



Collections Overview

Disconnection and Reconnection Process

September 2013



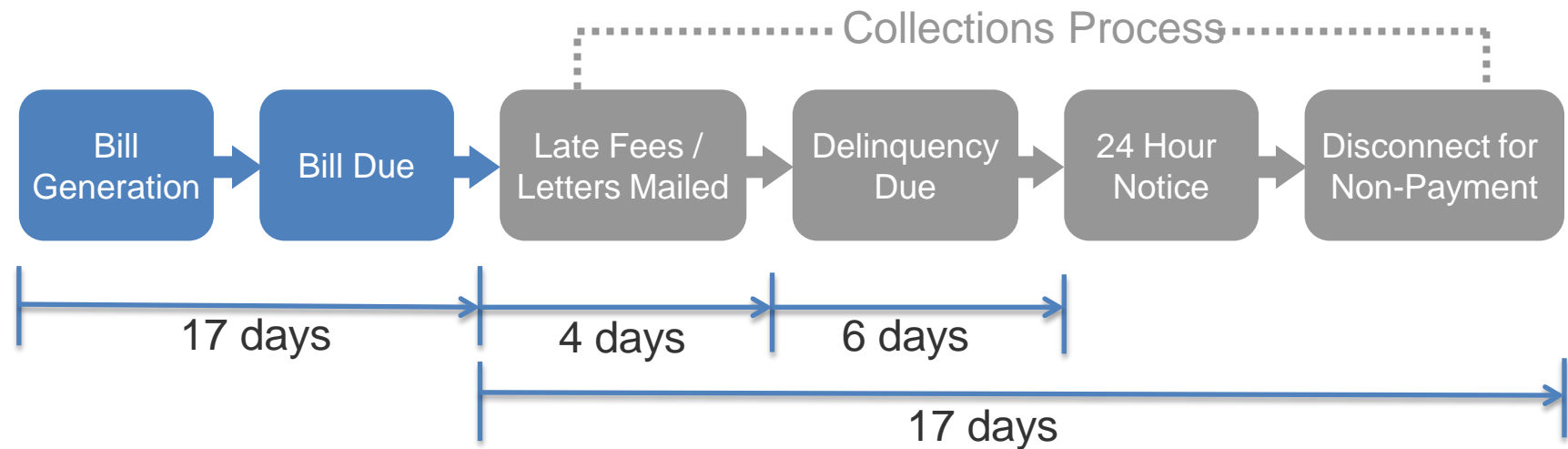
Mission: Deliver clean, affordable, reliable energy and excellent customer service.

Collections Process Steps



Overview

- The collections process begins with the generation of the customer's bill
- The process is highly automated, events trigger each process step
- The customer can stop the next event at any point in the process
 - payment, or
 - Payment Arrangement.



Overview

- Allow a minimum of 17 Days from Bill Generation to Bill Due Date
- May vary due to holiday or weekend

COA Regs

- 15-9-131 DETERMINATION OF BILLING CYCLES

How We Compare

Number of Days from Bill to Due Date

Austin Energy	17
CPS Energy	16
Pedernales Electric Cooperative	16
PUC (TXU, Reliant)	16
Memphis LGW	16
Colorado Springs Utilities	14

Past Due: Late Fee Assessed




Overview

- Assess 5% Late Fee
- On Metered Services only
- On Current Amount Due only
- Listed on the Payment Stub

COA Regs

- 15-9-137 PAYMENT REQUIREMENTS AND LATE PAYMENT PENALTY

 **SAMPLE BILL: Residential** Page 1 of 4

Utility News

Read Dates
Next meter read date will be on or about 4/10/2013.

Now you can combine up to \$3,200 in rebates with a low-interest loan to make energy efficiency improvements to your home. For a list of Participating Companies and information about Austin Energy's Best Offer Ever, visit austinenrgy.com.

