Pay As You Go Service
S & T Challenges

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UTA 2015, Jackson, TN
Easiest Way to Understand “Pay As You Go”
Strategic Goals

**BCES Internal Goals**
- Customer Options to Higher Traditional Customer Deposit ($300.00)
- Minimize Customers In Arrears/Struggling
- Reduce Yearly Bad Debt Write-Off
- Reduce Fraudulent Activities
- Utilize AMI Infrastructure to full potential

**Customer Specific Goals**
- Customer Option to Higher Traditional Customer Deposit ($300.00)
- Give Customers Payment Options and Control
- Provide Customer’s Options that Fit into their Lifestyle and Budget
- Provide Customer’s Access to their usage information on a Daily/Hourly Basis
- Provide Traditional Customer’s Access to their Daily/Hourly Usage information
- Assist Customer’s with managing their energy usage.
Strategic Goals - Outside the TVA Valley
Strategic & Technical Challenges

Policy
Procedure

Confidence Level

 KNOW THE RULES!

Business Procedures... Training Philosophy..... Implementing..... Managing.... Confidence
Specific Operational and Technical Challenges

- IT NEEDS TO UNDERSTAND THE BUSINESS
- VERIFY METER DATA EXCHANGE
- PROCESSING...Racing the Clock for “Open for Business”
- Transitioning Customers to Pay As You Go Services
  - PROCEDURES
    - FINAL THE CUSTOMER/SETUP AS NEW CUSTOMER
    - WHY WE WILL TAKE $1.25 Payment for the CSR’s
- Reconcile THE BILLING SYSTEM ALWAYS WINS
- Not Cutting off on Weekends or Holidays
Racing the Processing Clock
“Open for Business”

2AM → 4AM → 5AM → 6AM → 7AM → 8AM → 10AM

10,500 meters
1,008,000 Interval
Transitioning Customer to Pay As You Go

Transitioning Customers to Pay As You Go Services

- PROCEDURES
- MOVING BALANCES FROM ONE LOCATION TO ANOTHER
- REINSTATING A WRITTEN OFF BALANCE
- FINAL THE CUSTOMER/SETUP AS NEW CUSTOMER (Proration’s)
- WHY WE WILL TAKE $1.50 Payment for the CSR’s
Traditional **Cycle** Billing Versus “Pay As You Go”

- **Meter Reading 30 Days = 1200 kWh**
- **or 40 kWh/day**

<table>
<thead>
<tr>
<th>Date</th>
<th>Event</th>
<th>Description</th>
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<tbody>
<tr>
<td>Sep 11th</td>
<td>Meter Reading</td>
<td>1200 kWh</td>
</tr>
<tr>
<td>Oct 1</td>
<td>4th</td>
<td>$144.00 @ $0.12/kWh Due 11/1</td>
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<tr>
<td>11th</td>
<td></td>
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<tr>
<td>5th-11th</td>
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<td>Nov 1st</td>
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- **40 kWh/day @ $0.10/kWh = $4.00/day**
- **23 days * $4.00/day = $92.00**

- **7 day @ 40 kWh/day @ $0.12/kWh**
- **$33.60 total for 5th-11th**

**$125.60 Pay As You Go Calculated in Total**
No Disconnects on Weekends/Holidays

- Confusing Notifications
- Monday Disconnect
- 24 hours Pending Disconnect
- No Payment Kiosk only Credit/Debit/E-Chk on Weekends

Friday Morning - Pending Disconnect Pay $2.75 to Avoid Disconnect
Saturday Morning - Pending Disconnect Pay $5.25 to Avoid Disconnect
Sunday Morning - Pending Disconnect Pay $9.75 to Avoid Disconnect
Monday @ 8:30am - Pending Disconnect Pay $12.25 to Avoid Disconnect

If they confuse messages, and pay anything less $12.25 it will cut them out at 10:30AM TODAY

HOW! WHAT!...It’s the BIG BAD Electric Company’s Fault. I can’t pay that!!!!
Pay As You Go Service

Technical Setup: EASY
Monitoring: EASY
Business Process Change: MODERATE
Customer Response: EXCELLENT
Questions?

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