



# Collections Overview

## Disconnection and Reconnection Process

September 2013



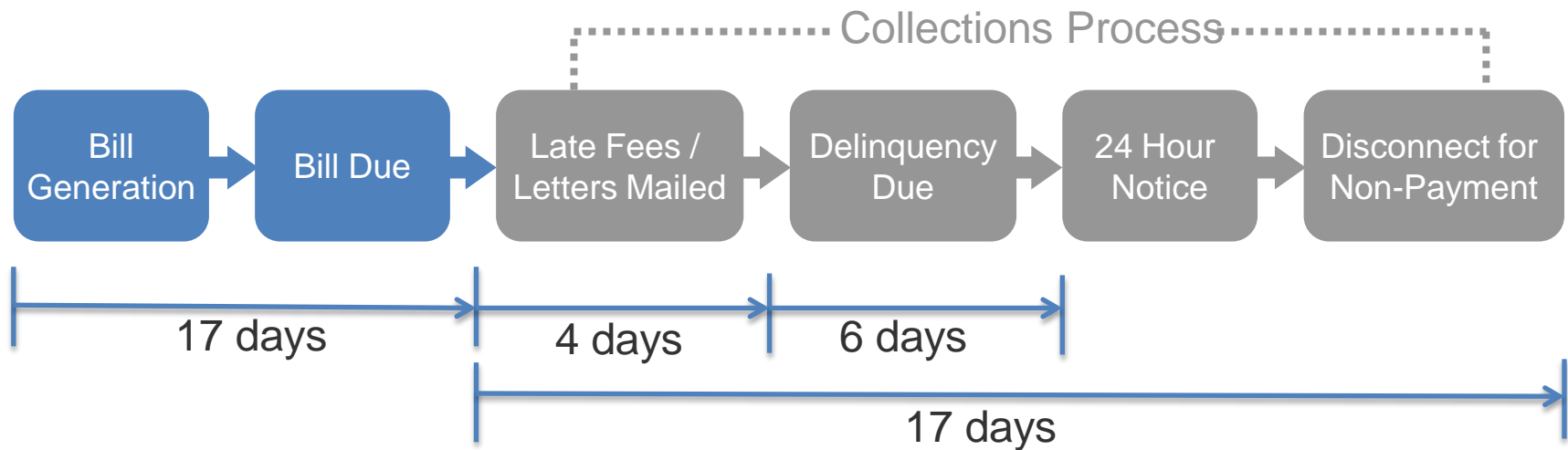
**Mission:** Deliver clean, affordable, reliable energy and excellent customer service.

# 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



## 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 |
| MLGW                            | 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 [austinenergy.com](http://austinenergy.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](http://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](http://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](http://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**

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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

**Account: 12345 60000**

Make Checks payable to City of Austin.  
View or Pay online:  
[www.coautilities.com](http://www.coautilities.com)

|                             |                 |
|-----------------------------|-----------------|
| <b>Total Amount Due:</b>    | <b>\$147.45</b> |
| <b>Date Due:</b>            | <b>04/01/13</b> |
| Penalty After Date Due:     | \$5.20          |
| Total Due After 04/01/2013: | \$152.65        |
| CAP Contribution:           | \$ _____        |
| Parks & Libraries Fund:     | \$ _____        |
| Public School Energy Asst:  | \$ _____        |
| <b>Total Paid:</b>          | \$ _____        |

Enter contributions and include in Total Paid →

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

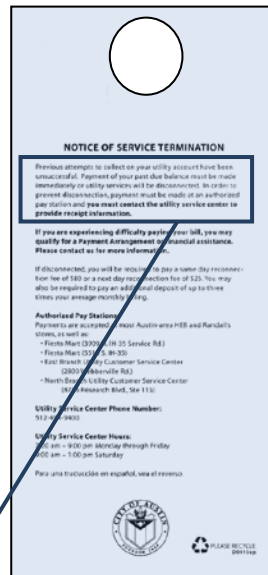


## Overview

- 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 broken up 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.

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 [austinenenergy.com](http://austinenenergy.com).

