

# SRP M-Power®



...A better way  
to **keep** customers in power & **save** energy, too.

# SRP Pre-Pay History

- 1993 – Pay As You Go Pilot 100 participants on hard-wired installation
- 1995 – Pay As You go Program launched for credit challenged customers
- 1999 – M-Power Introduced
  - 1,400 customers transitioned to Motorola equipment
  - Program opened to any residential customer
- 2005 – Transitioned to Ampy system
  - 38,000 prepay customers and growing

# Utility Benefits of PrePay

## Avoided Costs

- Read meter (12 per year)
- Prepare and send bill (12)
- Send disconnect notice (8)
- Calls to request extension (6)
- Payment at Business Office (8)
- Reconnect (1)
- Write-off

# **Credit Activity Consumes Substantial Resources in Customer Services**

Out of 867,000 customers in August 2005:

- 74,000 called regarding credit issues
- 66,000 made face-to-face payments (typically last minute)
- 164,000 were billed late fees
- 17,000 received field notices or were disconnected

# Electricity is:

1. Intangible
2. Sold on credit

Life skills and mindset are required to manage the household electric bill.

# Real-Time Information Makes Electricity “Tangible”

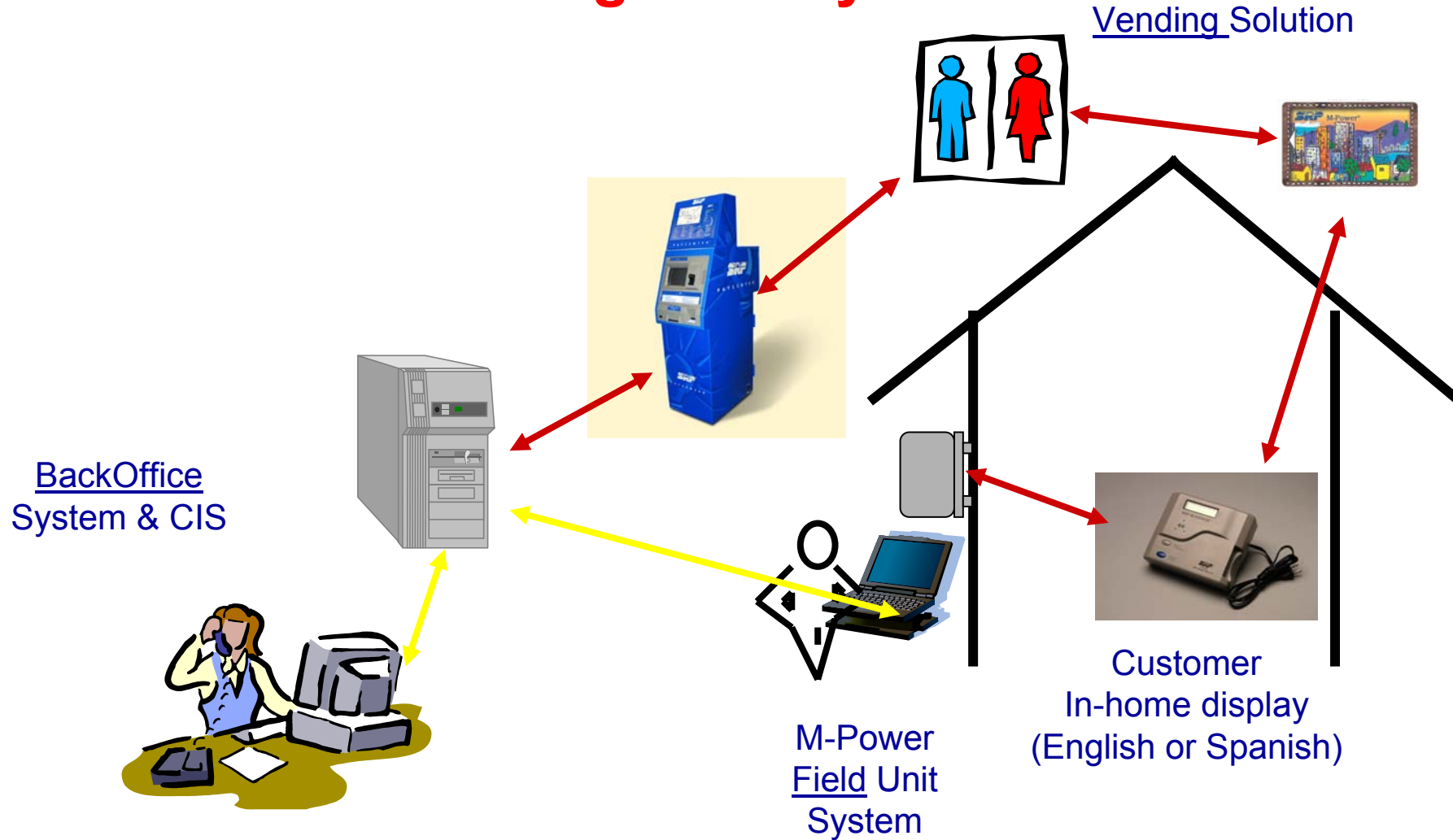


- Current cost per hour is \$0.xx
- Rate Y charge is \$x.xxxx/kWh
- Cost today is \$x.xx
- Cost yesterday was \$x.xx
- Cost this month is \$xx.xx
- Cost last month was \$xx.xx
- Enough credit for xx days
- Remaining credit is \$xx.xx

In-Home Display Unit

# How Does M-Power Work?

## An Integrated System



# OUR CUSTOMERS SPEAK



“The M-Power program has brought a comfort level that I’ll not get a bill I can’t pay.”

**Leah**

“There were times when I got turned off and would have to pay a deposit of \$150. I couldn’t do it....I wouldn’t trade M-Power for anything in the world.”

**David**



# COMMUNITY ORGANIZATIONS SPEAK



**Janice Parker**  
Executive Director  
Save the Family  
Foundation

“We’re a non-profit with HUD as a funding source. Before M-Power, it was not a good experience because Save the Family is required to pay the electric bill. It was difficult to get clients to not stand with the refrigerator door open, or the outside door that let in heat. Now we give clients a smart card and they monitor their usage and make the power last. M-Power changes our clients’ behavior.”

# Customer Satisfaction

- 84% of M-Power customers are very satisfied or satisfied with the program.
- 95% of customers on program tell us they have more control over electricity used.
- Reduced deposits.
- Accommodating paydowns of arrearages for those transferring from credit service with past-due balances.

# Customer Experience

- **Average purchase** -\$17.90
- **Average # of purchases per month**
  - Summer = 7
  - Winter = 5
- **Average # of customers who disconnect per month = 20%**
  - Of these, average # of disconnects per month = 2

## Energy Savings

- **Summer**
  - 13.8% decrease
- **Winter**
  - 11.1% decrease
- **Annual**
  - 12.8% decrease

# SRP M-Power Conservation Effect Study FY04

- Pre-test/Post-test Control Group Design
- 2,600 customers/ 12 months
- M-Power vs E-23 residential rate
- Stratified by energy consumption, dwelling, geographic location, seasonal
- 12.8% annual weighted average consumption decrease by M-Power customers
- Energy savings consistent with previous studies

# SRP PowerWise™ Pilot

- Pre-test/Post-test Control Group Design
- 1,000 E-23 customers/ 12 months
- Utilizing prepay equipment in credit mode
- Stratified by energy consumption, dwelling, geographic location, seasonal, credit code, MicroVision
- In-home display has preprogrammed energy saving tips

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