which prohibits the provision of free service. Default of a pay arrangement voids the arrangement and balances will be subject to the terms required by City Ordinance 26-8 and 26-9.