

Bright's Collections Team Philosophy and Policy

Wiki Overview

- **Wiki Purpose:** Establish the one source of truth on what actions we take for each delinquent customer to enable best practice creation and training. Bright has adopted the following collections policy designed to identify payment problems early enough to address delinquencies quickly and, when necessary, remove, redeploy and reassign PV Systems to preserve the value of PV Systems. The team responsible of enforcing this policy is the Collections Team
 - **Wiki Owner:** Fernando Hidalgo
 - **Validity:** n/a
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Collections Team "Work" Philosophy:

- A "rule following" team: The team's job is to execute on the rules in this wiki for each customer.
- A "customer centric subject to constraints" team: this team should also have trailing 90 day NPS as a Key Result, but not to make judgement calls on what to do for each customer (since they should just be following the rules outlined here), but instead to suggest new rules and strategies that could help better find solutions for customers to solve their needs while ensuring we get paid.
- **When they own a customer experience vs. the Customer Enjoyment Team:**
 - Before interconnection (IX)
 - Situation 1: When a monthly fee is charged before IX because customer unresponsiveness/uncooperativeness has failed OR the customer is >30 days delinquent on a downpayment.
 - Note that our contracts states "according to Section 6.3 of the contract, if the Subscriber refuses to collaborate for more than 60 days from the installation start notice in obtaining the licenses, permits, entering into contracts, delivering documentation and/or providing access to the Property required for the installation and commissioning of the Photovoltaic System, Bright may start charging the Monthly Fee immediately regardless of the progress of the installation of the Photovoltaic System."
 - CE can also escalate with management to request an exception when customers are facing hardships to enable the installation or interconnection but are being cooperative to keep owning the case following [wiki](#). Only a VP or CEO can authorize these exceptions and it can only be for up to 30 days without getting another approval.
 - We define a customer as unreachable or uncooperative under the following guidelines:
 - Unreachable:
 - Customer has not responded at all to at least 3 whatsapp messages, 3 emails, and 3 phone calls in 20 days

- AND the cosubscriber has not responded to at least 3 communication attempts (if there is a cosubscriber only).
- Uncooperative:
 - Customers has explicitly denied any intention of any of the following: paying, allowing access to the system, scheduling a required visit, sending necessary documentation.
 - OR customer has failed to deliver on a **promise** to pay, allow access to the system, schedule a required visit, or send necessary documentation at least 3 times
 - OR the customer has verifiably lied at least once (e.g. claims to have sent the payment and we see none has arrived).
- Situation 2: All other cases before interconnection.
 - CE owns the customer.
- After interconnection (IX):
 - Situation 1: The customer is delinquent on a payment for >30 days, AND there is not a "no_billing" tag.
 - Billing owns the customer.
 - Situation 2: The customer has a "no_billing" tag.
 - CE owns the case up to 30 days after they add the no_billing tag in which they should resolve the customer issue.
 - If CE identifies that the issue will take more than 30 days to resolve, the contract can be paused for 1 month, starting 30 days after the "no_billing" tag was added and the project ownership would stay in CE for that month (from [Handling Billing of Customers with Service Issues](#) - section Process, bullet 4).
 - Note that all cases should be escalated before the 30 days expire up to the CEO if needed, so the exec team can expedite solutions or approve exceptional additional pauses if needed.
 - Situation 3: All other cases after interconnection.
 - CE owns the customer.

Collections Team Definitions:

- **Days Past Due:** The days past a payment was due (payments are usually due on the 1st or 15th day of a month). For prepayments, the due date may vary, we can always review it in the "Due on" section in the contracts page in OPS of the project
- **Nuxiba:** Application used to send massive customized SMS and prerecorded calls
- **Types of clients:** Defined in the [Customer taxonomy wiki](#).

Collections team official process and rules:

[Here](#) so we can collaborate / iterate together

Important Notes:

- **Evaluation / clawback process**
 - If we reach 30 DPD for any downpayment payment, follow [this process](#) to recover the project
 - If we reach 120 DPD for any payment, follow [this process](#) to recover the project (ensure the feedback loop is closed on why the customer default and what we can do to prevent similar cases in the future)
- **Service issues:**
 - If at any point customers have a production issue with their PV system, the billing team will open an O&M ticket, and this customer will go into the "Service Issue" classification to receive appropriate messages (although they still have to pay their fees). Note that the customer is protected by the energy guarantee
- **Prepayments / Down payments / Upfront Payments (all different names for the same thing)**
 - Note that 1st payment of a financed prepayment/down payment should happen before the collection team needs to be engaged. Collection team should only focus on projects that have had a Welcome Call and customers need to make their first payment of a downpayment to get a Welcome Call.
 - We should not charge >4 times the same credit card of a customer on the same day, otherwise we risk getting that card blocked by the bank
- **Debt refinancing:**
 - If at any stage a customer reports liquidity problems, but is willing to work with Bright to pay the debt, the Collections Team must follow the [debt financing process](#).
- **System recovery and collection from unresponsive customers.**
 - Note that the rules applicable to system recovery contemplated in DPD 61 shall also apply to unresponsive customers during the installation process in accordance with clauses 6.5 and 10.2.1 of the latest version of our contract (V3.5)
 - In addition, the billing team shall initiate collection efforts towards all customers in that situation.
The CE team will be in charge of the efforts until the 59th day and once the 60th day is reached without response from the customer, they must open a ticket to Billing for their intervention.

Annex

Pricing of Billing Contractors (as of May 2023)

- Agency: SecJurídico
 - Services we hire them for: Extrajudicial collection
 - Success Fee: 8%
 - Other Fees: None
- Agency: Ordorica
 - Services we hire them for: Litigator collection
 - Success Fee: 30%
 - Other Fees: \$18,000 upfront fee

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