Starting March 1, thin plastic bags will not be available at checkout counters at most Austin businesses. Instead, shoppers will have reusable bag options. Remember to bring your reusable bags whenever you go shopping. More at BringItAustin.com.

Your new wastewater average will be in effect with your April bill. Your wastewater average period is (2012-12-11 to 2013-03-12). For more information, see www.cityofaustin.org/water.

The City of Austin will host a series of free composting classes throughout 2013. Join us to learn how you can compost your food scraps and yard trimmings to save money on your trash collection. For details, visit austintexas.gov/composting.

Outstanding utility bill balance? Set up monthly payment arrangements to keep your account in good standing. Call 512-494-9400 and a Customer Service Representative will assist you.

Contact Information

Summary of Service

CUSTOMER, JOHN D.
Service Address: 123 RESIDENTIAL BLVD
Account Number: 12345 60000
Invoice Number: 123456789

Bill Print Date: Mar 15, 2013
Due Date: Apr 1, 2013

Previous Activity/Charges

Total Amount Due at Last Bill	\$142.33
Payment received - Thank you	-\$142.33
Previous Balance	\$0.00

Current Activity/Charges

Electric Service	\$46.42
Water Service	\$21.93
Wastewater Service	\$35.57
Clean Community Service	\$6.00
Solid Waste Services	\$21.38
Drainage Service	\$8.35
Street Service	+\$7.80
Current Balance	\$147.45

If Payment is received after due date, a late fee will be assessed.

Total Amount Due \$147.45

Account: 12345 60000

Make Checks payable to City of Austin.
View or Pay online: www.coautilities.com

Total Amount Due: \$147.45
Date Due: 04/01/13


Penalty After Date Due: \$5.20

Total Due After 04/01/2013: \$152.65

CAP Contribution: \$
Parks & Libraries Fund: \$
Public School Energy Asst: \$

Total Paid: \$

Enter contributions and include in Total Paid

 Detach and include stub with your payment

P.O. Box 2267 Austin, TX 78783-2267

CUSTOMER, JOHN D.
123 RESIDENTIAL BLVD
AUSTIN TX 78749-1270

CITY OF AUSTIN
P.O. BOX 2267
AUSTIN TX 78783-2267

Overview

- Mail letter stating that Account is subject to Disconnection for Non-Payment if no action is taken
- Letter type based on account activity
 - Friendly
 - Firm

COA Regs

- 15-9-106 NOTICE OF SERVICE DISCONNECTION

How We Compare

Disconnect Notice Fee

Austin Energy	\$0
CPS Energy	\$0
Pedernales Electric Cooperative	\$0
Reliant	\$0
TXU	\$10 per notice
Gexa Energy	\$15 per notice
Amigo Energy	\$22 per notice
Bounce Energy	\$20 per notice

No Response from Customer: 24 Hour Notice

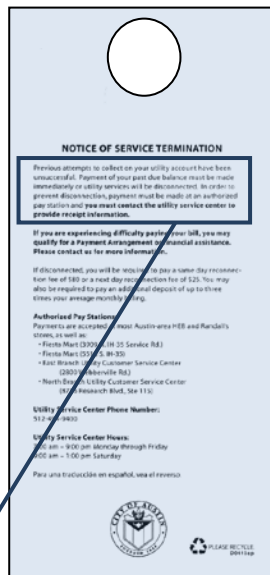


Overview

- Leave Courtesy Door Hanger
- Cost of \$1.5M annually

COA Regs

- Requirement for notice of service disconnection per 15-9-106 NOTICE OF SERVICE DISCONNECTION is met through Delinquent Letter.



How We Compare

Do you provide 24-hour door hangers?

Austin Energy	Yes
CPS Energy	Yes
Pedernales Electric Cooperative	No
Reliant	No
TXU	No
MLGW	No
Colorado Springs	Yes ^[1]

NOTICE OF SERVICE TERMINATION

Previous attempts to collect on your utility account have been unsuccessful. Payment of your past due balance must be made immediately or utility services will be disconnected. In order to prevent disconnection, payment must be made at an authorized pay station and you must contact the utility service center to provide receipt information.

