

Average Monthly Payment Plan



For the convenience of our utility customers, the City of Wellington offers an **Average Monthly Payment (AMP)** plan to spread the customer's total annual utility cost over twelve (12) average monthly payments. The **Average Monthly Payment** plan is available to electric service customer types of Residential and Commercial who meet the qualifications listed in the **AMP** plan application.

The **AMP** plan is designed to minimize large seasonal variations in utility billings by averaging each monthly utility bill based on the actual utility usage for the previous twelve (12) months. By choosing **AMP** plan, customers on fixed incomes or budgeted finances will benefit through the more level payment schedule the plan offers. The **AMP** plan should serve to minimize credit activity on certain customers due to high billings during the summer.

The average monthly payment amount is based on the billings from the current month's billing, including sales tax, plus the eleven (11) preceding months, then divided by twelve (12). The average amount will be the current month's payment under the **AMP** plan.

At the next billing cycle, the oldest month's billing history is dropped and the current month's bill is added. This new total is divided by twelve (12) to find the new average payment amount. The average is recalculated each month in this manner. Monthly variations may result from changes in electric fuel cost, variation in electric and water use, and/or rate changes. The **AMP** plan will minimize large billing fluctuations by averaging bills over a one (1) year period.

At the time the customer elects to participate in the **AMP** plan, the account must be paid in full. Also, the account must have been in the customer's name for a minimum of twelve (12) consecutive months prior to application. Customers on the **AMP** plan must pay the average amount due each month on or before the due date and will not be allowed to enter into any other type of payment plan. If payment is not received by the due date, a penalty will be assessed based on the current month's bill.

The difference between the actual billing and the average billing under the **AMP** plan will be carried by the utility in a deferred balance that accumulates both debit and credit differences.

A customer may discontinue participation in the **AMP** plan at any time by providing a written request to the utility billing office. The City will terminate a customer's participation in the **AMP** plan if a customer's service is disconnected for nonpayment. Settlement occurs when participation in the plan is terminated by either the City or the customer. At that point, the deferred balance will either be added or subtracted, to the customer's next billing due the City. If a customer is terminated for nonpayment, the customer must wait twelve (12) months to re-qualify for the **AMP** plan.

*Below is an example of a twelve (12) month billing history. The last column shows **Average Monthly Payment (AMP)** plan amount.*

<u>Month</u>	<u>Actual Bill</u>	<u>AMP Bill</u>
May 2003	\$ 94.92	\$121.95
June 2003	\$ 98.70	\$122.29
July 2003	\$116.47	\$121.01
August 2003	\$215.91	\$123.70
September 2003	\$278.80	\$129.21
October 2003	\$148.34	\$128.46
November 2003	\$ 90.91	\$128.52
December 2003	\$104.14	\$129.52
January 2004	\$ 95.31	\$129.22
February 2004	\$116.15	\$128.99
March 2004	\$113.75	\$130.38
April 2004	\$ 98.00	\$130.95

For an application, please contact or visit the utility billing office. At that time, we will verify if you qualify to participate in the **AMP** plan.