

Sewerage & Water Board of New Orleans

Update on Billing System
Finance Committee



May 8, 2018

Agenda

- Timeline of billing irregularities
- Causes identified
- Current status of investigations
- Actions taken
- Further recommendations

Timeline of Major Events

- Oct. 2016 – New billing system launched
- Apr. 2017 – Large number of billing errors discovered
- Jan. 2018 – Leaks related to hard Hard Freeze led to some high bills for customers

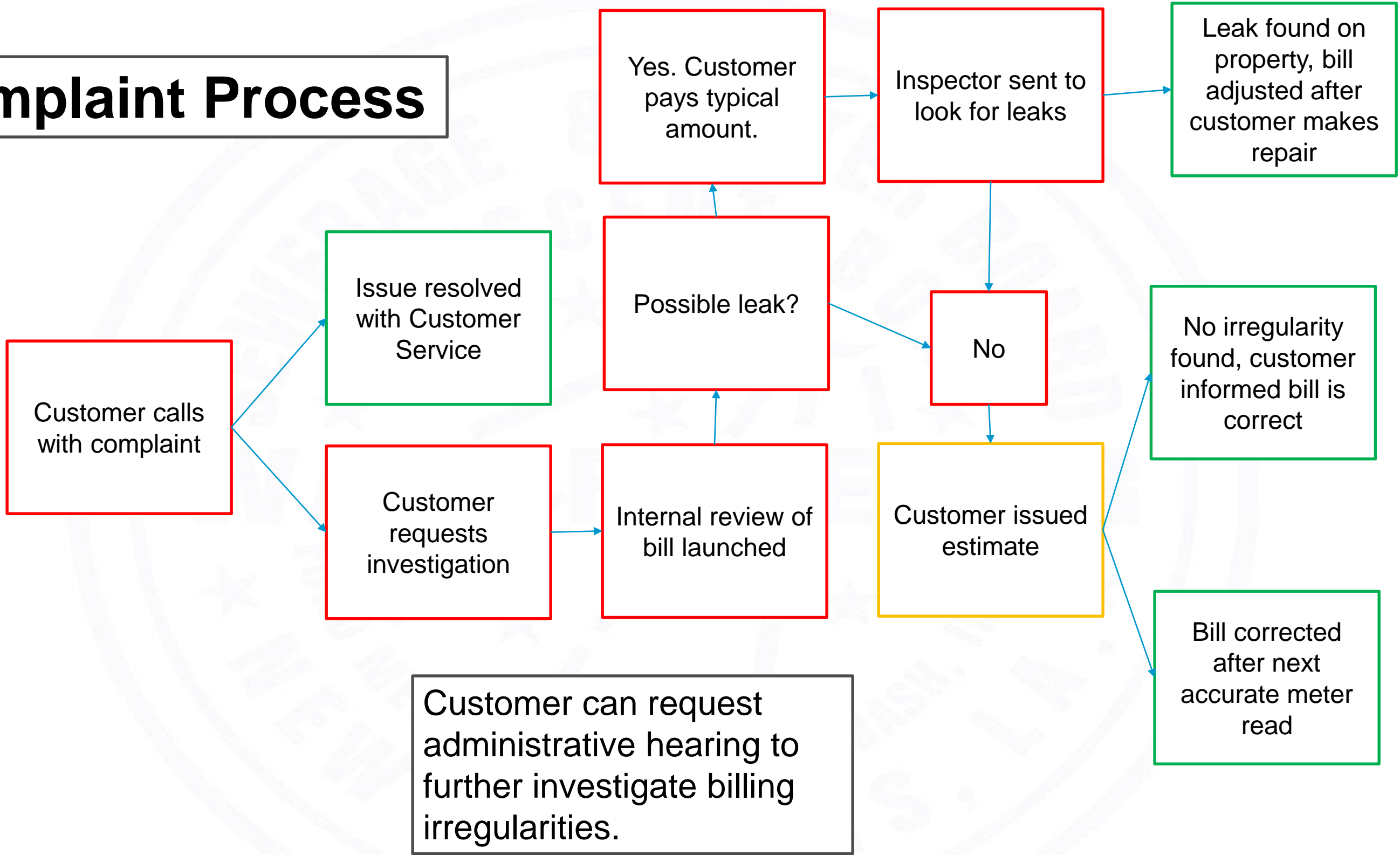
S&WB Billing taskforce with reps from Revenue Administration, Information Services, and Finance departments is working toward solutions to each challenge.

