



Customer Payment/Affordability Trends Update

All Committee Meeting

September 17, 2024



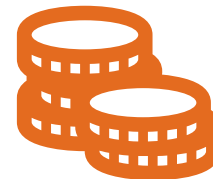
Agenda



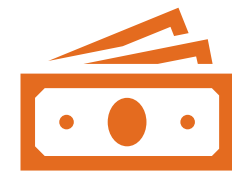
Customer Care &
Engagement



Affordability
Trends



2024 Economic
Trends



2024 Economic
Outlook

Executive Summary

- 88% of Residential customers and 94% of Commercial & Industrial customers are paying within 30 days in 2024.
- 66% of Low-Income Home Energy Assistance Plan (LIHEAP) customers are paying within 30 days in 2024. A decrease in energy assistance funding is contributing to increasing outstanding balances.
- The Electric Burden Gap (Affordability) among low-income customers continues to increase.
- 32% increase in gross write offs year to date, highest total since 2019.
- Inflation, unemployment rate, and disposable incomes were showing signs of normalizing at the midway through 2024. Nevertheless, prices – and delinquent balances – continue to increase.
- Arrears and affordability conditions are better than utilities across the country as a result proactive and early response to COVID-19 pandemic.
- Reprioritized internal resources to focus on engaging LMI customers in resource adequacy and helping customers save money on their bill.



Customer Care & Engagement



2024 Customer Care Highlights



Connected customers with assistance resources and flexible payment options through in person touchpoints, emails, and over the phone.



Launched online enrollment in Level Payment Plan and Payment Installment Payment Program.



Proactively communicated with low-income customers current on their bill about the Customer Assistance Program (CAP Pilot).



Hosted inaugural Assistance Pop Up Event in South Omaha to engage our Spanish speaking customers.



Piloted Community Resource Fairs to meet our customers where they live and provide information on available resources

2024 Customer Engagement Highlights

Energy Assistance Pop Up



- Event Overview
 - On May 8, OPPD teamed up with Latino Center of the Midlands, Family Housing Advisory Services, and United Way/211 assisted customers in signing up for our Assistance Program.
 - Social Service Workers from the State were on-site to assist with applications for LIHEAP.
 - OPPD staff were on-site to assist customers with bill questions and support EAP sign-ups.
- Customer Impact
 - 43 customers were assisted with their electric bill.
 - \$9,981 dollars in energy assistance was disbursed with a \$331 average benefit per household