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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](http://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.

|                         |                 |
|-------------------------|-----------------|
| <b>Total Amount Due</b> | <b>\$274.34</b> |
|-------------------------|-----------------|

|                                              |                 |
|----------------------------------------------|-----------------|
| <b>Remaining Payment Arrangement Balance</b> | <b>\$687.05</b> |
|----------------------------------------------|-----------------|

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](http://www.coautilities.com)

|                          |                 |
|--------------------------|-----------------|
| <b>Total Amount Due:</b> | <b>\$274.34</b> |
| <b>Date Due:</b>         | <b>03/25/13</b> |

|                             |          |
|-----------------------------|----------|
| 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 <sup>[1]</sup> | 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

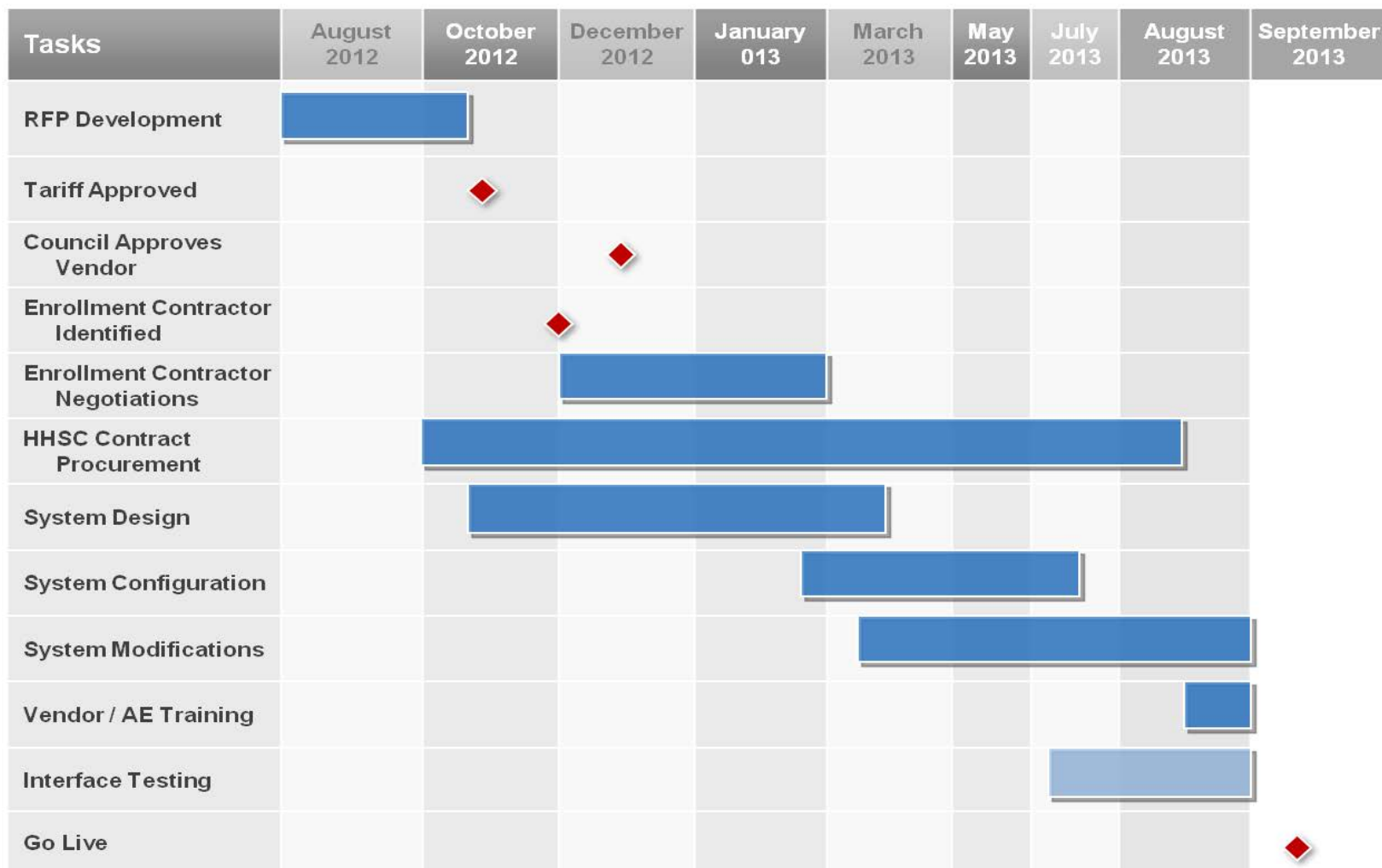
## Coaching (Ongoing)

