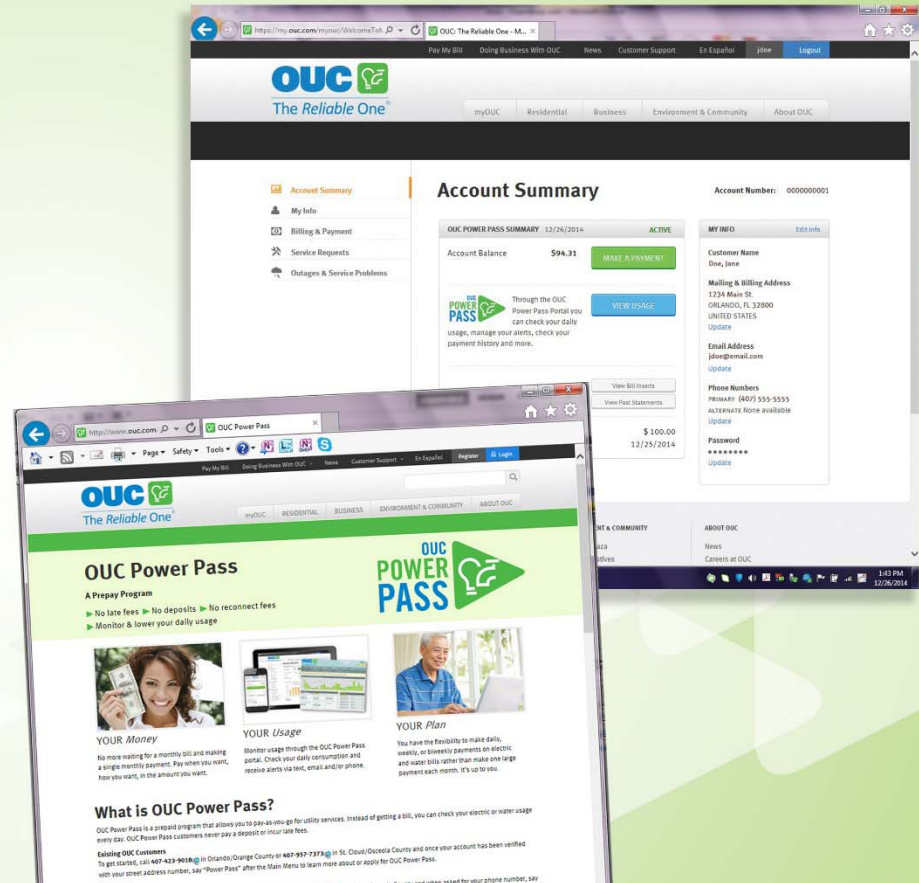




OUC POWER PASS



Prepaid Power Pass

- OUC uses a third party software from Exceleton to manage its prepaid metering program
- MyUsage™ Prepaid is a web-based, hosted solution that communicates with AMI and CIS system to manage prepaid accounts for electricity, water and other utility services
- Exceleton charges a monthly fee per customer ranging from \$6 to \$3 based on the number of customers



Prepaid Meter Program

- Program Details
 - Optional Program
 - Customer choose to take part
 - Provides customer with control over their energy and water cost
 - Encourages conservation
 - No deposits required
 - Good option for apartment complexes with more mobile residents
 - Provides alternative for customers caught in the delinquency cycle

Prepaid Metering Program

- Exceleron's Prepaid Account Management System (PAMS)
 - Manages day-to-day functionality of the prepaid system
 - Account balances
 - Disconnect/Reconnect
 - Customer Communication
 - All hosted software solution with no hardware to buy
 - All utility services, fees, arrears and taxes included
 - Usage and fees calculated daily and deducted from account
 - Integration with OUC's CIS, MDM, website and IVR
 - Customer access through myOUC.com or IVR

Prepaid Metering Program

- Program objectives
 - Lower the amount of OUC's aged receivables
 - Lower OUC's bad debt write-off
 - Fewer field trips for disconnection for non-payment
 - Increased customer satisfaction
 - Reduced calls to Customer Service and Collections

Why Prepaid Power Pass Program?