If you are experiencing difficulty paying your bill, you may qualify for a Payment Arrangement or financial assistance. Please contact us for more information.

[1] Door hangers are used but not consistently, not every customer will receive a door hanger.

Payment Arrangements (PA) Policy



Overview

- Balance is divided into monthly installments
- Up to 8 months of installments
- Installments appear on the bill
- Customers pay installment in addition to monthly utility charges each month

Utility News

Read Dates

Next meter read date will be on or about 4/1/2013.

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Outstanding utility bill balance? Set up monthly payment arrangements to keep your account in good standing. Call 512-494-9400 and a Customer Service Representative will assist you.

Contact Information

View or Pay online: www.coautilities.com

Customer Service: 512-494-9400
or call toll free at 1-888-340-6465
TDD: 512-477-3663
Se Habla Español

To report an electrical OUTAGE call 512-322-9100 and enter your PowerLink number. The PowerLink number is displayed with your Electric Service on the bill.

Summary of Service

CUSTOMER, JOHN D.
Service Address: 123 RESIDENTIAL BLVD
Account Number: 12345 60000
Invoice Number: 123456789

Bill Print Date Mar 6, 2013
Due Date Mar 25, 2013

Previous Activity/Charges

Total Amount Due at Last Bill \$187.77
Payment received -\$187.77

Previous Balance \$0.00

Payment Arrangement

Monthly Payment Arrangement Installment \$98.15

Current Activity/Charges

Electric Service \$54.70
Water Service \$25.44
Wastewater Service \$52.52
Clean Community Service \$6.00
Solid Waste Services \$21.38
Drainage Service \$8.35
Street Service + \$7.80

Current Balance \$176.19

If Payment is received after due date, a late fee will be assessed.

Total Amount Due \$274.34

Remaining Payment Arrangement Balance \$687.05

Continued On Next Page



THE CITY IS COMPLYING WITH THE AMERICANS WITH DISABILITIES ACT.

Detach and include stub with your payment



P.O. Box 2267 Austin, TX 78783-2267

Account: 12345 60000

Make Checks payable to City of Austin.
View or Pay online:
www.coautilities.com

Total Amount Due: \$274.34
Date Due: 03/25/13

Penalty After Date Due: \$6.63
Total Due After 03/25/2013: \$280.97
CAP Contribution: \$

Special Payment Arrangement (PA) Policy Suspension Period



Overview

- Normal policy terms are “relaxed”
- Allows greater flexibility as Customers adjust to reinstatement of Collections
- Currently in effect
- Migrating back to normal policy to be fully implemented Dec 31, 2013

Normal Payment Arrangement Policy vs. Suspension Period

	Normal Policy	Suspension Period
Monthly Installments Allowed ^[1]	Up to 8	Up to 12
Down Payment Required	Yes	No
Must bring Account Current for a New PA	Yes	No
Eligible If Service Is Disconnected	No	Yes

[1] This is the maximum that may be offered by a Customer Service Representative; Additional installments may be available for customers in Low Income, Medically Vulnerable or Life Support Programs through Austin Energy's Customer Solutions Management Team.

Customer Service Representative (CSR) Training Program



Classroom (5 weeks)

- Instructor Led Course
- Start & Stop Services
- Account Inquiries
- Conservation
- Outage Response
- 12 Students per Class
- 80 Hrs Phone Time
- 2 Written Assessments

On the Job (6 weeks)

- Transition Team
- Extra Support
- 12 Hrs Customer Relationship Building (CRB) Course

Coaching (Ongoing)

- Team Meetings
- Weekly Huddles
- Quality Call Monitoring
- Monthly Coaching
- Instructor Led Courses & Online Training
- Based on Needs Assessments & Business Process Changes

How Does a Disconnect Occur?