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

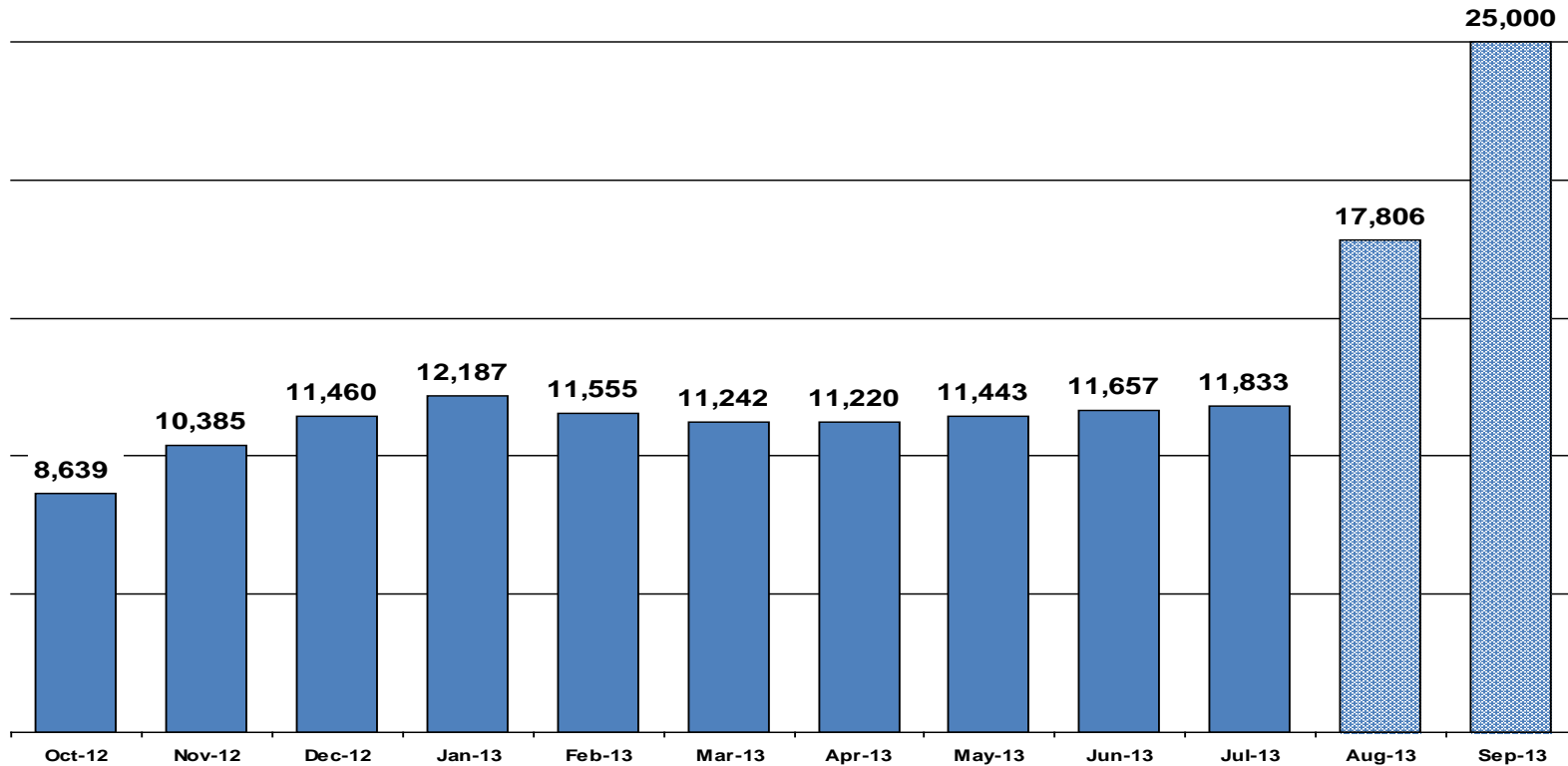
## New Rates effective October 2012 included changes to Customer Assistance Program (CAP)

