

Prepay Electricity Programs & the Low-income Consumer: A Preliminary Assessment

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Overview

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- Participating Utilities
- Program Statistics
- Cost and Usage Data
- Customer Survey Results
- Conclusion





Introduction

Why did we create this pilot program?

What were our hopes for the program?





Program Description

In order to facilitate enrollment of low-income customers in prepay programs, Energy Outreach:

- Establishes partnerships with utilities based on mutual agreement to protect interests of clients, including elimination of fees and the option to return to a traditional payment structure at any time.
- Reviews applications for eligibility and pays off back overdue for approved customers to enroll them in the program.
- Provides customers with initial credit in their accounts to get started.

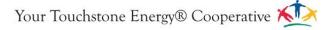




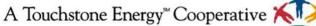
Participating Utilities



















263 Total Clients **DMEA - 179**

KC Electric - 30

PVREA - 4

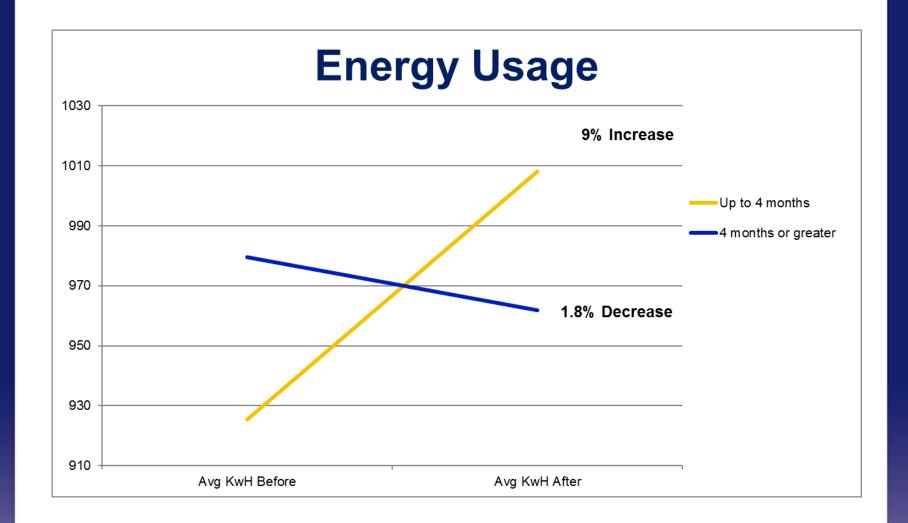
Program Statistics

SIEA - 50

\$134,8181 Total Assistance \$633 Average Assistance

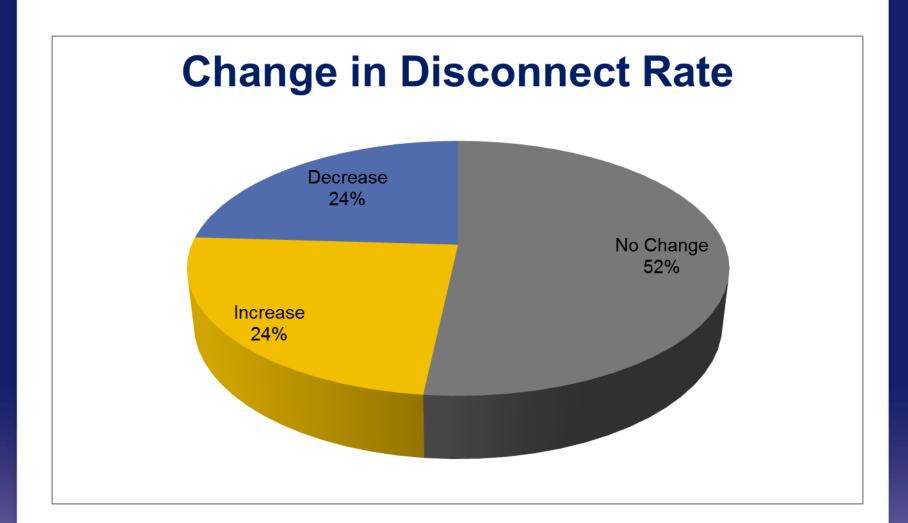
















Prepay Customer Survey Results

19

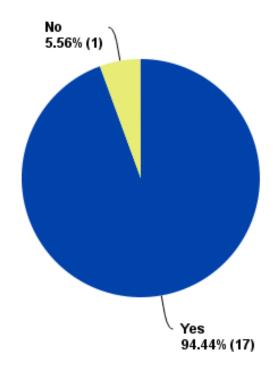
Total Respondents

Not all respondents answered all questions.



