



Empowering Utilities for the Future

Engaging Low Income Customers in Times of Crisis

July 23, 2020

Presented by

Bob Evely- Wells Fargo

Britton Gabel- OPPD

Jim Malcom- Apogee Interactive



Our Agenda



Presenters bios



Macro economic
trends



Utility programs
and initiatives



Targeted customer
engagement
strategies



Q&A



- Software as a Service (SaaS) provider focused on three major utility initiatives:



Customer
Engagement



Customer
Satisfaction



Program
Participation

- Best in class Data Analytics
- Providing Consistency, Building Customer Trust



Who We Are
Leading the market in
customer engagement

In our **27th** year

Serving
HUNDREDS
of utilities, reaching
MILLIONS
of customers





Jim Malcom, Apogee Interactive, Inc.

Jim provides oversight business and financial operations of the company. His senior management experience in the telecommunications and management consulting industries is providing strategic direction for Apogee's continued growth and success. He is a graduate of the University of Georgia with a bachelor's and master's degree in business administration, a certified public accountant, and a chartered global management accountant.



Britton Gabel, Omaha Public Power District

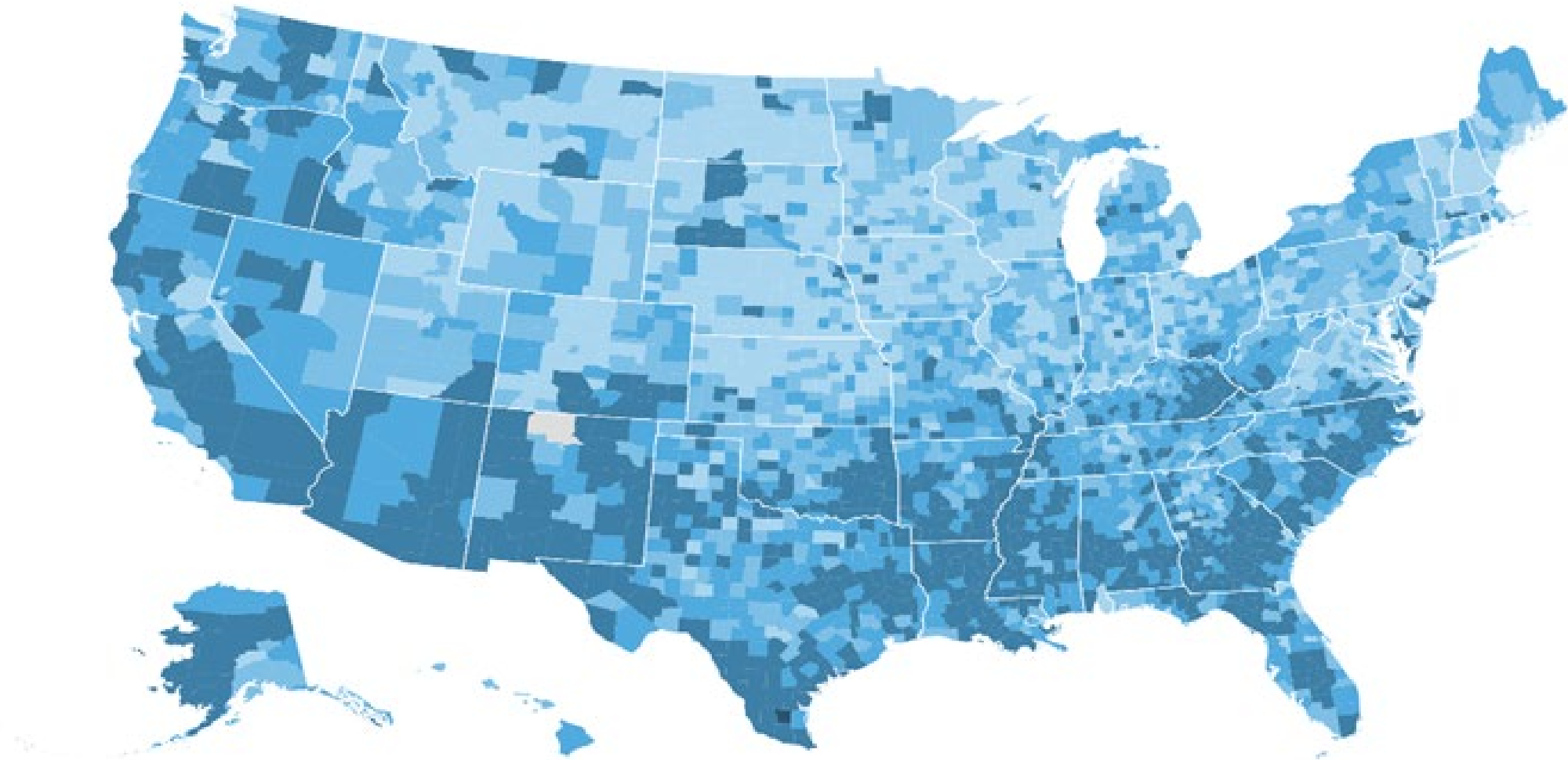
Britton manages the Income Qualified and Customer Advocacy Products and Services. He graduated from the University of Nebraska-Lincoln with a Bachelors of Science in Criminal Justice and Sociology. Prior to joining OPPD, Britton managed the Low Income Home Energy Assistance Program (LIHEAP) and Community Services Block Grant (CSBG) Program for the State of Nebraska. Britton has 13 years of diverse professional experience in administering State and Federal Programs that benefited individuals and families in need of assistance across the State. Britton's past positions at the State of Nebraska include IT Business Systems Analyst Supervisor, Social Services Supervisor, Child Care Development Fund Program Specialist, Resource Development Worker, and Children and Family Service Specialist.