Failure Points:

- Bill is not paid by due date
- Delinquent Payment Reminder is ignored
- 24-Hour notice is ignored
- At anytime a Payment Arrangement stops the collections process
- 1st Payment Arrangement is not upheld
- 2nd Payment Arrangement is not upheld
- 3rd Payment Arrangement is not upheld
- Customer is disconnected for non-payment

Reconnection Requirements (after disconnect)

- Customer must pay balance to reconnect
 - AE offers a 50% down-payment to reconnect
 - Remaining 50% due in 15 days
 - Reconnect fee of \$25, Same Day fee of \$55 added to next bill

Note: AE provides account management services such as community Plus1 referrals and basic services agency referrals for specialty customer classes

Disconnect for Non-Payment Comparison



How We Compare

	Austin Energy	CPS Energy	Pedernales Electric Cooperative	Reliant Energy (REP)	TXU Energy (REP)	Oncor (Wires)	Center Point (Wires)	MLGW	Colorado Springs Utilities
DNP Fee	\$0	\$0	\$0	\$25 ^[1]	\$30 ^[1]	\$2.70	--	--	--
Reconnect Fee	\$25	\$24	\$100	--	--	\$3.10	\$9	\$25	\$30
Same Day / After Hours Fee	\$55	\$0 ^[2]	\$250 ^[3]	--	--	\$5.30	\$34	\$54	\$10 after hrs
Remote Connect/ Disconnect?	No	*	Yes	Yes	Yes	Yes ^[4]	Yes ^[4]	No	Yes

COA Regs

- 15-9-101 BASIS FOR TERMINATION OF SERVICE
- 15-9-112 RESTORATION OF SERVICE

[1] Disconnect Recovery Fee charged by the Retail Energy Provider when a customer fails to pay the past due amount before the expiration date of any disconnection notice issued.

[2] If a customer's call to reconnect is logged before 5pm, same day service is guaranteed.

[3] If the customer fails to make payment by 5pm and chooses to be reconnected same day, an additional \$250 same day fee is charged, plus an additional deposit amount.

[4] Charges by TDU are for reconnections at the meter and are separate charges on a customer's bill.