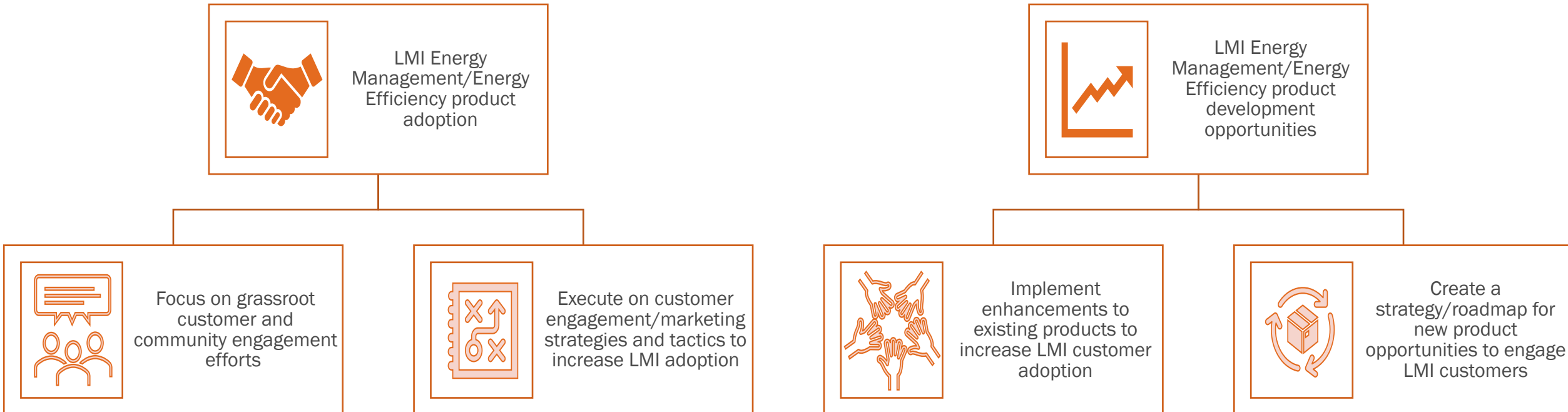
Community Resource Fair



- Event Overview
 - On June 7, at Salem Baptist Church, we held our first Community Resource Fair. With 15 non-profit agencies and OPPD's customer care representatives on site, this one-stop fair served over 300 customers in a two-hour timeframe.
- Customer Impact
 - Provided \$29,924 in energy assistance that was distributed to 82 customers,
 - Enrolled 39 customers in the Customer Assistance Program (CAP) Pilot Program,
 - Assisted 24 customers who were not eligible for assistance by enrolling them in the Payment Installment Program at OPPD to get them caught up on their bill.
 - Enrolled 97 customer in Level Payment Plan

LMI Customer Engagement in Resource Adequacy

Key Activities





Customer Affordability & Economic Trends



Customer Assistance Solutions

- Energy Assistance Program (EAP)
- Low Income Home Energy Assistance Program (LIHEAP)
- Customer Assistance Program Pilot
- Pay Plan
- Gift of Energy
- Payment Installment Program
- Level Payment Plan

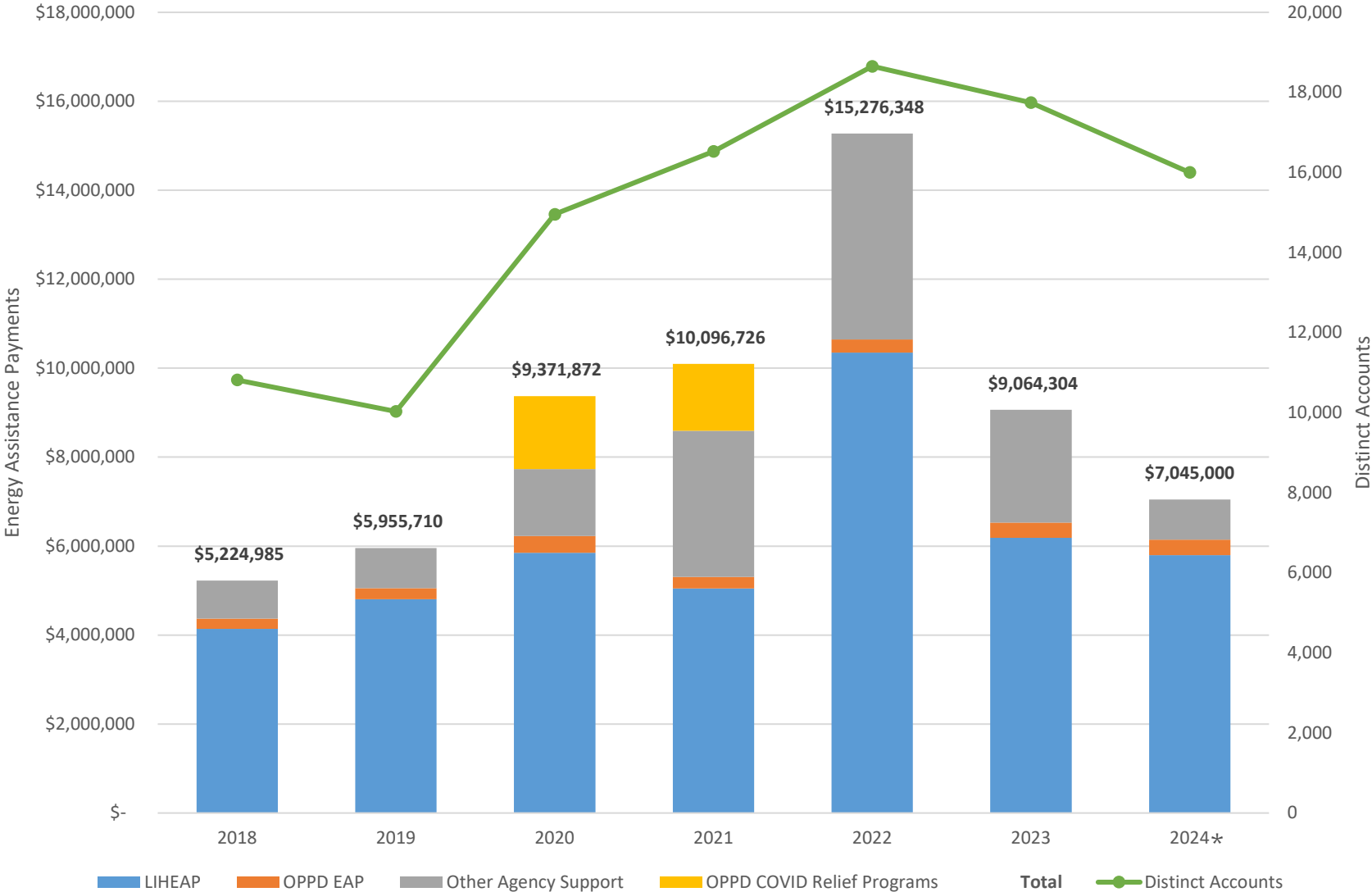
- Energy Efficiency Assistance Program (EEAP)