| OLD TARIFF                                                        | NEW TARIFF                                                      |
|-------------------------------------------------------------------|-----------------------------------------------------------------|
| Eligibility requirements: Parts of Medicaid, SNAP, SSI, CEAP, MAP | Eligibility requirements: All of Medicaid, SNAP, CHIP, Lifeline |
| Funded by Green Choice Batch (\$3M)                               | Funded by Community Benefit (\$9M)                              |
| Enrollment capped at 10,000                                       | Enrollment grows to >25,000                                     |
| Separate free weatherization                                      | Integrated free weatherization                                  |
| Labor intensive eligibility screening                             | Vendor to perform automatic enrollment                          |


# Customer Assistance Program: Automatic Enrollment Build Out



## Monthly Number of Program Participants



| Community Benefit Charge: | FY 2013<br>CYE Expenses | FY 2013<br>CYE Revenues | (Over) / Under<br>Recovery | FY 2014<br>Budget |
|---------------------------|-------------------------|-------------------------|----------------------------|-------------------|
|                           |                         | 5,419,395               | 10,444,316                 | (5,024,921)       |

 Actual enrollment amounts

 Estimated enrollment amounts

# Customer Assistance Program: Weatherization Program with Education / Evaluation



## Overview

- Includes appliance replacement as determined by NEAT audit
- Complete education curriculum prior to weatherization
- 3 month interval site visits by AE staff after weatherization / education complete
- 18 month follow up services
- Household / Usage evaluation for 18 months

## Qualifications

- CAP Participant
- Homeowner / Renter Only
- 4 Months of 2,500 kWh Usage or
- 6 Months of 1,500 kWh Usage
- Home structure value less than \$250,000

## CAP Education Program

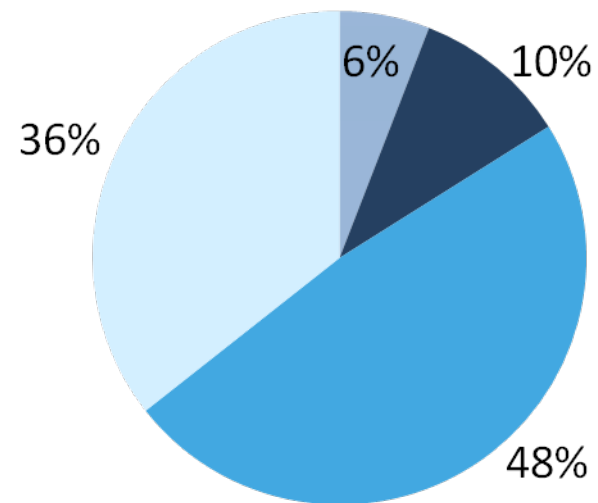
- Community Connections Sept 2013
- Classes to begin October 2013
- Required for participants in the Weatherization Program (starting Oct 1)
- Developed in conjunction with the Discount Steering Committee

## Curriculum Components

- Understanding Your Usage & Bill
- Energy & Water Conservation
- Budgeting
- Sources of Energy & Water
- Reduce, Reuse, Recycle
- Safety Hazards
- Tenant Rights
- Additional curriculum components target children, include educational games

## Current Participants: 118

- Completed Homes
- No Longer Qualified
- Contractors Assigned
- In Queue



# How Does a Disconnect Occur?



## Failure Points:

- **Customer does not pay by due date**
- **Customer ignores FTN letter**
- **Receives 24-Hour notice, contacts AE to negotiate 1<sup>st</sup> PA**
- **Fails to uphold PA, customer's requests updated 2<sup>nd</sup> PA**
- **Fails to uphold PA, customer's request 3<sup>rd</sup> PA**
- **Fails to uphold PA**
- **AE provides account management for specialty customer class**
  - **Community Plus1 referrals**
  - **Basic Services Agency referrals**
- **Customer is disconnected for non-payment**
- **Customer must pay balance to reconnection**
  - **AE offers a 50% down-payment PP to reconnect**
  - **Remaining 50% due in 15 days**
  - **Reconnect fee of \$25, Same Day fee of \$55 added to next bill**