Customer Benefits

- No deposits or deposit bill-ups
- No late fees
- No disconnection or reconnection fees
- Can be used to pay down/off arrears
- Increased customer satisfaction with their utility
- Budgeting control over their utility expenses
- Detailed information on their daily energy and water use
- Ability to see current balance
- Conservation effect (5 to 10 percent)

OUC Benefits

- Greater customer satisfaction
- Improved cash flow
- No financial risk on prepaid accounts
 - No write-offs
 - No bad debt
 - No collection services/payment plans
- Can collect on old debt and past due balances
- Reduced billing/mailing costs
- Fewer disconnect/reconnect trips
- Long-term reduced staffing
- Conservation effect (5 to 10 percent)

Prepaid Power Pass – Project Timeline

Milestone

Date

Program Development	January 2013 - July 2014
Project Go-Live (Soft Roll Out)	July 2014
Full Deployment	October 2014

Prepaid Power Pass – Projections

- 320 new program participants each month
- \$3 monthly service charge beginning in year 2
 - Original \$6 service charge was lowered to \$3
 - Additional benefits were identified
 - Lower service charge will assist with participation goals
- Customer Participation Goals
 - 3,500 active participants by September 2015
 - 6,400 active participants by September 2016

Prepaid Power Pass – Program Development

Program Development - January 2013 to July 2014

- Integration of the prepaid metering system (MyUsage) to all of OUC's customer systems
 - PS-ERM, IVR, Web, ESB, MDM, AMI, Elster Head End
- Initial system training of prepaid team
- Configuration of MyUsage software (rates, business rules)
- Initial development of policy, procedures, training materials and workflows
- Redesign of IVR & Web to accommodate prepaid metering customers

Prepaid Power Pass– Focus Groups & Marketing Research

Focus Groups & Marketing Research – December 2013 to June 2014

- Focus group segments:
 - Multi-family
 - 23-30 year olds
 - Vacation home owners
- Energy conscious
 - Small business
- Feedback incorporated into program
- Revised market penetration
- Fully developing marketing plan
- Finalizing branding/logo
- Prepare for soft roll out and full deployment phases

