











Budget Billing Program

Electric Utility Commission

December 19, 2011



Overview of Budget Billing Program

- The Budget Billing Program replaced the Levelized Billing Program
- Program allows customers to pay an average bill based upon their previous 12-month usage
- Customers benefit by levelizing the higher summer bills, because they pay same amount during winter
- All customers previously enrolled in Levelized Program was switched to Budget Program
- Approximately 8000 customers currently enrolled





How the Program Works

Starting in October, Budget program was implemented along with the new billing system. The following enhancements were made:

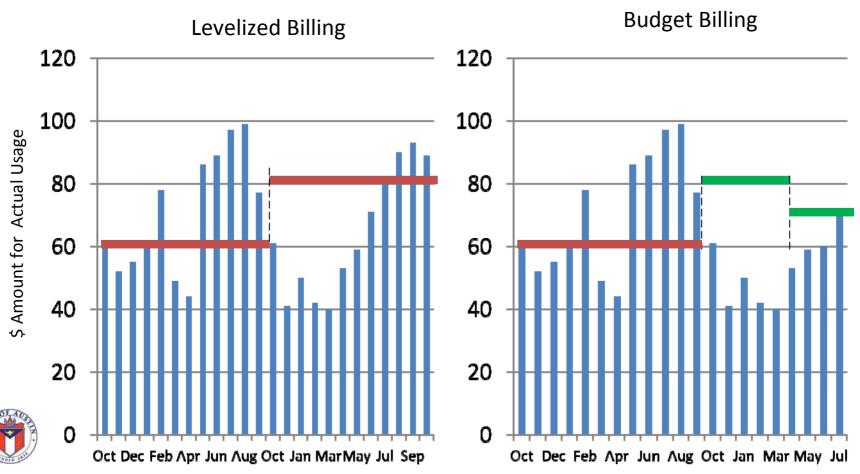
- •Budget amount is automatically adjusted every six months, using the previous 12 month's usage.
- •All accounts are reviewed each night to determine if actual usage is 30% over or under the budget amount.





How the Program Works

■ The 6-month true-up smoothes out changes in bill amount





Communication Campaign

 In January, all enrolled customers will receive an informational letter describing the new program.



City of Austin

January 3, 2012

Customer Name Customer Address City, State Zip Code DRAFT

Re: Budget Billing Program Changes

Dear Customer Name

The City of Austin transitioned to a new billing system and a new bill format in October to better serve customers. As an established Budget Billing (formerly Levelized Billing) customer, you were automatically enrolled in the program within the new system.

As a reminder, the Budget Billing program allows residential and small business customers to pay a set bill amount, called a Monthly Budget Amount, on their utility bill each month for City of Austin utility services.

There is no cost to participate in Budget Billing, and you can cancel your participation in the program at any time

In the past, your Monthly Budget Amount was reviewed and adjusted every 12 months, usually the same month that you originally signed up to participate in the Budget Billing program.

With the new billing system, the goal is to keep you monthly payment amount within 30 percent of what your average monthly bill would be based on the previous 12 months activity. So now, your Monthly Budget Amount is reviewed every six months at a minimum. In addition, the system will flag your account for a possible budget amount change any time your Monthly Budget Amount falls below or above that 30 percent standard.

The result will be a more precise Monthly Budget Amount. This will ensure a much more even utility bill