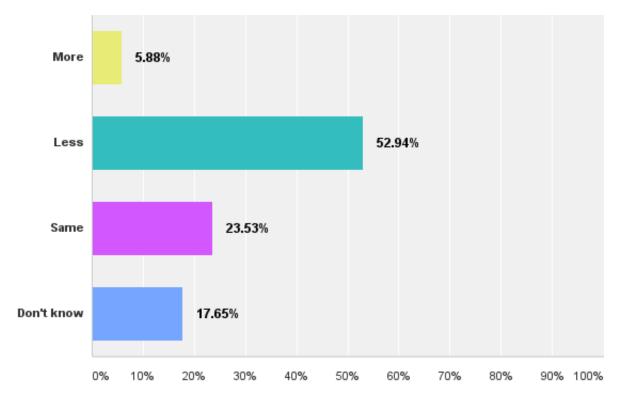


Has your participation in the program made you more aware of your energy usage?



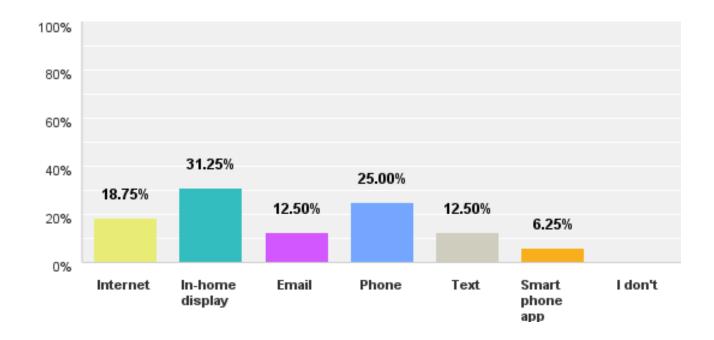


Since joining the program, do you believe you have consumed more, less or the same amount of energy?



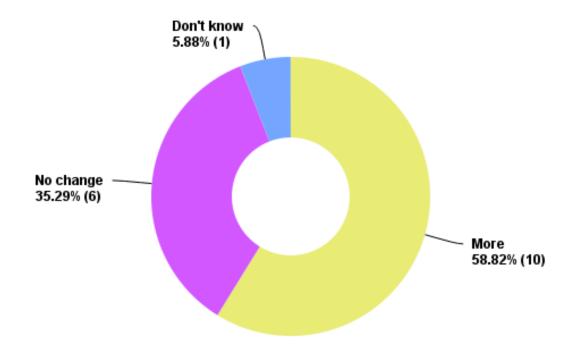


How do you track your energy usage and account balance?



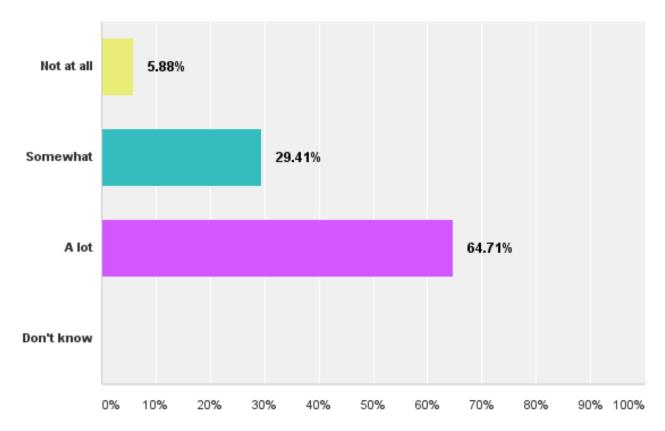


Do you feel more or less in control of your electricity costs since entering the program?