Billing Irregularities

Causes of Inaccurate Bills Identified Include:

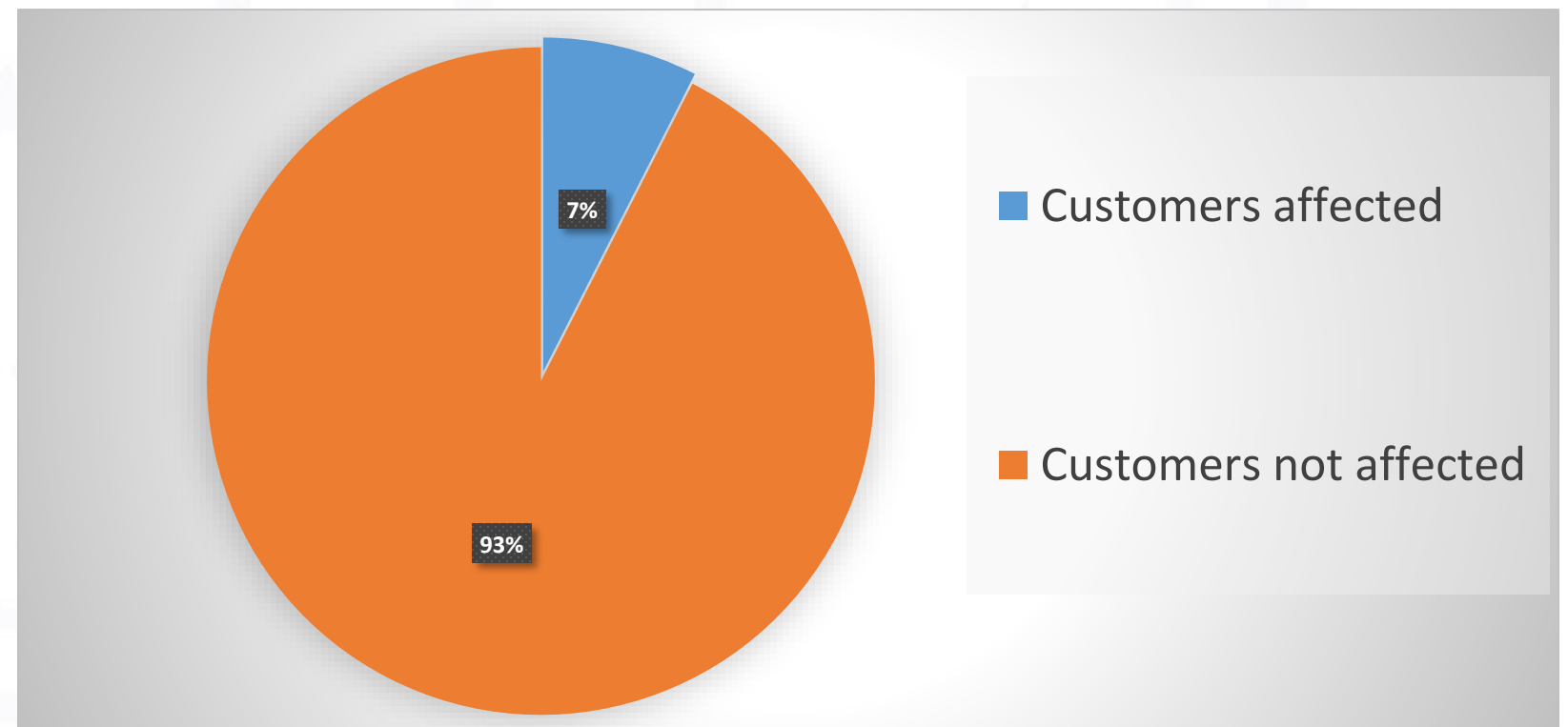
- Leaks on private property
- Meter tampering
- Meters buried, or covered by debris
- Inaccurate meter readings
- Staffing shortages and rapid turnover in Billing Department, Meter Readers
- Inadequate software training

