Advanced Metering Infrastructure (AMI) Program Policies Update and PrePay Overview

Public Utility Board Reports of the Director
May 27th, 2020
Agenda

1. Updated Framework of Policy Packages
2. Updated Package 1 Policies
3. Timeline
4. PrePay Overview
   • History
   • Benefits
   • New Program
   • Future Elements
### Framework of Policy Packages

<table>
<thead>
<tr>
<th>Package 1</th>
<th>Package 2</th>
<th>Package 3</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Spring 2020</strong>&lt;br&gt;Prior to Initial Meter Deployment Area &amp; Testing&lt;br&gt;AMI Essential Policy Changes – Initial Deployment Area Required&lt;br&gt;TMC changes anticipated to be effective 9/1/2020&lt;br&gt;Non-AMI, Essential Policy Changes</td>
<td><strong>Fall 2020</strong>&lt;br&gt;Prior to Mass Meter Deployment&lt;br&gt;AMI Essential Policy Changes – Mass Deployment Required&lt;br&gt;TMC changes anticipated to be effective 1/1/2021&lt;br&gt;Non-AMI, Non-Essential Policy Changes</td>
<td><strong>Fall 2022</strong>&lt;br&gt;Following Mass Meter Deployment&lt;br&gt;AMI Policy Refinements &amp; Potential Fee/Rate Changes&lt;br&gt;TMC changes anticipated to be effective 1/1/2023&lt;br&gt;TPU Policy Standardization &amp; Formatting</td>
</tr>
</tbody>
</table>

*Updated: 5/21/2020*
### Package 1 Policies

<table>
<thead>
<tr>
<th>Policy/Procedure</th>
<th>Approval Level</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>1. Customer Services</strong> Customer Service Policy</td>
<td>PUB</td>
</tr>
<tr>
<td><strong>2. Water</strong> Customer Service Policy</td>
<td>PUB</td>
</tr>
<tr>
<td><strong>3. Tacoma Municipal Code (TMC), Title 12 – Utilities</strong></td>
<td>City Council</td>
</tr>
<tr>
<td><strong>4. TPU</strong> Customer Privacy Policy</td>
<td>PUB</td>
</tr>
<tr>
<td>*<em>5. <em>Advanced Meter</em></em> Customer Side Repairs</td>
<td>PUB</td>
</tr>
<tr>
<td><strong>6. Tacoma Power</strong> Staff Procedure A-7</td>
<td>Utilities Director</td>
</tr>
</tbody>
</table>

*New policy or procedure*

Updated: 5/21/2020
Package 1 Policies - Summary

1. Customer Services Customer Service Policy
   a. AMI Opt-Out Policy Language
   b. PrePay Program Policy Language

2. Water Customer Service Policy
   a. Virtual Disconnect/Reconnect Definition
   b. Clarification of Customer Owned Pipe and Utility Owned Asset
   c. Non-AMI, Essential Update: Critical Medical Condition Definition

3. Tacoma Municipal Code (TMC), Title 12 – Utilities
   a. Electric Daily Demand Reset (changed from monthly)
   b. Unauthorized Usage Clarification for Water Virtual Disconnect/Reconnect

4. TPU Customer Privacy Policy

5. *Advanced Meter Customer Side Repairs

6. Tacoma Power Staff Procedure A-7
   a. Allows for separately metered residential, domestic use, garages to be eligible for the Residential Service electric rate.
Upcoming Target Dates

May 27<sup>th</sup> PUB Meeting
- Detailed Policies Discussion
  - PrePay Overview

June 10<sup>th</sup> PUB Meeting
- Detailed Policies Discussion
  - Opt-Out Review and Fee Recommendation
  - Advanced Meter Customer Side Repairs

July (Tentative)
- PUB Adoption of Package 1 Policies

August (Tentative)
- City Council Adoption
  - Adoption of Package 1 TMC Changes
  - First and Second Council Readings

Updated: 5/26/2020
PayGo: Pay as you go electric service

- 2005: Internal employee pilot
- 2006: Offered pilot to external customers
- 2019: PayGo pilot system was decommissioned

- TPU was one of the first utilities to offer remote pay programs (IVR – interactive voice response, Pay Boxes, mail, online, etc.)

- PayGo had over 1,400 customers at its peak

- Disconnections only occurred 8am-8pm M-F, no disconnections on holidays

- Customer could set alert levels for notification of funds
PrePay History: PayGo

- In-home display – hourly updates
  - Yesterday’s Use
  - Last 7 Days
  - Last 30 Days
  - Amount Remaining
  - Date and amount of last payment
  - Low balance reminder, email & text

- Web site view of usage and balance

- Automated phone system – 24/7

- Cardless system
PrePay: Benefits

- No security deposit
- Zero interest installment plan – automatic debt repayment
- Tools to manage energy and bills
  - Monitor usage
  - Alerts
  - Identify malfunctioning appliances/equipment
- Benefits from pledge assistance
  - Internal
  - External (community partners valued lower bill amounts)
- Energy education for the whole family

Similar to smart thermostats, PrePay is an opportunity for energy education.
When: 2021 - 2022

What: New PrePay program similar to PayGo
• Utilizes features of advanced metering
• Modifications/updates to fit new systems
PrePay Provisions:

- Residential electric service customers
  - Utilizes advanced electric meter’s remote disconnect/reconnect capability

- No households on life support

- TPU can implement global holds to prevent disconnects (e.g. inclement weather, emergencies)

- Daily updates of energy usage

- Low balance reminders and usage alerts
  - Disconnections only scheduled 8:30 am-3:00 pm M-F, no disconnections on holidays
  - Service reconnected automatically upon sufficient payment, 24/7 and 365 days per year
  - Service converted to standard invoicing, if connection not restored within 10 days

- PrePay customers receive statements itemizing account activity (instead of invoices)
Customer Communication Strategy
  • Advertising campaign
  • Potential pre-registration list

Web Portal Enhancements
  • Online and Mobile Access
  • Online sign-up