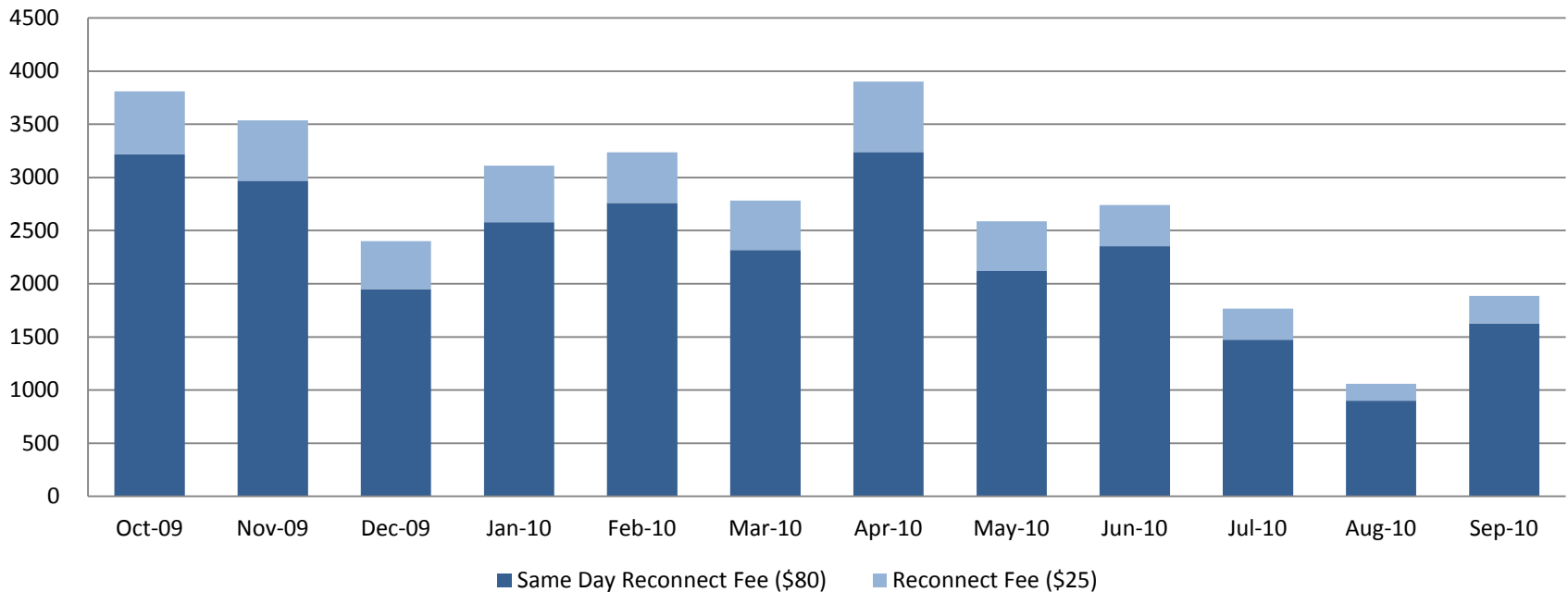
* Under review

Disconnect/Reconnect Fees



- The number of reconnections after disconnect for non-payment totaled roughly 33k between October 2009 – September 2010.
- Same day reconnect service requests accounted for approximately 28k of that amount.