Bob Evelyn, Wells Fargo

Bob Evelyn is a licensed principal and securities representative. He has a Masters Degree with an emphasis upon statistics and has graduated from the College of Financial Planning.

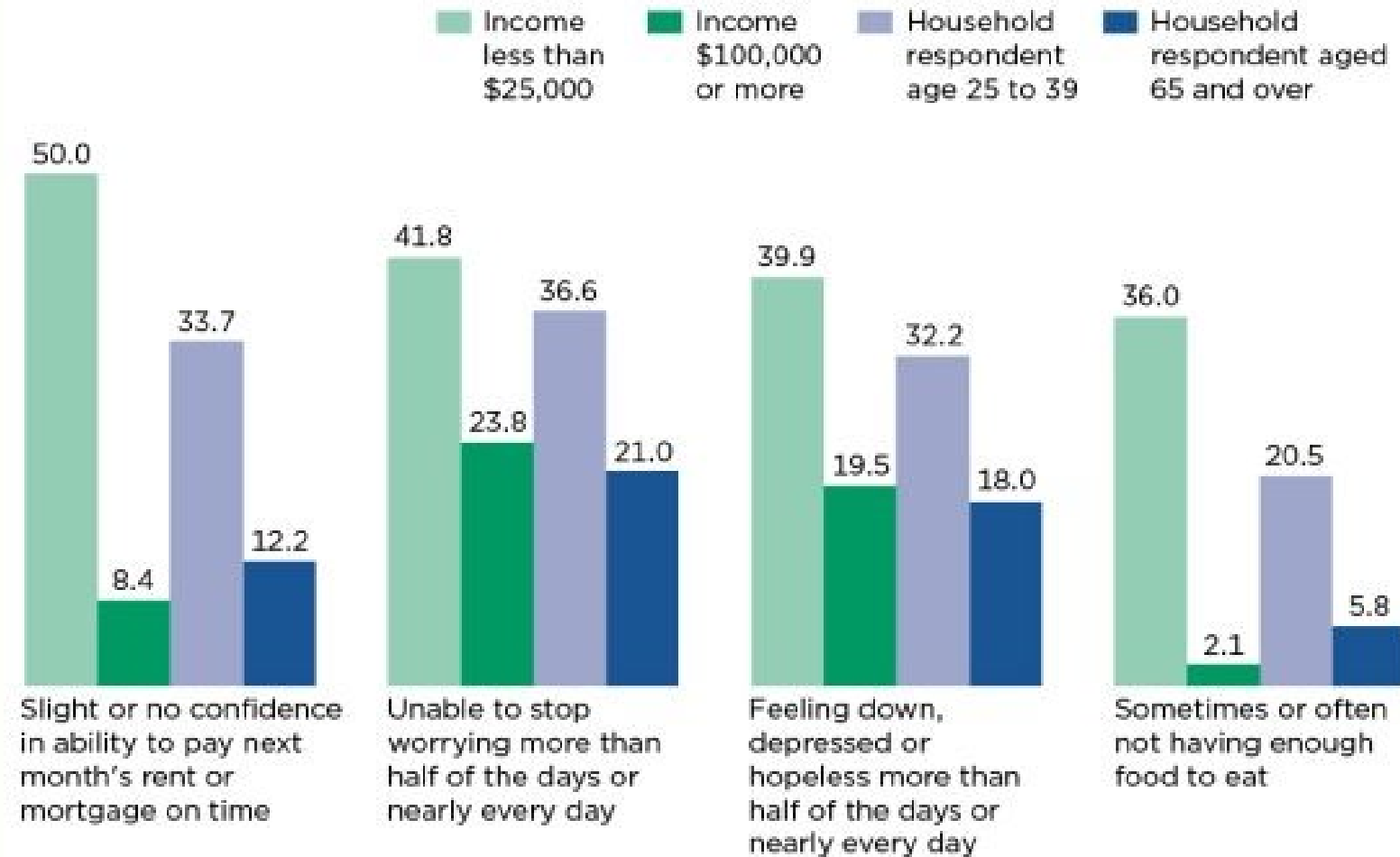
Bob works across our country helping clients manage their 401k plans more effectively and provide personal financial planning to their employees.