Addresses Bill
Payment Options

Addresses Energy
Usage

Customer Assistance Trends



Customer Assistance Program (CAP) Pilot (07/31/2024)	
Electronic Applications*	10,895
Customers Enrolled+	3,054
Customers Dismissed^	1,673

*Total applications completed for the program and not eligible due to either being over income or having a balance.
 +Customers eligible and successfully enrolled into the program.
 ^Customer dismissed for non-payment.

Energy Assistance Program (EAP) (7/31/2024)		
Year	Customers Served	Funds Distributed
2021	817	\$261,850
2022	844	\$295,830
2023	933	\$340,099
2024	708	\$260,440

Payment Installment Program (7/31/2024)			
Year*	Enrollments	Costs Adjusted	Paid in Full
2022	889	\$554,846.32	24
2023	2,886	\$2,042,003.63	230
2024	1,888	\$1,345,780.00	179

Customer Assistance Trends



Year	EEAP Homes Served	EEAP Project Annual Electricity Savings*	Homes Received WAP funding	Projected Annual Electricity Savings WAP only*	Total Projected Savings EEAP & WAP*	EEAP Projected % annual bill reduction^	Total Projected % savings EEAP & WAP^
2021	52^	\$120.27	23	\$337.26	\$457.53	9%	30%
2022	73	\$197.54	46	\$343.11	\$540.65	12%	35%
2023	56+	\$134.07	44	\$309.72	\$443.60	9%	29%
2024	33#	\$80.46	10	\$339.80	\$420.26	6%	31%
Totals	214	\$144.10	113	\$329.80	\$473.90	11%	35%

*Projected savings derived from BPI audit completed by partner.

+WAP Administrator ended contract in Douglas County w/ NDEE, new vendor will be added in fall 2024.

^Pandemic recovery & supply chain constraints impacted ability to serve homes

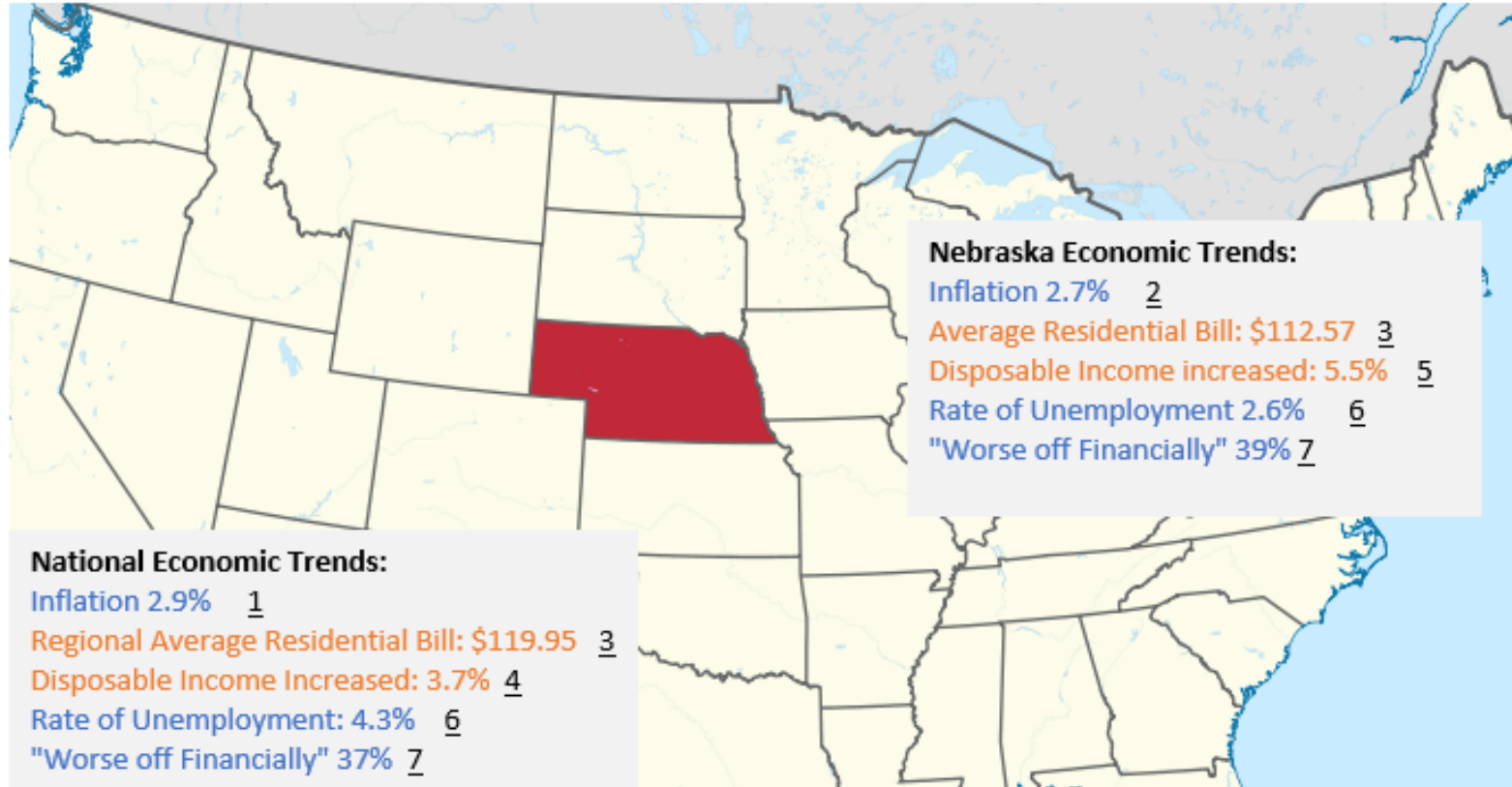
#Weatherization Assistance Program not available in Douglas County

