



MEMORANDUM

TO: Low Income Consumer Advisory Task Force (LICATF)

FROM: Denise Kuehn, Director of Energy Efficiency Services

DATE: July 17, 2015

SUBJECT: On-Bill Repayment Questions by Members: Lanetta Cooper, Cyrus Reed, and Dan Pruett from June 19, 2015 Meeting

The following information is a response to questions that members Lanetta Cooper, Cyrus Reed, and Dan Pruett requested at the June 19, 2015 LICATF meeting in regards to on-bill repayment.

Lanetta Cooper:

1. How would a customer's partial payment be applied?
2. Can a customer be disconnected for failure to pay on the loan?
3. Will a late payment penalty fee be assessed against the loan repayment portion of the bill?
4. If the EE savings assumed for setting the amount of loan repayment are not realized, what happens to the loan repayment amount? (Can there be a re-negotiation?)
5. How realistic is this proposal? Will loan entities actually request this service?

Cyrus Reed:

1. Is it focused on all buildings or only multifamily?
2. Does the loan follow the person or meter and how do they disclose to the next person?
3. How does AE get credit in its goals for any savings that result from repayment program?

Dan Pruett:

1. Who pays third party?
2. Who determines credit worthiness?

Staff Response

On-bill repayment is not a current offering of Austin Energy. Currently, this potential program is being further investigated with the key stakeholders including other City agencies.

Questions such as loan criteria, credit scores, assessment of the amount of risk to the City, and the impact on electrical service if bill is unpaid are all being discussed and reviewed with respect to current City of Austin policies. Additional discussions are being held with Velocity Credit Union with regard to their lending practices, processes, and other considerations. We have met with Austin Energy Accounts Payable, Finance and Customer Care to review the technical aspects.

Ongoing research will continue.