**Number of Disconnects/Reconnects for Non-Payment
FY2010**

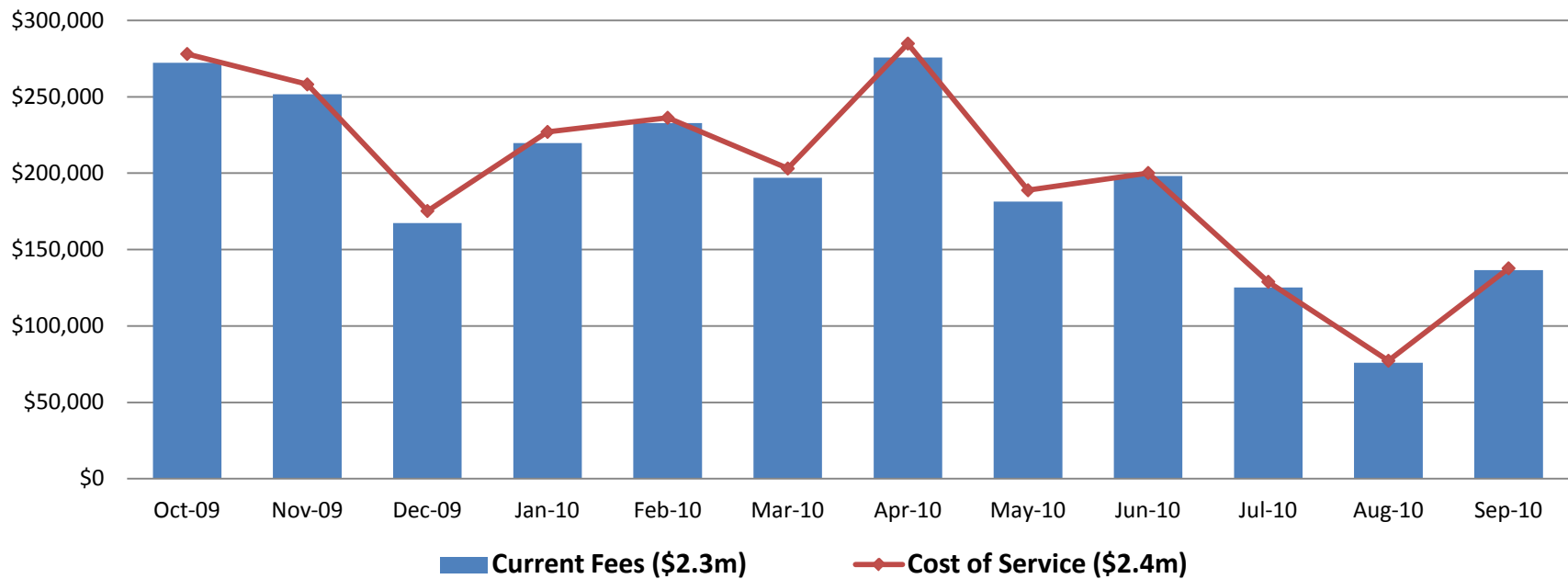


Revenue Comparison to Cost of Service



- Current Fees Assessed: \$25 Reconnect Fee and \$55 Same Day Fee
- Cost of Service \$72.63

Revenue to Cost Comparison FY2010



**City of Austin - Austin Energy
Customer Care Center**

721 Barton Spring Rd.
Austin, Texas 78704-1194
p. 512-494-9400
e. custinfo@austinenergy.com

Twitter



@austinenergy

Facebook



facebook.com/austinenergy

Thank You!

Appendix - Disconnect Policy Comparison by Utility



	Austin Energy	CPS Energy	Pedernales Electric Cooperative (PEC)	Reliant Energy	TXU Energy	MLGW	Colorado Springs Utilities
Door Hangers?	Yes	Yes	No	No	No	No	Yes ^[1]
No. of Days for Door Hanger after Bill Due Date	15-44	20	--	--	--	--	--
No. of Days for DNP after door hanger	2	6	--	--	--	--	-- ^[2]
No. of Days for DNP after Bill Due Date	17-46	26	29	20-25	6	46	28-30 ^[3]
No. of Notices prior to DNP	3	3	3	1 ^[4]	1 ^[5]	2	1 ^[6]
	Courtesy letter, delinquency letter, door hanger	letter, call, door hanger	Courtesy call, letter, collection call	Pink notice	letter, text, email, call	letter, call	Letter
Reconnect Fee for DNPs?	\$25	\$24	\$100	-- ^[7]	--	\$25	\$30
Same day reconnect fee amount?	\$55	none	\$250 ^[8]	--	--	\$54	none ^[9]
Remote Connect/Disconnect? Fee?	No	No	Yes \$100	Yes none	Yes none	No	Yes 30
Follow PUC Guidelines?	No	No	Yes ^[10]	Yes	Yes	No	No
Responses given by	Collections Mgr	AR Manager	Collections Mgr	E-Source	CSR	Public Relations	CSR Supervisor

^[1] Door hangers are used but not consistently, not every customer will receive a door hanger.

^[2] No set amount of time indicated on door hanger, customer is requested to contact Customer Service.

^[3] Disconnect generated 14 days after bill due date and payment due is 14-16 days after disconnect notice generated.

^[4] Pink notice sent out 10 days after bill due date. Disconnect is 10-15 days after.

^[5] All customers receive a letter but have the additional choice of being contacted through the other options.

^[6] A disconnect notice is generated 14 days after bill due date, but utility will make other attempts to contact customer through calls and notices.

^[7] Since Reliant is not the transmission and distribution service provider, it does not charge for reconnection. It may charge a \$25 disconnect recovery fee if payment is not received prior to the expiration of the disconnection notice. TXU charges a similar fee. Disconnect/Reconnect charges from the TDSP are a separate line item on the bill.

^[8] If the customer fails to make payment by 5pm and chooses to be reconnected same day, an additional \$250 same day fee is charged, plus an additional deposit amount.

^[9] No same day fee, but charge an afterhours fee of \$10 for weekends and after office is closed. ^[10] Yes, with exceptions