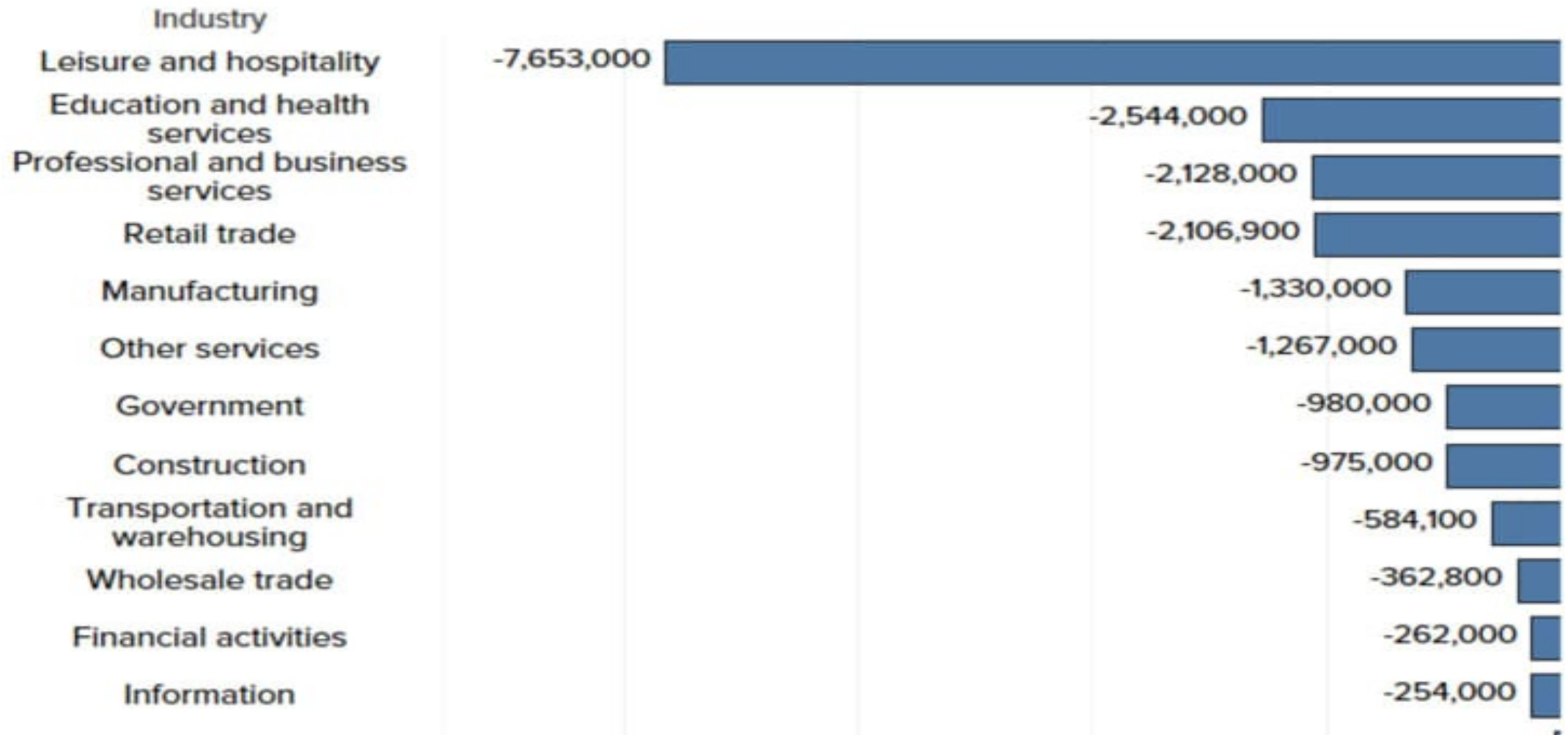
The map above shows places the CDC says are more vulnerable to "stresses on human health" because of a combination of factors — including poverty, education levels, housing quality and other issues like lack of access to transportation.