Complaint Process



Status of Billing Investigations

- **26,119** total investigations since billing system launch
- **15,995** investigations completed as of 4/30/2018
- **10,204** investigations remain open as of 4/30/2018
- **136,074** active S&WB customer accounts
- About **92.5%** of S&WB customers have not filed bill complaints



How We've Improved

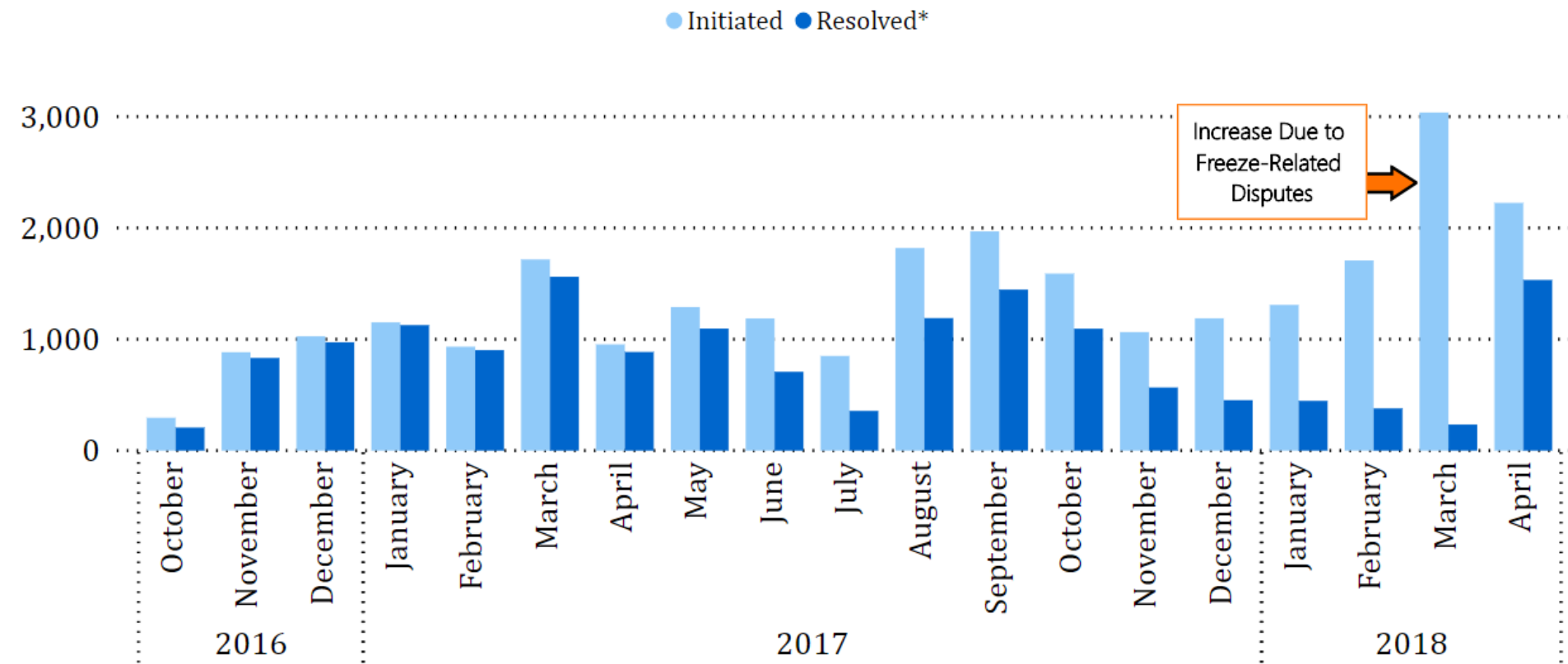
- **Hired 20 temporary employees** devoted to investigating and correcting the backlog of high bills.
- **Hired and trained 20 new reader meters**, bringing the total workforce on the streets to 41.
- **Changed the bill estimation formula.** When an estimation is needed, bills will be estimated at a flat rate of 100 gallons of water use per day.
- **Suspended late fees.** Customers can request a payment plan.
- **Increased salaries for Meter Readers and certain Customer Service positions** to improve recruitment and retention.

