Mason County PUD No. 3 Procedures

Procedures Name: **ADMINISTERING PREPAY ACCOUNTS**

<table>
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<tr>
<th>Effective Date: December 1, 2019</th>
<th>Procedures No.: ADM/PrePay/d</th>
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<tr>
<td>Department: CUSTOMER SERVICE</td>
<td>Approved By: Manager</td>
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<td>Recommended Review: Every 2 years</td>
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**POLICY:**

The PrePay Policy is located within the Electrical Service Rules and Regulations and reads as follows:

- PrePay accounts are billed at the same rate as the other customers in their respective rate class.
- The daily billing includes the daily system charge, plus energy consumption, and any relevant monthly service or device charges in addition to taxes.
- PrePay account balances are calculated daily and customers are responsible to ensure a credit balance on the account in order to avoid disruption of service.
- PrePay customers will not receive a monthly billing, incur late fees, or receive a past due notice.
- Payments can be made in any amount, however service that has been disconnected due to a credit balance being depleted will not be reconnected until account credit of at least $50.00 has been reestablished.
- PrePay customers are not eligible for payment arrangements, budget billing, or bank draft.

**PROCEDURES:**

1.0 **PrePay Accounts are Calculated Daily and Billed at Same Rate as Other Customers in Rate Class**

PrePay account balances are calculated daily and are billed at the same rate as other customers in their respective rate class. The daily billing includes the Daily System charge, energy consumption, any relevant monthly service or device charges associated with the account, and taxes.

Customers are encouraged to register for a SmartHub online account in order to view daily usage data under the "My Usage" tab and to review payment and balance activity.

2.0 **PrePay Customers Have Several Options to Make Payments**

Payments may be made at any time using:

- Pay-by-Phone option at 1-844-255-3683.
- SmartHub online account service at my.pud3.org.
- Any PUD 3 office during normal business hours.

There are no transaction fees associated with payments made using any of these options.

Payments can be made in any amount; however, once service has been disconnected due to the credit balance being depleted, it will not be reconnected until an account credit of at least $50.00 has been reestablished.

3.0 **New PUD 3 Customers Electing to Sign Up for PrePay Will Have Normal Set Up Fees**

Customers electing to sign-up for a PrePay account must pay the normal set-up fee as adopted by the PUD 3 Board of Commissioners, and a $30.00 initial energy purchase.

4.0 **Existing PUD 3 Customers Switching to PrePay Will Have Balance or Credit Transferred**

Any existing deposit (if applicable) will be applied toward outstanding balances, and remaining credit (if applicable) will be applied to the PrePay account. If an outstanding balance remains after all
deposits, credits, and any unbilled usage is applied, the account may be reviewed for a debt recovery plan during conversion. Please note that any outstanding balances issued to a collections agency are subject to be paid in full before qualifying for PrePay. For customers with a qualifying outstanding balance, 25 percent of each PrePayment made will be applied to the outstanding debt until the balance is eliminated.

5.0 Mason PUD 3 Will Not Require a Deposit or Assess Late Fees

The PUD will not require a normal security deposit for a residential PrePay account. PrePay accounts are also not subject to residential account late fees and/or collection related fees.

6.0 PrePay Customers Will Not Receive a Paper Billing Statement

Once a PrePay account is established, customers will no longer receive a paper billing statement through the mail. All relevant usage and account balance information can be obtained by reviewing the SmartHub account at my.pud3.org, or by calling or visiting the PUD's office during normal business hours.

PrePay Customers are encouraged to register for a SmartHub online account in order to view daily usage data under the "My Usage" tab and to review payment and balance activity.

7.0 The PUD will Attempt to Notify PrePay Customers of Low Balances Through Contact Information Provided

PrePay customers can check their balance at my.pud3.org using the SmartHub online account service. It is the PrePay customer's responsibility to ensure a credit energy balance exists on the account in order to avoid interruption in service.

