Reporting Item

BOARD OF DIRECTORS

January 18, 2022

ITEM

Customer Trends Update [Note: Not presented due to time. Update posted on oppd.com.]

PURPOSE

To provide a quarterly update on customer trends and energy assistance

FACTS

1. The Board requested that management provide regular reports on the progress of customer programs and trends.
2. Customer accounts receivable balances have normalized in 2021.
3. Management will provide an update on aged debt and related trends as of December 31, 2021.

RECOMMENDED:

APPROVED FOR REPORTING TO BOARD:

Juli A. Comstock
Vice President – Customer Service

L. Javier Fernandez
President and Chief Executive Officer

JAC:rak
Customer Trends Quarterly Update

as of December 31, 2021

All Committee Meeting January 18, 2022
Continuing to monitor and adjust OPPD’s solutions as our customers’ needs are changing.

Customer First Solutions Expired 12/31/2021
- Automatically waive collection & reconnect fees on first field visit
- Customer service representatives to waive up to 3 late payment charges for a customer in a 12-month period
- Suspend assessing additional deposits due to field collection visits

Customer First Solutions Continuing
- Call to business customers regarding upcoming disconnections
- Call to customers with scheduled field visits for proactive communications and awareness
- Flexible payment schedules will remain available for customers

Energy Assistance
- OPPD received $131,871 for Heating Supplemental benefits for 349 customers

Promotional/Marketing Campaign
- Promotions live for upcoming Heat the Streets scheduled for March 5, 2022

Next Steps
- Continue to review economic recovery indicators to suggest alternatives
- Customer arrears review for a noticeable shift beyond consistent historical metrics
- Review of industry & pandemic trends
- Payment Installment Plan shift from pilot program to standard business practice in Q2 of 2022
- Development underway for Customer Assistance Program pilot. (CAP)
## Summary of Aged Debt

<table>
<thead>
<tr>
<th></th>
<th>Residential</th>
<th>Commercial &amp; Industrial</th>
<th>% Change</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>December 2021</td>
<td>December 2020</td>
<td>% Change</td>
<td>December 2021</td>
</tr>
<tr>
<td>% of Accounts Current</td>
<td>88.9%</td>
<td>89.0%</td>
<td>-0.1%</td>
<td>92.2%</td>
</tr>
<tr>
<td>% of Accounts in Arrears</td>
<td>11.1%</td>
<td>11.0%</td>
<td>0.9%</td>
<td>7.8%</td>
</tr>
<tr>
<td>Total Aged Debt &gt; 30 days (in millions)</td>
<td>$6.0</td>
<td>$6.7</td>
<td>-10.8%</td>
<td>$3.4</td>
</tr>
<tr>
<td>Total Aged Debt 91+ Days (in millions)</td>
<td>$0.9</td>
<td>$1.5</td>
<td>-38.1%</td>
<td>$0.2</td>
</tr>
<tr>
<td>Total Service Agreement Count &gt; 30 Days (in thousands)</td>
<td>42.3</td>
<td>41.9</td>
<td>1.0%</td>
<td>2.2</td>
</tr>
<tr>
<td>Total Service Agreement Count &gt; 91+ Days (in thousands)</td>
<td>7.7</td>
<td>9.9</td>
<td>-20%</td>
<td>0.5</td>
</tr>
</tbody>
</table>

### LIHEAP Only Accounts

<table>
<thead>
<tr>
<th></th>
<th>December 2021</th>
<th>December 2020</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>% of Accounts Current</td>
<td>63%</td>
<td>65%</td>
<td>-2%</td>
</tr>
<tr>
<td>% of Accounts in Arrears</td>
<td>37%</td>
<td>35%</td>
<td>4%</td>
</tr>
<tr>
<td>Total Aged Debt &gt; 30 days (in millions)</td>
<td>$1.2</td>
<td>$0.9</td>
<td>29%</td>
</tr>
<tr>
<td>Total Aged Debt 91+ Days (in millions)</td>
<td>$0.1</td>
<td>$0.3</td>
<td>-46%</td>
</tr>
<tr>
<td>Total Service Agreement Count &gt; 30 Days (in thousands)</td>
<td>4.3</td>
<td>4.0</td>
<td>8.0%</td>
</tr>
<tr>
<td>Total Service Agreement Count &gt; 91+ Days (in thousands)</td>
<td>1.1</td>
<td>1.4</td>
<td>-22.3%</td>
</tr>
</tbody>
</table>
Residential Arrears Dollars by Age of Debt
Active Accounts

