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Utility Credit & Collections

Strategies for Improving Financial Performance

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A complete look at the book's organization, followed by selected pages from the accepted first-edition interior.

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CHAPTER 1

The Utility Credit and Collections Mandate

Objectives, constraints, customer outcomes, and leadership responsibilities.

1.1 Purpose and position within meter to cash

1.1.1 The purpose of utility credit and collections

Utility credit and collections manages payment risk and the work needed to resolve customer payment obligations. It connects the customer's account and service needs with cash recovery, responsible use of resources and authorized operating action. The mandate reaches beyond processing delinquency: the utility needs to understand what may affect payment, what requires resolution and what its work has actually accomplished. A manager therefore needs a clear purpose for the function, rather than a collection calendar alone.[1]

A billing question, a payment awaiting clarification or a customer's request for help can change the decision before the utility. Credit and collections brings these matters into the payment discussion and asks the authorized functions to answer them. It may need customer service to explain an inquiry, finance to interpret a financial event or a specialist to clarify a governing condition. It keeps those answers connected to the payment-risk and resolution question, including customer circumstances, service consequences and the remaining obligation, as well as the displayed balance.

1.1.2 Functional relationships and shared dependencies

Within meter to cash, credit and collections depends on information and decisions from across the utility. Monticello's functional relationship view connects billing, payments and cash posting, customer service, assistance, field and service operations, finance and reporting, compliance, external partners, and technology. These relationships explain where the function depends on others; they do not prescribe one sequence of work for every account.[2]

Billing supplies the charge and its relevant context. Payments and cash posting establish what has been received and reflected in the account. Customer service

event, correction, restoration, and closure records so a reviewer can reconstruct the chain.

Table 8.1 — Exception Stop and Return Paths

Condition **Payment received or posting pending**	
Accountable owner	Payment operations or account owner
Required evidence	Receipt, source, time, amount, posting/allocation state
Stop/release control	Last-check or order owner stops; release requires verified effect
Order or next action	Cancel or obtain any locally required reapproval
Condition **Arrangement changed or status disputed**	
Accountable owner	Chapter 7 owner
Required evidence	Verified status, terms version, event, protection, handoff
Stop/release control	Chapter 8 owner returns; Chapter 7 supplies resolution evidence
Order or next action	Refresh readiness and reapprove if required
Condition **Assistance pending**	
Accountable owner	Assistance owner
Required evidence	Program/case ID, amount or condition, status, effective period
Stop/release control	Authorized owner holds or returns under applicable authority
Order or next action	Resume only at the documented release or reapproval point
Condition **Dispute or complaint opened**	
Accountable owner	Dispute or complaint owner
Required evidence	Case ID, scope, amounts where applicable, governing condition
Stop/release control	Last-check or order owner stops affected action
Order or next action	Release evidence controls correction, cancellation, or reapproval

Table 8.1 (continued)

Condition **Protection or moratorium identified**	
Accountable owner	Legal, regulatory, or protection owner
Required evidence	Authority, coverage, effective period, verification
Stop/release control	Authorized owner places hold and defines release authority
Order or next action	Cancel or postpone; reapprove after release if required
Condition **Manual or system hold placed**	
Accountable owner	Hold owner and Chapter 8 owner
Required evidence	Reason, authority, scope, start, owner, release condition
Stop/release control	Stop authority must be valid at the execution point
Order or next action	Retain hold until evidence supports release and next action
Condition **Notice defect or expiration**	
Accountable owner	Notice/control owner
Required evidence	Required event, dates, source record, defect
Stop/release control	Notice or Chapter 8 owner stops or holds
Order or next action	Correct and renew; reapprove if the local rule requires
Condition **Service-order mismatch**	
Accountable owner	Operations owner
Required evidence	Decision/order/account/premise/service comparison
Stop/release control	Operations stops dispatch or execution
Order or next action	Correct or replace order with lineage; repeat last check
Condition **Execution failure or unsafe access**	
Accountable owner	Field or execution owner
Required evidence	Mode, attempt, reason, safety/access disposition
Stop/release control	Executing owner fails safely and reports disposition
Order or next action	Route exception; select the next approved action