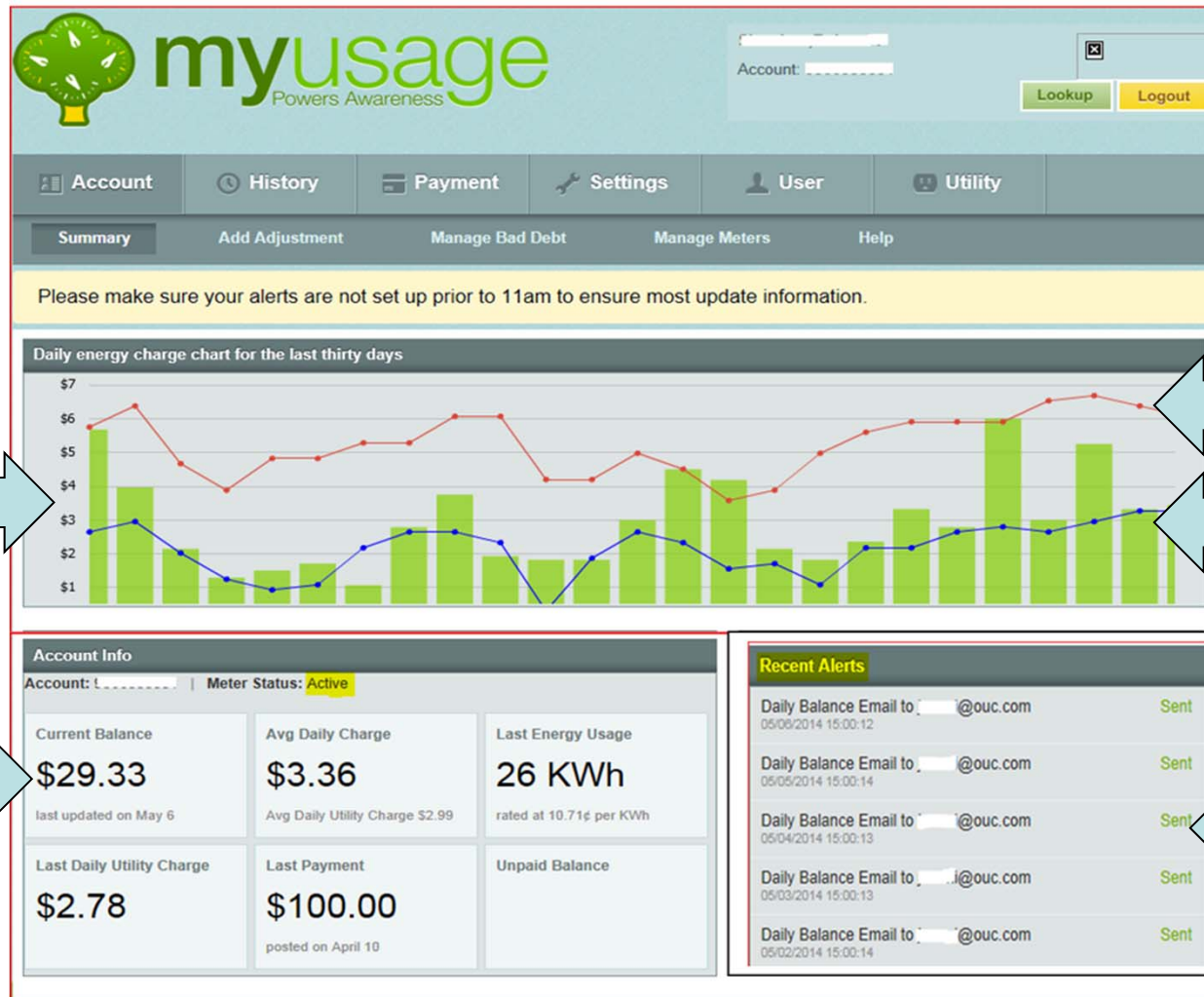


Prepaid Power Pass – Employee Pilot Project

Pilot Project - February to June 2014

- Began February 23, 2014 (8 employees)
- Multi services (electric, water, garbage, sewer, reclaimed)
- Testing of account set up, all payment channels, daily meter readings, daily balance calculations, debt recovery, and disconnects
- Also testing customer alerts for:
 - Pending start
 - Pending disconnect
 - Low balance
 - Disconnect
 - Daily balance
 - Reconnect
- Alerts sent via text, e-mail, or telephone (customer's choice)
- Feedback from employee customers
 - Data (daily readings) gives insight into possible high usage, malfunctioning equipment, or problems such as water leaks
 - Like to see how much they are spending on a daily basis
 - Seamless integration of Prepaid into the IVR and Web is critical

Prepaid Power Pass– Customer Dashboard



This chart displays Daily Dollar Charges.

Daily High Temp.

Daily Low Temp.

Current Daily Account Balance on account. It decreases daily.

Daily Alerts List of alerts that have been sent to customer.

