

SmartGridCIS Fuels “Pay-as-you-Go” Program for Wake Forest Power

Wake Forest Power, a municipal utility serving more than 6,400 residential and commercial customers in Wake Forest, NC, had a problem. Two years ago, one of its customers was more than \$1,000 past due on her power bill, and in order to be reconnected, she needed to come up with a \$200 deposit, plus half of what she owed. It didn't seem possible that this customer would ever be eligible to have her lights on again.



Fast forward to today, and this same customer is in a much different position. She has managed to pay off her past due amount despite using an average of \$10 of electricity per day. Not only that, but this same customer who had been disconnected 95 times over the last two years has not incurred one late or reconnection fee. How is this possible? Through the Pay-As-You-Go program, a prepaid bill payment option offered by Wake Forest Power. The program allows customers to pay when they want, in the amount they want. Usage is calculated daily, and if a customer runs out of credit and is disconnected, then it only takes a payment of three days average usage to be turned back on.

“Utility companies are about the only ones left that allow you to you use their product first and then pay for it later,” says Andrew Brown, customer service supervisor for Wake Forest Power. “The traditional model of payment creates a tremendous amount of liability. We were looking for a way to reduce ours, and a prepay program just made sense. It’s definitely working, and it’s a win-win for us and our customers.”

No Deposit. No Brainer.

Wake Forest Power is just beginning to tap the potential of the prepay program, and it would not be possible without smart meter technology. The utility is now installing smart meters in all rental units, whether an apartment or a single-family home, because renters represent the highest risk for default. Residents still have a choice of pre- or post-pay, but “once we tell them there is no deposit, most of them choose the prepaid option,” notes Brown. The municipality added three apartment complexes in the last 18 months, and plans to install prepaid-enabled smart meters on the 2,500 units. They plan to bring another 1,500 meters online in the next year in a new neighborhood with single- and multi-family homes.

In addition to no deposit, customers on the Pay-as-You-Go option never have to pay a late fee or reconnection fee again. The entire prepay program is automated - from turning the power on, to billing, to monitoring accounts - so customers do not have to absorb associated operational costs. “We don’t roll a truck, we don’t send a bill. Everything, including reconnections, is done virtually between the smart meter and our backend software, SmartGridCIS’ Gridlink Prepaid,” explains Brown.

“It saves us more than it costs, and it doesn’t cost the customer, either. We don’t cut a bill, we don’t roll a truck. Everything is done between the customer, the meter, and SmartGridCIS’ GridLink Prepaid.”

The power behind Pay-As-You-Go: Gridlink Prepaid

Gridlink Prepaid, a cloud-based customer billing and services solution from SmartGridCIS, is the engine behind the prepaid program. The software allows Wake Forest Power to customize the Pay-As-You-Go program to their specifications. For example, the utility checks for reconnection every five minutes, so if a customer has been disconnected, but then makes a payment, his power will be restored within five minutes. Customers can choose to receive automated phone messages, text messages and/or email alerts letting them know when their account balances are getting low.

Brown says that most customers are savvy about knowing what their power consumption is, and they sometimes manage it down to the hour. “We don’t turn power off on the weekends, but if an account doesn’t have a balance by 11 a.m. on Monday, then it is disconnected. We get several payments at 10 a.m. on Mondays,” he says. Customers can pay online, over the phone, or at a kiosk at the utility’s headquarters, and payments are posted immediately to accounts.

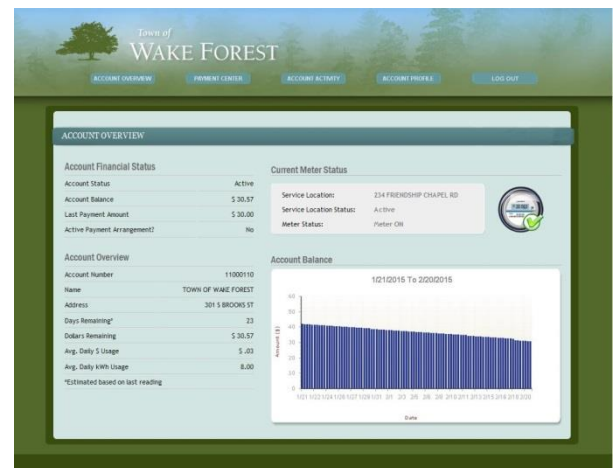
One of the reasons Wake Forest Power chose to work with SmartGridCIS was the ease of use and the flexibility of the software. “All of the different parameters of our program are made possible with the customization available in Gridlink Prepaid. And, if for some reason we need to override one of the settings, we have the flexibility to do it for everyone or down to an individual customer,” explains Brown.

Brown also likes the built-in reporting capabilities, which he uses to monitor account balances. “I look at accounts with negative balances every day. I can see patterns, and if something seems off, it may be a mistake with metering, rather than customers not paying. Then, we know we need to fix something before it becomes an even bigger problem.”

Another great feature provided by Gridlink Prepaid is the customer-facing web portal, according to Brown. Wake Forest Power provides a link to the portal on its home page. When customers log into the portal, they are directed to a separate, secure site. “The great thing is that the portal interface is designed with the same look and feel as our website, so customers have a seamless transition and a consistent brand experience. This is important to us because the web portal is where customers are spending most of their time. They are monitoring their usage, communicating with us, and paying their bills,” says Brown.



Wake Forest Power Home Page



Gridlink Prepaid Web Portal Account Summary

Service and support make all the difference

Before choosing to work with SmartGridCIS, Wake Forest Power evaluated several different options. “We chose SmartGridCIS because they are able to accommodate a stand-alone prepaid program. We did not have to worry about integration with our existing systems, which was definitely a good thing. It was pretty much plug and play,” says Brown. An existing relationship with the utility’s smart meter provider also helped because it meant less time converting meters or installing new ones.

The utility started with a pilot program with just a few customers, including the one who was more than \$1,000 in arrears. “In addition to learning more about running a prepaid program, one of the things we learned during the pilot is just how good the customer service and support is from SmartGridCIS,” says Brown. “I admit we had some issues at the start, but every time I called, they resolved the problem quickly, usually the same day. The quick response is extremely important when dealing with new technology, and especially when it’s related to customers. You don’t want to be put in a queue or wait days to talk to someone. That doesn’t happen with SmartGridCIS.”

“I like where SmartGridCIS is headed and the fact that they are growing and expanding. Prepay is the future,” says Brown.

About Prepay

Offering a prepaid product to delinquent customers can significantly improve collection rates and improve customer satisfaction. But prepaid is not just for delinquent and high-risk customers. Today’s consumers are “buying” into the concept of prepaid with their cell phones, prepaid debit cards, and more. So why not offer it for electricity? It’s the perfect complement to a smart metering environment. Combine that with the growing “prepaid” trend and industry experts are predicting a 20% adoption rate by the year 2020. Imagine what that might be worth to your company.

About SmartGridCIS

SmartGridCIS is a leading provider of energy billing and CIS solutions for utilities and retail energy providers (REPs) that want to fully leverage a smart metering infrastructure. Since making the prepaid energy platform available commercially in 2009, SmartGridCIS has continued to build a steady and diverse customer base while continuously enhancing their product offerings. SmartGridCIS recently introduced GridLinkCIS, a single platform to support any metering technology, across multiple commodities, for both traditional postpaid and prepaid utility billing.