Year to Date Summary of Aged Debt

	Commercial			Residential			LIHEAP		
	July	July		July	July		July	July	
	2024	2023	% Change	2024	2023	% Change	2024	2023	% Change
% of Accounts Current	93.80%	92.99%	0.81%	88.27%	89.79%	1.52%	66.33%	68.52%	2.19%
% of Accounts in Arrears	6.20%	7.01%	0.81%	11.73%	10.21%	1.52%	33.67%	31.48%	2.19%
Total Aged Debt > 30 days (in millions)	\$2.31	\$3.03	23.9%	\$7.67	\$6.37	20.4%	\$1.06	\$1.01	4.8%
Total Aged Debt 91+ Days (in millions)	\$0.18	\$0.15	22.7%	\$1.45	\$1.27	14.3%	\$0.29	\$0.26	11.9%

- % Current for Residential and LIHEAP have increased slightly while commercial has decreased year to date (YTD).
- Residential aged debt balances increased slightly due to seasonal trends and are 20% higher YTD.
- Gross write offs have increased by 32% YTD (\$661,439) due to the decrease in energy agency assistance funding.

Economic Trends



¹ <https://www.usinflationcalculator.com/inflation/current-inflation-rates/> 2024 amounts

² https://www.bls.gov/regions/mountain-plains/news-release/consumerpriceindex_midwest.htm 2024 amounts

³ (Data from forms EIA-861- schedules 4A-D, EIA-861S and EIA-861U) for West North Central Region of USA - latest amounts available are for 2022

⁴ <https://www.ibisworld.com/us/bed/per-capita-disposable-income/33/> 2023 amounts

⁵ <https://fred.stlouisfed.org/release/tables?rid=110&eid=257197&od=#> 2023 amounts

⁶ <https://dol.nebraska.gov/Infolink> 2024 amounts

⁷ JD Power Q2 2024

Average Regular Unleaded Gasoline Price	2023	2024
Nebraska	\$ 2.92	\$ 3.26
National	\$ 3.13	\$ 3.48

Source: Nebr Dept of Environment and Energy & EIA

Household Debt Payment-to-Income Ratio	2023	2024
National	9.83%	9.78% (Q1)

Source: St Louis Federal Reserve

2024 Economic Outlook

These are the forecasted economic trends for 2024:

- Unemployment: the forecast is for unemployment to increase both locally and nationally
- Inflation: trends are cooling but likely to remain above the Fed's 2.0% target through 2024
- Energy Assistance funding has returned to pre-pandemic levels
- Delinquent balances will increase slightly due to less funding availability



Questions?