How We're Moving Forward

- **Set goal to reduce more than 10,000 open investigations** by half in the next six weeks.
- **Engage Cogsdale** to make further adjustments to billing software and procedures and supply more training.
- **Test an online, public dashboard** to track progress in resolving billing disputes.
- **Create two new teams:** 1) for routine bill investigations and 2) bill irregularities needing extra review.
- **Hire 10 more inspectors** by end of July to expedite investigations.
- **Hire 11 more billing clerks** by end of June to identify and process billing irregularities.
- **Website improvements:** more online information, customer services.

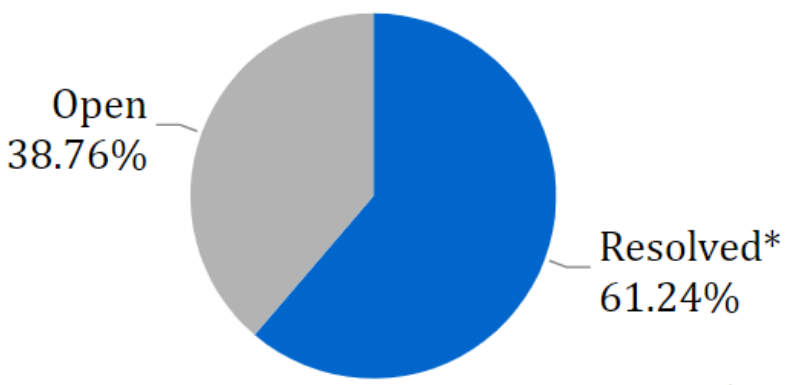
Public Tracking Dashboard for Billing Disputes

Initiated and Resolved Investigations



Year	Month	Initiated	% Complete
2016	October	295	70.17 %
2016	November	884	94.12 %
2016	December	1,027	94.74 %
2017	January	1,152	97.83 %
2017	February	933	96.78 %
2017	March	1,717	90.97 %
2017	April	954	92.87 %
2017	May	1,290	84.96 %
2017	June	1,187	59.65 %
2017	July	850	42.00 %
2017	August	1,820	65.38 %
2017	September	1,969	73.44 %
2017	October	1,590	68.87 %
2017	November	1,064	53.29 %
2017	December	1,188	38.13 %
2018	January	1,309	34.15 %
2018	February	1,708	22.19 %
2018	March	3,037	7.70 %
2018	April	2,225	68.90 %

(April 2018 data has not been finalized)



26,199
Initiated

15,995
Resolved*

*A status of "resolved" indicates SWBNO considers these investigations resolved, but an administrative hearing may be pending.

Engaging Outside Help

- Blue Drop, the nonprofit consulting arm of DC Water, one of the premiere water utilities in the country, will review, advise and help implement improvements to the S&WB's customer service procedures.
- Complaint management software from Verint Systems Inc. to better track and respond to customers' needs. Goal is to integrate by end of 2018.
- Water Company of America to locate customers who may not be receiving bills for all the services the S&WB provides them.

Long-term Recommendations

- Further develop, standardize and document policies and procedures to operate new billing system
- Establish policy to update customers on status of their bill investigations
- Revisit meter installation process to reduce installation errors
- Streamline meter readers' routes to improve efficiency