# Disconnect for Non-Payment (DNP) Comparison



## How We Compare

|                             | Austin Energy | CPS Energy | Pedernales Electric Cooperative | Reliant Energy | TXU Energy | Oncor  | Center Point | MLGW | Colorado Springs Utilities |
|-----------------------------|---------------|------------|---------------------------------|----------------|------------|--------|--------------|------|----------------------------|
| DNP Fee                     | \$0           | \$0        | \$0                             | \$25           | \$30       | --     | --           | --   | --                         |
| Reconnect Fee               | \$25          | \$24       | \$100                           | --             | \$40-60    | \$3.10 | \$9.00       | \$25 | \$30                       |
| Same Day / After Hours Fee  | \$55          | \$0        | \$250 <sup>[1]</sup>            | --             | --         | \$5.30 | \$34         | \$54 | \$10 after hrs             |
| Remote Connect/ Disconnect? | No            | No         | Yes                             | Yes            | Yes        | Yes    | Yes          | No   | Yes                        |

### COA Regs

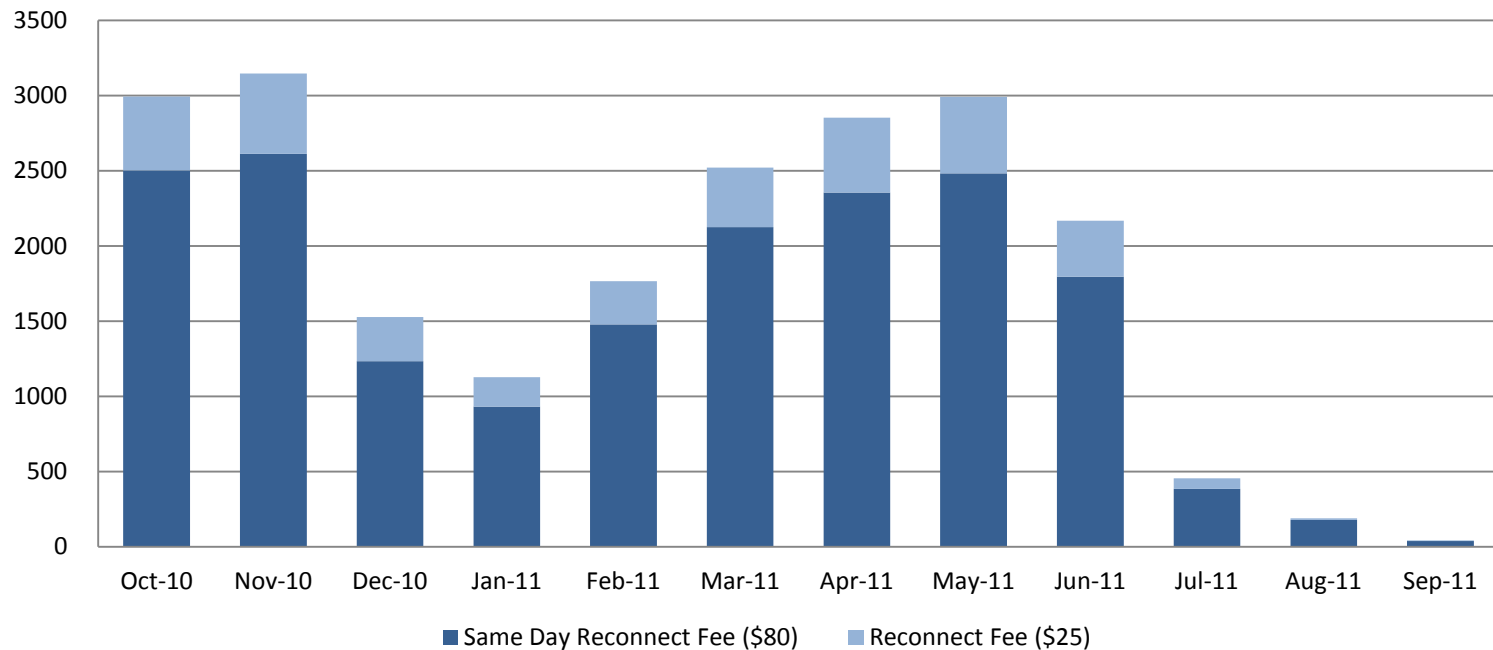
- 15-9-101 BASIS FOR TERMINATION OF SERVICE
- 15-9-112 RESTORATION OF SERVICE

[1] 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.



