



Approval of Pre-Pay Residential and Farm - Ranch Payment Plan- Tariff and Business Rules Amendment

Natalia Mack, Rates and Pricing Manager

February 19, 2018

Pre-paid Payment Plan Option

Overview

The pre-paid program is a “pay as you go” payment option that allows Members to pre-pay for their electric service before incurring the charges.

- No deposit may be required
- No reconnection fees
- No late payment fees

The program offers Members more control over their monthly usage and balance, and is a great option for those unable to make large monthly payments or post a deposit.

Pre-paid Payment Option

How it works



Energy Management

- Members can utilize SmartHub to monitor their energy consumption and balance, set up customized notices, view past notices, and estimate days of usage left.



Notices

- System-generated Low Balance notice will be sent automatically when account balance reaches below \$10, roughly 2 days worth of usage.
- Member-controlled notices may be configured by Member given their preferences (text, email, phone call)



Non-payment/Disconnection

- When account reaches a zero balance, meter will be remotely disconnected if payment is not made within the 24 hours.
- Disconnections will not take place during weekends or periods of extreme weather



Automatic Reconnection

- Service restored automatically via the remote connect/disconnect feature as soon as minimum payment of \$25 is posted to account. All payment methods result in automatic reconnection. A 50/50 payment split is allowed for Members with a payment arrangement.



APPLICABILITY

- Residential accounts (see exceptions below)

EXCEPTIONS

- Residential Members enrolled in:
 - Interconnected, Co-op Solar, Time-of-Use
 - Medical Necessity
 - Automatic payments (bank draft/credit cards)
- Residential Members without a Non-remote connect/disconnect meter at the service location as of May 1, 2018

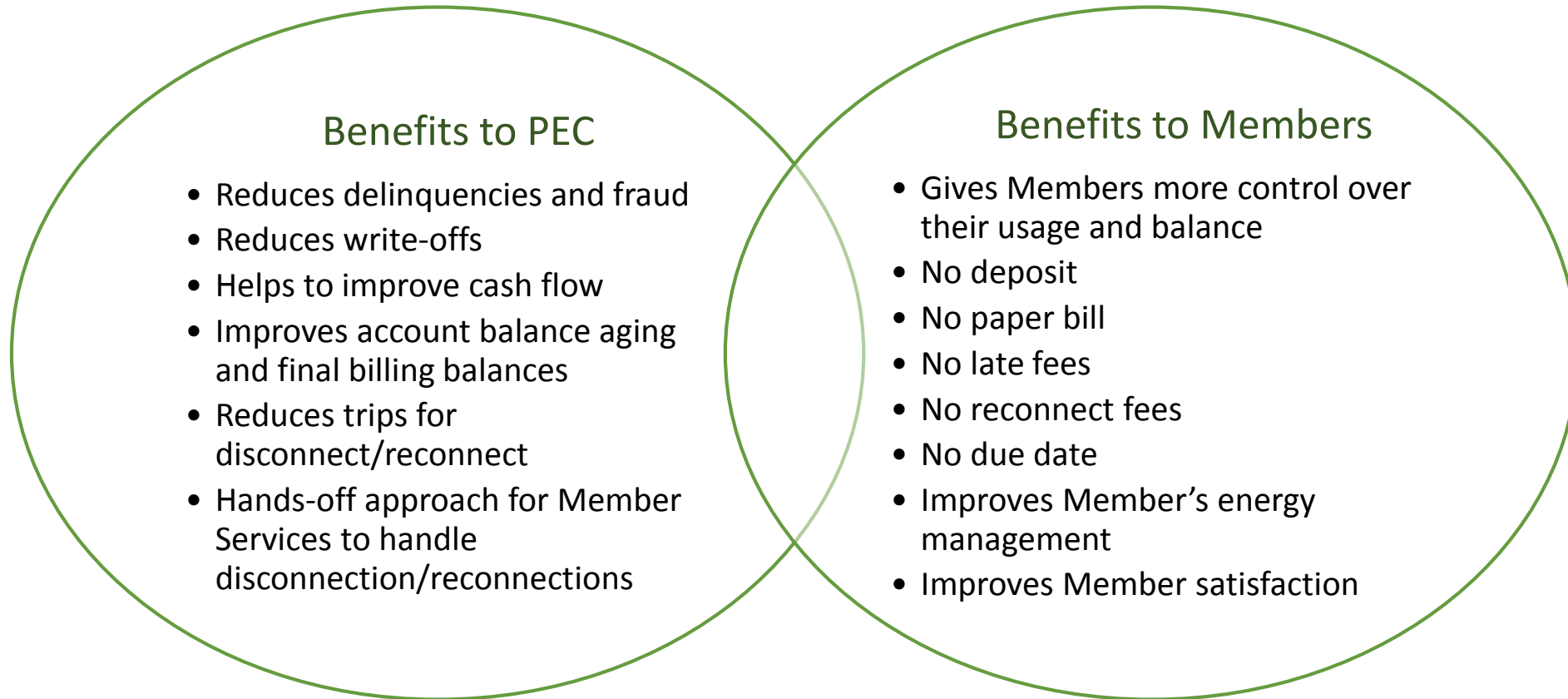
REQUIREMENTS

- Valid phone number OR active SmartHub account
- Remote connect / disconnect meters