1. Announced suspension of disconnects for non-payment due to COVID-19
2. Announced suspension of Late Payment Charges
3. Announced reinstatement of Late Payment Charges and disconnects for non-payment beginning in July
4. Resumed assessment of Late Payment Charges and disconnects for non-payment
Residential Counts by Age of Debt
Active Accounts

*Jan. – March 2017 data not available
Announced suspension of disconnects for non-payment due to COVID-19
2 Announced suspension of Late Payment Charges
3 Announced reinstatement of Late Payment Charges and disconnects for non-payment beginning in July
4 Resumed assessment of Late Payment Charges and disconnects for non-payment
Commercial & Industrial Counts by Age of Debt

Active Accounts

*Jan. – March 2017 data not available
Note: Historically, a Disconnect Notice was issued to a customer at the time of billing if the past due amount was > $100 and the customer has not demonstrated a good payment history. During the latter portion of March thru June 2020 a past due reminder letter replaced the Disconnect Notice since disconnects for non-payment were suspended during this time. The values during this period represent accounts that received a letter in lieu of a Disconnect Notice. Effective 8/25/2020, the threshold of the notice was set to > $200 which will decrease the number of Disconnect Notices generated from that point forward.
In 2020 disconnections for non-payment were suspended from early March to mid-July due to COVID-19.
Note: OPPD prioritizes field collection and disconnection activities to the highest and riskiest debt which is reflected with the higher dollar value for orders sent to the field for collections/disconnection for non-payment vs the average disconnect notice amount.
Timing of Reconnections after Disconnect for Non-Pay

*2021 Data is YTD
## Energy Assistance December 2021 YTD

<table>
<thead>
<tr>
<th>Funding Source</th>
<th>December 2021 YTD</th>
<th>Average Benefit</th>
<th>Distinct Accounts</th>
<th># of Payments</th>
<th>2020 Year End Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Energy Assistance Program</td>
<td>$261,850</td>
<td>$321</td>
<td>817</td>
<td>817</td>
<td>$377,571</td>
</tr>
<tr>
<td>COVID Relief Programs</td>
<td>$1,501,509</td>
<td>$363</td>
<td>3,940</td>
<td>4,707</td>
<td>$1,641,914*</td>
</tr>
<tr>
<td>LIHEAP</td>
<td>$5,048,322</td>
<td>$349</td>
<td>8,415</td>
<td>14,457</td>
<td>$5,846,198</td>
</tr>
<tr>
<td>Other Agencies Assistance</td>
<td>$3,285,045</td>
<td>$323</td>
<td>7,369</td>
<td>9,415</td>
<td>$1,489,902</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$10,096,726</strong></td>
<td><strong>$343</strong></td>
<td><strong>16,524</strong></td>
<td><strong>29,396</strong></td>
<td><strong>$9,355,585</strong></td>
</tr>
</tbody>
</table>

**LIHEAP Distribution**

- **Heating**: 33%
- **Cooling**: 49%
- **Crisis**: 4%
- **Deposit**: 0%
- **Supplement**: 14%

**Douglas County COVID-19 Utility Assistance Program**

- **Completed Applications** #: 3,246
- **Approved Applications** ^: 2,000
- **Average benefit**: $500
- **Total Dollars Granted**: $1,000,000

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*2020 amounts do not include the $501,187 of CARES Act December Payments received that were processed in January 2021.

*Total applications completed for the program.

#Electronic applications completed when program closed on 5/7/2021.

^Customers approved for the Douglas County COVID-19 Utility Assistance Program.