


Prepay

A Paradigm Shift



Southwest Tennessee Electric
Membership Corporation

Brownsville | Jackson | Covington | Henderson | South Tipton

a Touchstone Energy Cooperative 

- Why?
 - Increasing energy rates
 - Increase in mobility
 - Increased risk
- Solution
 - Increase deposits
 - Prepay



- Issues
 - Special equipment
 - Communications
 - Installation
 - Cost



What has changed?

- AMI



Idea of Prepay becomes...

- Estimator
- Communicator



Application

- Financially challenged
- Debt reduction



Side Benefits

- Fewer cutoffs
 - 81% never disconnected
- Reduced usage
 - 10-12% reduction found in two separate case studies



Program Features

- Pay Excleron
 - .20¢/day for active members (monthly)
 - .08¢/sms text + .05¢/phone call
- Bill members .26¢/day
- Debt recovery at 25%
- CIS is the rule