- The number of reconnections after disconnect for non-payment totaled roughly 21k between October 2010 - September
- Same day reconnect service requests accounted for approximately 18k of that amount.

## Disconnect for Non-Payment Reconnects FY2010 - 2011

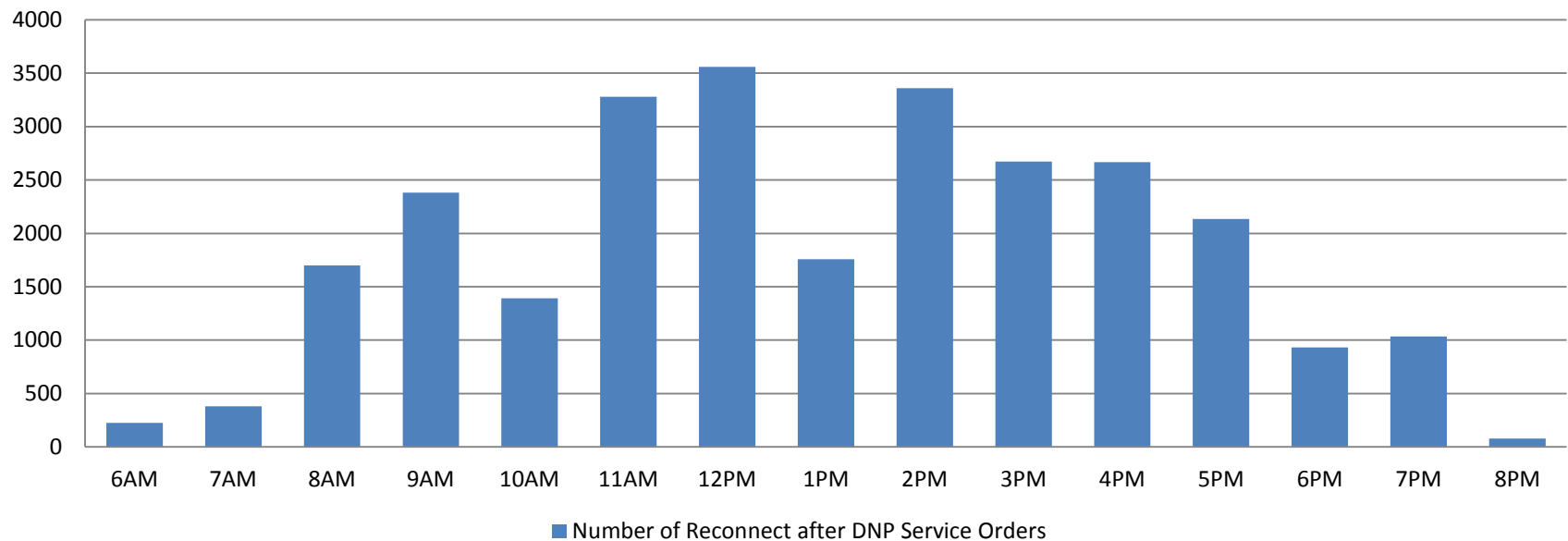


# Reconnects Received by Time of Day



- Over the fiscal year 2011, field orders were charted by time of day
- The majority of the reconnect orders occurred during the mid-day period
- Very few orders were worked after 8:00 pm

## Reconnect Service Orders Received by Time of Day FY 2010-2011



# Analysis of Change to Same Day Fee Policy



- Proposed policy change includes a deadline for customers requesting reconnects
- Analysis was performed to determine appropriate deadline time
- The data shows that a 4:00pm deadline will be most cost effective