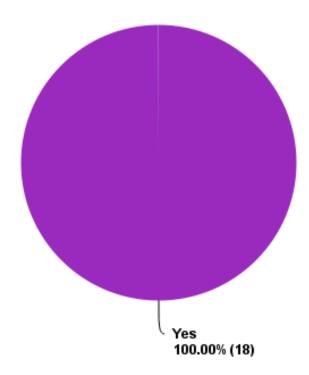


Has the program made it easier for you to budget?



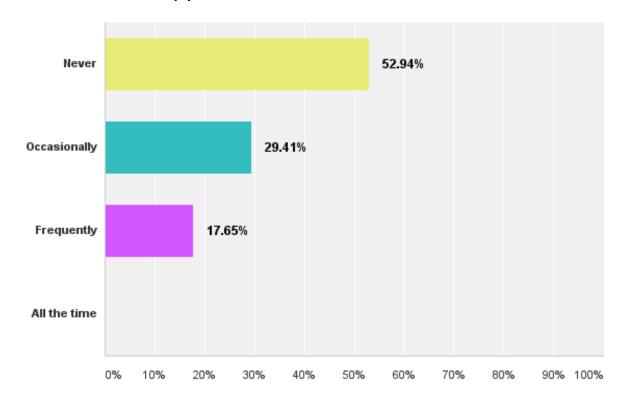


Do you like the program?



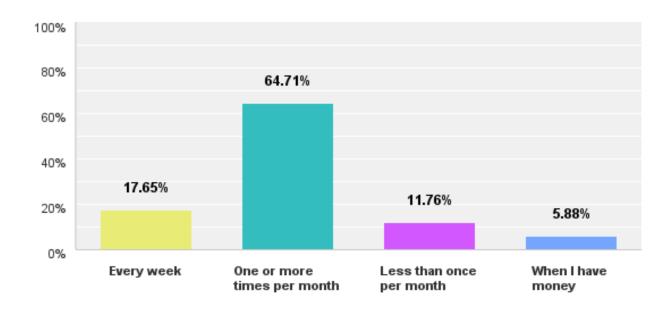


Have you had trouble affording to put money in your account since joining the program?



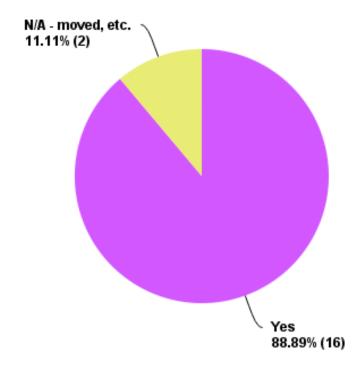


How often do you put money in your account?



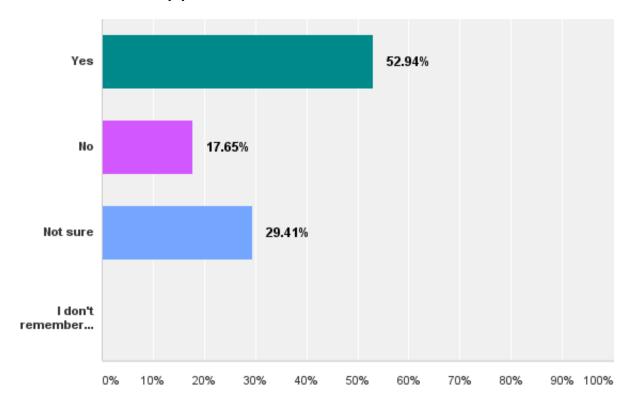


Do you plan to stay in the program?





Have you used any of the tips in the Energy Savings Guide?





Conclusions

Based on data obtained from the utilities and customer feedback we found that:

- Preliminary data show a minimal reduction in usage and costs.
- Customers overwhelmingly like the program.
- The program offers greater flexibility and makes budgeting easier than traditional payment models.
- Customers appreciate the option of not having a single, large bill every month.
- Not having late fees, reconnect fees and deposits removes a significant burden from customers.



Where do we go from here?

As we continue to explore the possible advantages of prepay we hope to:

- Implement additional education opportunities for customers to further reduce usage and maximize savings.
- Analyze cost and usage data annually for 3 years.
- Conduct a customer survey annually and compare results to quantitative data.
- Reevaluate whether the program is beneficial to low-income customers as a whole, particular segments of the population or not at all.



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