PROGRAM APPLICABILITY AND REQUIREMENTS

Pre-paid Payment Option

Program Benefits



SMARTHUB FEATURES

- Account summary
 - Prepaid balance
 - Daily account details and averages
- Manage notifications
 - Subscribe and customize notices (email, text, phone)
 - View past notices
- Alerts and notification history
- Estimated days of usage remaining and prepaid balance
- Daily and monthly usage graphs

Pre-paid Payment Option

Program Implementation

Existing NISC/SmartHub pre-paid payment functionality will be configured and used; no customized programming

Current remote connect/disconnect metering infrastructure will support the NISC pre-paid functionality

Not all members currently have remote connect/disconnect meters. Current practices have resulted in the following deployment:

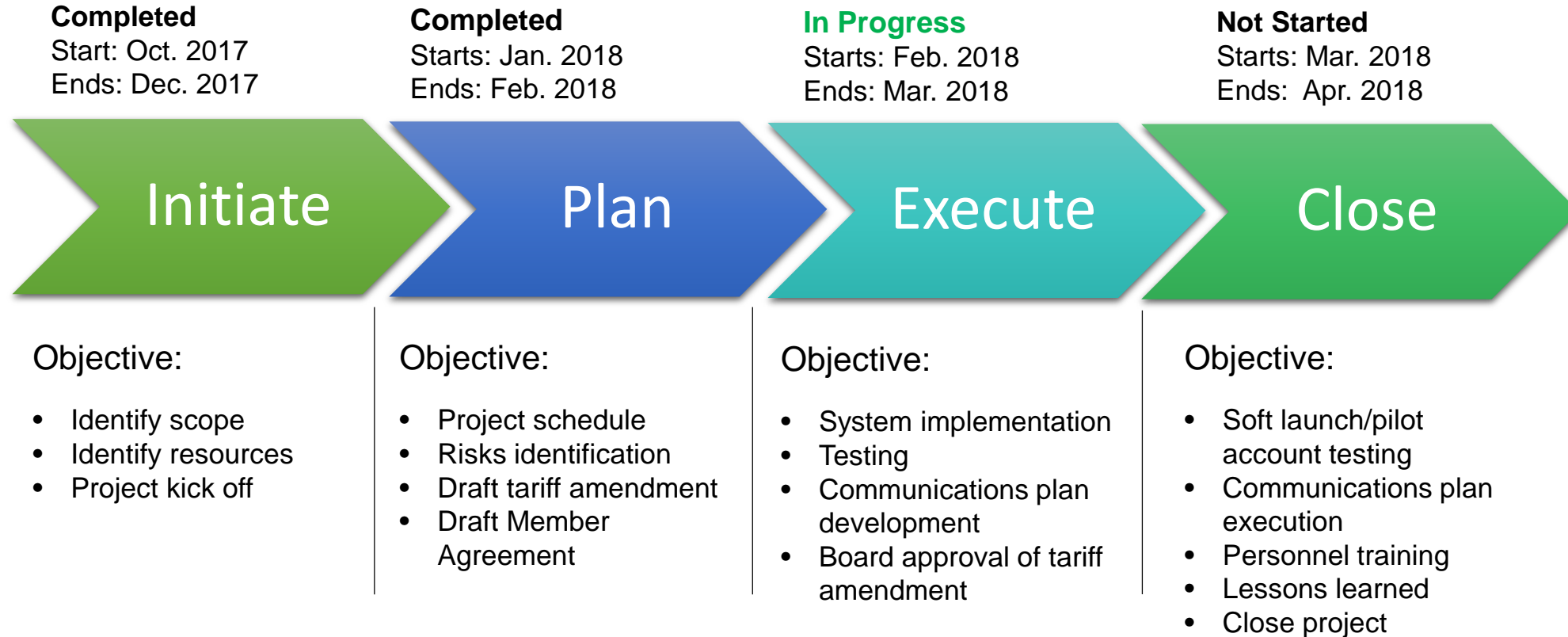
- Remote connect/disconnect meters currently deployed ~ 29,000 Meters
- Remote connect/disconnect meters budgeted for inventory in 2018 ~ 15,000 Meters
- Estimated number of Members interested in Pre-paid (up to 10%) ~ 30,000 Meters

New Construction requesting pre-paid will receive a remote connect/disconnect meter at sign up, instead of non-remote connect/disconnect meter.

In light of upcoming metering upgrades, Members without a remote connect/disconnect meter at the service location will become eligible for pre-paid as the new infrastructure is deployed. PEC reserves the right to exchange the meter if deemed necessary.

The pre-paid option will be compatible with future metering infrastructure projects and upgrades.

PROJECT PHASES



Effective: May 1st, 2018

Pre-paid Payment Option

Tariff Amendment

- Section 200.16 – Payment Options
Addition of Pre-paid Payment Option language

Tariff and Business Rules
For Electric Service Provided by
Pedernales Electric Cooperative, Inc.

201 South Avenue F
P.O. Box 1
Johnson City, Texas 78636-0001

Adopted 6-15-09; Amended 8-16-10; 9-20-10; 12-20-10; 4-18-11; 9-19-11; 5-21-12; 3-18-13; 4-15-13;
5-20-13; 8-19-13; 1-21-14; 3-17-14; 4-21-14; 9-30-14; 1-20-15; 7-21-15; 9-14-15; 9-21-15; 10-20-15;
1-19-16; 2-22-16; 4-18-16; 5-16-16; 6-18-16; 7-18-16; 10-17-16; 12-19-16; 2-20-17; 3-20-17; 4-17-17, 5-15-17, 8-21-17



pec.coop