

**Orange County Power Authority**  
**Policy Number 020: Bad Debt and Delinquent Account Policy**

**Purpose**

The object of this policy is to provide guidelines for the determination of delinquent accounts.

**Background**

Southern California Edison (“SCE”) issues bills to OCPA customers., and accounts become “past due” 20-22 days after the bill is issued. SCE’s collection process varies between residential and commercial customers, with specific letters and notices sent to encourage payment:

For Residential Customers

- 1<sup>st</sup> bill after the account is past due, the bill will have a “PAST DUE” watermark.
- 2<sup>nd</sup> bill after the account continues to be past due, the bill will have a “DISCONNECT” watermark.
- A 10-day Final Call Notice will be sent, and the account will become eligible for disconnection.

For Commercial Customers

- A 15-day Commercial Overdue letter will be sent when accounts become “past due”.
- A 10-day Final Call Notice will be sent if the total amount due is greater than \$800 and there are more than \$400 due in disconnect-able charges, and the account becomes eligible for disconnection.

**Policy**

Accounts with outstanding balances of 160 days or more, identified in the monthly accounts receivable aging report provided by SCE, are eligible to be returned to SCE. Closed accounts may be written off.

These guidelines ensure that OCPA's accounts are managed effectively and that appropriate measures are taken to manage delinquent accounts.