PUD 3 will attempt to notify the customer regarding low balances on the account, using the contact information provided. Customer consent is required to allow calls at the number provided on the account (landline or mobile). Customer may also choose to receive notifications by email or text through the SmartHub online account service. It is the customer's responsibility to notify the PUD of any contact information changes.

8.0 PrePay Customers Are Not Eligible for Payment Arrangements

Customers are responsible for managing their balances and will not be eligible for payment arrangements.

9.0 PrePay Customers Can Not Participate in Budget Billing

Because PrePay Customers are not tied to billing periods and control the amount of money they pay on their accounts at any given time, they will not be eligible for the Budget Billing program.

10.0 The PUD Can Still Accept Energy Assistance Pledges for PrePay Accounts

Energy assistance pledges and/or payments are accepted as part of the PrePay program but must be received by the agreed upon date to avoid automatic disconnection. The account holder is responsible to ensure timely receipt of payment.
11.0 PrePay Accounts Will Be Disconnected Any Time the Account Does Not Have a Credit Balance

A PrePay account will be subject to disconnection any time the account does not have a credit balance, this may include weekends, holidays, or during severe weather conditions. The Daily System rate will continue to accumulate even if the electric service is disconnected.

Payments can be made in any amount; however, once service has been disconnected due to the credit balance being depleted, it will not be reconnected until an account credit of at least $50.00 has been reestablished.

If service is disconnected during the weekend or on a holiday, the customer has the ability to make a payment using the after-hours payment options:

- SmartHub online account service at my.pud3.org
- Pay-by-Phone at 1-844-255-3683 (check or credit card payments)

12.0 PrePay Customers May Still Make Payments Even When the PUD 3 Office is Closed

PrePay customers are able to make payments after hours, during the weekend, or on a holiday, by using our SmartHub online account service by logging on to my.pud3.org. Customer may also make a check or credit card payment via our pay-by-phone option at 1-844-255-3683.

Any returned payments received on the account will be charged to the customer’s account immediately. If this causes the credit balance to be entirely depleted, service will be disconnected on the same business day.

Any tampering related activity will subject the account to immediate disconnection and any relevant tampering fees must be paid before service is reconnected.

13.0 A Customer May Request Conversion to Post-Paid Billing After 6 Months - Deposits and Fees May Apply

A PrePay customer may elect to convert the account to post-paid billing after a minimum of six (6) consecutive months on a PrePay account. PUD 3 reserves the right to charge a customer the normal set up fee to convert to a post-paid billing if conversion is requested within the noted time limits. If conversion is desired, PUD 3 may require full payment of the deposit as a condition of continued service. The deposit will be based on customer’s credit risk score initiated by PUD 3. Deposits will be calculated based on the total of two times the highest monthly bill at the service location during the preceding 12 months of active service.

14.0 Inactive Accounts will be Terminated After 45 Days of Disconnection

A PrePay account will be considered inactive after the account has been disconnected for 45 days. If the PrePay customer fails to purchase enough energy to bring the account to a credit balance during this time, the account will be terminated and the customer will be mailed a final bill to the address on file. To reconnect service, the customer will need to reapply for service, and may no longer be eligible for PrePay.

15.0 Termination of Service and Final Billing

A full settlement will be made when participation in the PrePay account service ends and the account is sent a final bill. Service terminated at the customer’s request will receive a full refund of any
remaining credit balance on the account. (Please allow 4 weeks processing time for reimbursement after service has been terminated).

16.0 Non-remote meter accounts

Prepay customers will be required to pay a security deposit in the estimated amount for a one-week billing period at the location where the electric service is requested. Whenever it becomes necessary for a District representative to make a field visit at the customer’s premises to disconnect electrical services after a credit is depleted, a disconnect fee shall be billed. Whenever it becomes necessary for a District representative to make a field visit at the customer’s premises to reconnect electrical services, after a credit is re-established, a reconnect fee shall also be billed.