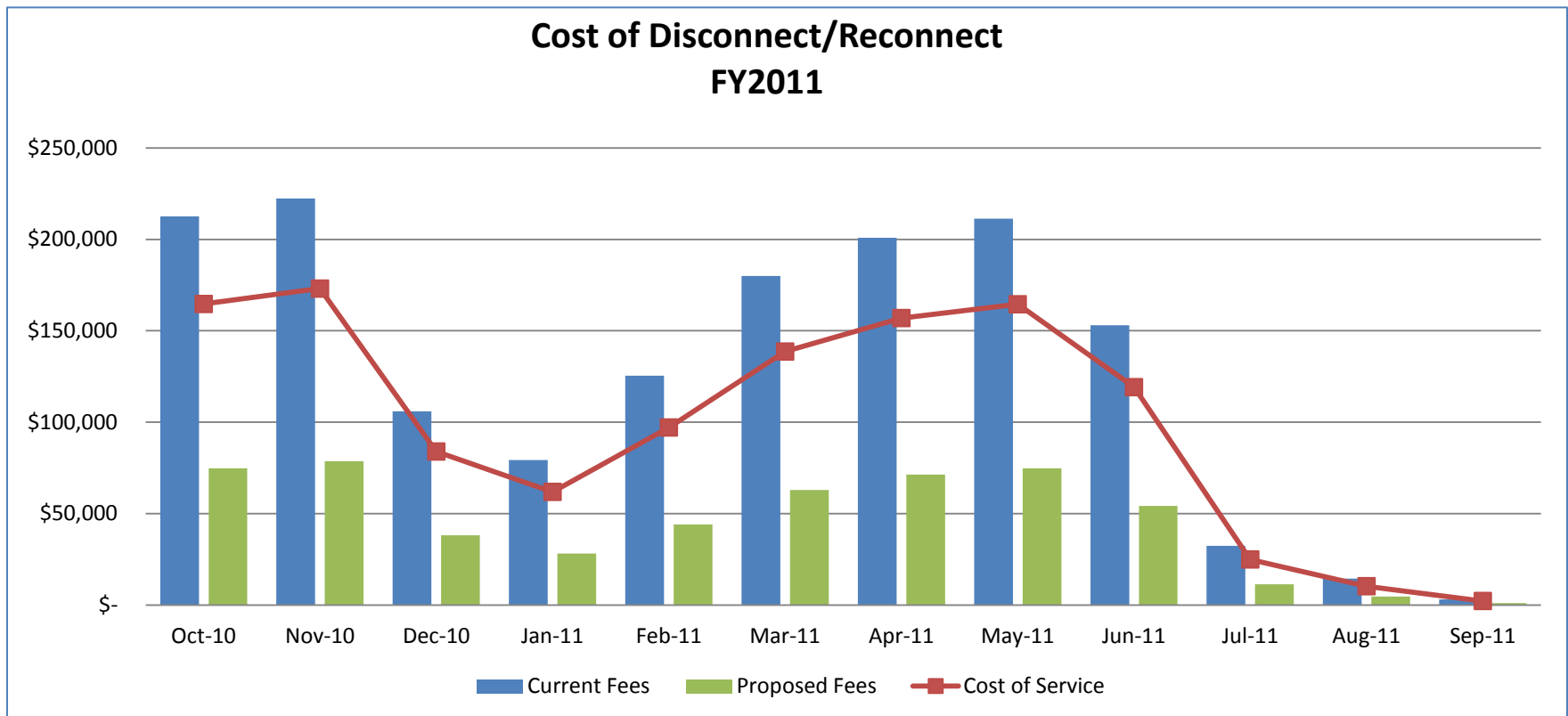
## Breakdown of Actual Reconnect ions for the Year (FY2011 by Time of Day)

| 6:00                                | 7:00 | 8:00 | 9:00 | 10:00 | 11:00 | 12:00 | 13:00 | 14:00 | 15:00                                | 16:00       | 17:00       | 18:00 | 19:00 | 20:00 |
|-------------------------------------|------|------|------|-------|-------|-------|-------|-------|--------------------------------------|-------------|-------------|-------|-------|-------|
| 225                                 | 381  | 1700 | 2382 | 1393  | 3280  | 3558  | 1759  | 3360  | 2672                                 | 2666        | 2134        | 931   | 1034  | 78    |
| <b>Scenario 1: 3:00pm deadline</b>  |      |      |      |       |       |       |       |       | <b>9695 remaining after deadline</b> |             |             |       |       |       |
| <b>Scenario 2: 4:00pm deadline</b>  |      |      |      |       |       |       |       |       |                                      | <b>7023</b> |             |       |       |       |
| <b>Scenario 3: 5:00 pm deadline</b> |      |      |      |       |       |       |       |       |                                      |             | <b>4889</b> |       |       |       |