Prepaid Power Pass- Project Go-Live

Soft Roll Out - July 2014

- The Prepaid Metering system has the following functionality:
 - Connect, Disconnect, Web, IVR, Alerts, All Payment Channels
- Started with a small group of approximately 100 external customers
- Ran through several billing cycles

Full Project Deployment - October 2014

- Fully implement marketing plan
- Available to all qualified customers
- Monitor, Analyze, Improve

OUC Power Pass

- OUC Power Pass is like filling your car with gas
- With your car...
 - You pay for your gas in advance at the gas station
 - The amount of gas you use depends on how often, how fast, and how far you drive
 - Your fuel gauge tracks your usage (full, empty, or somewhere in between)
 - Your fuel light alerts you when your gas tank is running low
 - An empty gas tank stops your car
 - Adding more gas re-starts or keeps your car running



OUC Power Pass

- With OUC Power Pass...
 - You pay for your electricity, water and wastewater in advance by filling your account with funds (gas station)
 - Pay through any payment channel or payment location
 - Your customer dashboard (fuel gauge) tracks your usage and account balance (balance also available by telephone)
 - Usage depends on your energy consumption level (i.e., air conditioning use, water heater setting, appliance use, lights)
 - Alerts are sent when your balance is running low (fuel light)
 - Cell phone, smartphone, tablet, laptop, PC
 - An account with a zero balance disconnects your services after a one day warning (out of gas)
 - Adding funds to your account reconnects your service or keeps it on (refill your tank)

OUC Power Pass

The OUC Power Pass program puts you in total control of your utility services

1 Buy Power



Purchase
Anytime, Anywhere

2 Monitor Use



See Consumption / Daily
Cost Online

3 Get Alerts



Get Text, Phone, Email
Notifications

OUC Power Pass Program Details

- Consumption for all services is deducted from your account daily
- A new account balance is shown each day based on the prior day's consumption
- Daily meter readings and the current account balance are available through your *my.ouc.com* online profile or by phone

OUC Power Pass Program Details

- Existing deposits will be applied to the account to cover the final bill and/or create the initial Power Pass account balance
- A brand new OUC customer is required to pay \$90 to open an account: \$40 account set up fee + \$50 credit balance
- Past due debt recovery (30%) if applicable
- \$3 monthly program fee (waived)

OUC Power Pass Program Details

- Remote disconnect and reconnect
 - Power disconnected one day after balance drops below \$0.00
 - Power is reconnected once the negative balance + \$10 has been paid
 - Water is disconnected by the HOA seven days after the electrical service is disconnected if a payment has not been made to the Power Pass account
- Customer alerts sent via text, email, and phone for:
 - 1) Pending start
 - 2) Low balance
 - 3) Daily balance
 - 4) Pending disconnect
 - 5) Disconnect
 - 6) Reconnect

Prepaid Power Pass - Deployed

- Over 4,648 customers are now on Power Pass
- Average number of payments per month, per customer:
- Average customer payment: \$23.94
- Total alerts Calls sent to date: 48,958
- Total alerts Text sent to date: 244,762
- Total Alerts E-mail sent to date: 151,737
- Total Debt Recovered \$431,683 and Total Deposits Returned \$1,470.734

Exceleron Software Presidential Award of Excellence awarded to OUC

- This is awarded to the utility that best exemplifies its prepaid program's implementation, integration, training, promotion and growth. It is awarded to OUC with emphasis on recognition of the rapid growth of its prepaid, multiple services program and its ability to carefully consider how best to address its consumers' needs while offering viable options to traditional billing. Additionally, Exceleron recognizes OUC for its many contributions to its prepaid platform as a member of its Users Advisory Board. It is with great honor that Exceleron present this Presidential Award of Excellence to OUC and its prepaid team.

- This award began last year, 2014, in recognition of Marsha Potts who was instrumental in the success of Farmers Electric Cooperative (Greenville, TX) and who ultimately lost her battle with cancer the same year. It is awarded to that individual who stands out in his/her promotion of prepaid and who demonstrates leadership in helping to achieve a successful program. Each year, utilities are asked to nominate such an individual and OUC elected to nominate Sandra Curling noting she was crowned the “Subject Matter Expert” but further noting her attention to detail, her analytical abilities, her performance of all related tasks, and her consistent communication with the team regarding OUC’s prepaid program, PowerPass.



Questions?