# Cost Comparison to Cost of Service



- Current Fees Assessed \$25 and \$55
- Cost of Service \$52.34 <sup>[1]</sup>
- Proposed Fee \$25 (no same day fee) <sup>[1]</sup>



[1] estimates that will be revised in final document



## City of Austin - Austin Energy Customer Care Center

721 Barton Spring Rd.  
Austin, Texas 78704-1194  
p. 512-494-9400  
e. [custinfo@austinenergy.com](mailto:custinfo@austinenergy.com)

### Twitter

 [@austinenergy](https://twitter.com/austinenergy)

### Facebook

 [facebook.com/austinenergy](https://facebook.com/austinenergy)

# Thank You!

- CAP Comparison Chart
- Disconnect Policy by Utility Comparison Summary Chart

# Customer Assistance Program Comparison



## How We Compare

| Program Feature         | AE | Colorado Springs Utility | Seattle City Light | Los Angeles Dept of Water & Power | Sacramento Municipal Utility | El Paso Electric |
|-------------------------|----|--------------------------|--------------------|-----------------------------------|------------------------------|------------------|
| Account Management      | ✓+ | -                        | ✓                  | ✓                                 | -                            | -                |
| Community Collaboration | ✓+ | ✓+                       | ✓                  | ✓                                 | ✓                            | ✓                |
| Community Outreach      | ✓+ | ✓+                       | -                  | ✓                                 | -                            | -                |
| Weatherization          | ✓+ | ✓                        | ✓                  | ✓                                 | ✓                            | ✓                |
| Electric Discounts      | ✓  | -                        | ✓                  | -                                 | -                            | -                |
| Other Fee Waivers       | ✓+ | -                        | -                  | -                                 | -                            | -                |
| Financial Assistance    | ✓+ | ✓                        | ✓                  | ✓                                 | ✓                            | ✓                |
| Gatekeeper Program      | ✓  | ✓                        | -                  | -                                 | -                            | -                |
| Budget Programs         | ✓  | -                        | -                  | -                                 | -                            | ✓                |
| Medically Vulnerable    | ✓+ | -                        | -                  | ✓                                 | -                            | ✓                |
| 3rd Party Notification  | ✓  | -                        | -                  | ✓                                 | -                            | -                |

✓+ - this feature is managed through a formal program

✓ - this feature is managed through a formal program

# Disconnect Policy Comparison by Utility – July 2013

|                                                 | 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 <sup>[1]</sup>         |
| No. of Days for Door Hanger after Bill Due Date | 15-44                                            | 20                        | --                                     | --                | --                        | --               | --                         |
| No. of Days for DNP after door hanger           | 2                                                | 6                         | --                                     | --                | --                        | --               | -- <sup>[2]</sup>          |
| No. of Days for DNP after Bill Due Date         | 17-46                                            | 26                        | 29                                     | 20-25             | 6                         | 46               | 28-30 <sup>[3]</sup>       |
| No. of Notices prior to DNP                     | 3                                                | 3                         | 3                                      | 1 <sup>[4]</sup>  | 1 <sup>[5]</sup>          | 2                | 1 <sup>[6]</sup>           |
|                                                 | 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 DNP's?                        | \$25                                             | \$24                      | \$100                                  | -- <sup>[7]</sup> | \$40-60                   | \$25             | 30                         |
| Same day reconnect fee amount?                  | \$55                                             | none                      | \$250 <sup>[8]</sup>                   | --                | --                        | \$54             | none <sup>[9]</sup>        |
| Remote Connect/Disconnect? Fee?                 | No                                               | No                        | Yes \$100                              | Yes none          | Yes <i>None</i>           | No               | Yes 30                     |
| Follow PUC Guidelines?                          | No                                               | No                        | Yes <sup>[10]</sup>                    | Yes               | Yes                       | No               | No                         |
| Responses given by                              | Collections Mgr                                  | AR Manager                | Collections Mgr                        | E-Source          | CSR                       | Public Relations | CSR Supervisor             |

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

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

<sup>[3]</sup> Disconnect generated 14 days after bill due date and payment due is 14-16 days after disconnect notice generated.

<sup>[4]</sup> Pink notice sent out 10 days after bill due date. Disconnect is 10-15 days after.

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

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

<sup>[7]</sup> 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.

<sup>[8]</sup> 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.

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