Losing Employment Income Matters More for Lower Income and Younger Households

(In percent)

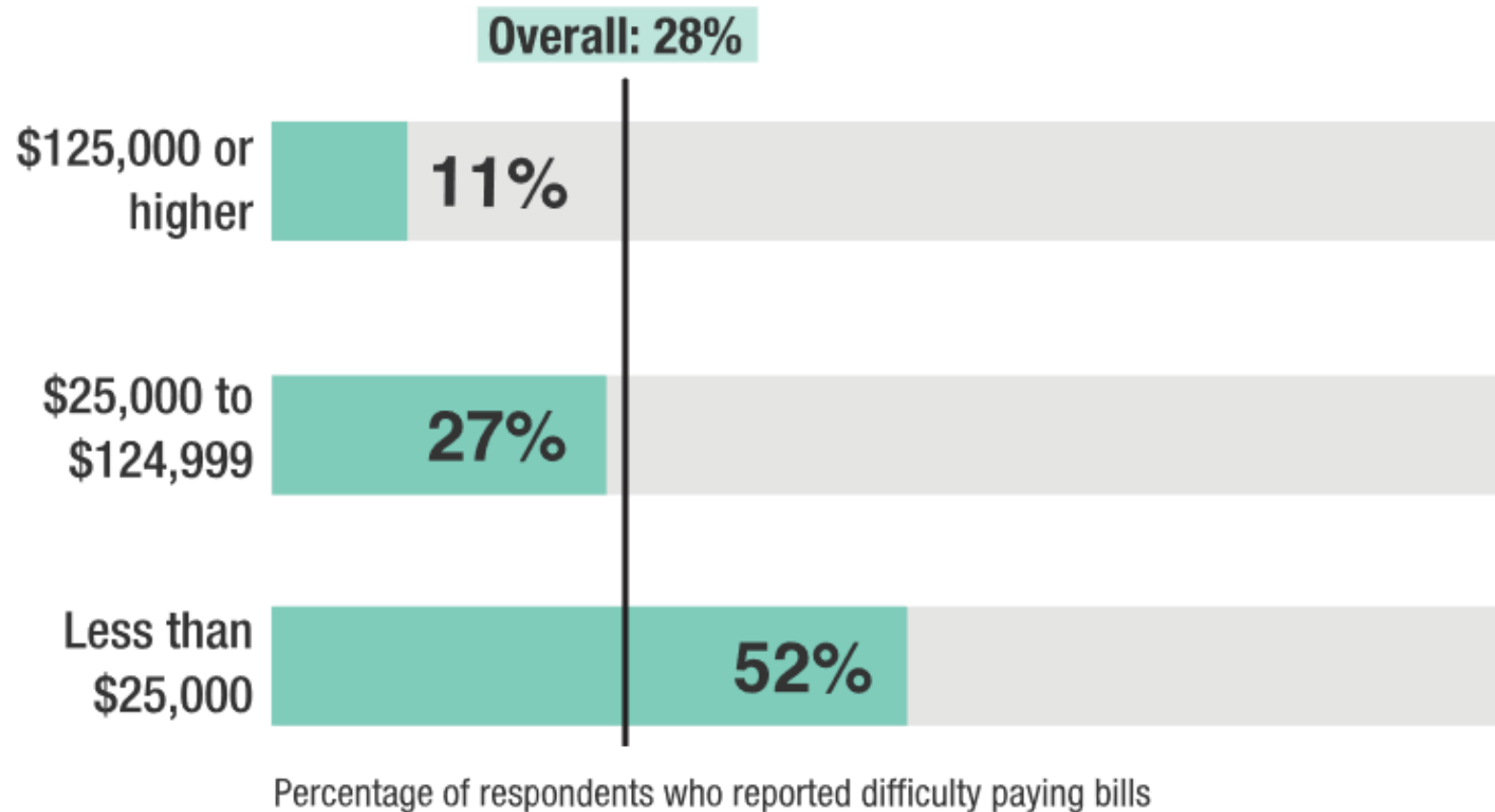


Source: U.S. Census Bureau, Household Pulse Survey, Round 6, June 4 to June 9.



The leisure and hospitality industry, which pays the [lowest average hourly wage](#) compared with other industries, has experienced the most layoffs compared with other sectors of the economy, according to Bureau of Labor Statistics data.

Figure 2. Difficulty Paying Bills, by Income Level



SOURCE: Authors' calculations based on 2,046 responses from the ALP survey conducted May 1–6, 2020.

NOTE: The exact wording of the question was "In the past month, how difficult has it been for you to cover your expenses and pay all your bills?" Respondents who selected "very difficult" or "somewhat difficult" are included in this figure. Household income is based on information from ALP's household information survey fielded in February 2020.

Methods of Paying Bills	Household Income		
	Less Than \$25,000	\$25,000 to \$124,999	\$125,000 or More
By putting it on my credit card and paying it off in full at the next statement	19%	17%	34%
By putting it on my credit card and paying it off over time	30%	37%	40%
With the money currently in my checking/savings account or with cash*	61%	84%	94%
Using a bank loan or line of credit	6%	14%	8%
By borrowing from a friend or family member*	42%	18%	7%
Using a payday loan, deposit advance, or overdraft	6%	13%	0%
By selling something*	48%	39%	7%
By using my stimulus payment	76%	87%	73%
By asking my landlord or mortgage provider for an extension	20%	24%	10%
I wouldn't be able to pay for the expense right now*	46%	33%	1%
Other	9%	8%	2%

SOURCE: Authors' calculations based on the ALP survey conducted May 1–6, 2020.

NOTE: The exact wording of the question was "What methods are you using or do you plan to use to cover your expenses?" Respondents were instructed to select all that applied. Household income is based on information from ALP's household information survey fielded in February 2020. Only respondents who indicated that they found it "very difficult" or "somewhat difficult" to pay their bills were asked this question. Sample size ranges from 475 to 492 because of some nonresponse for individual methods. * indicates that the response was statistically different across income groups at the 5-percent level of significance.

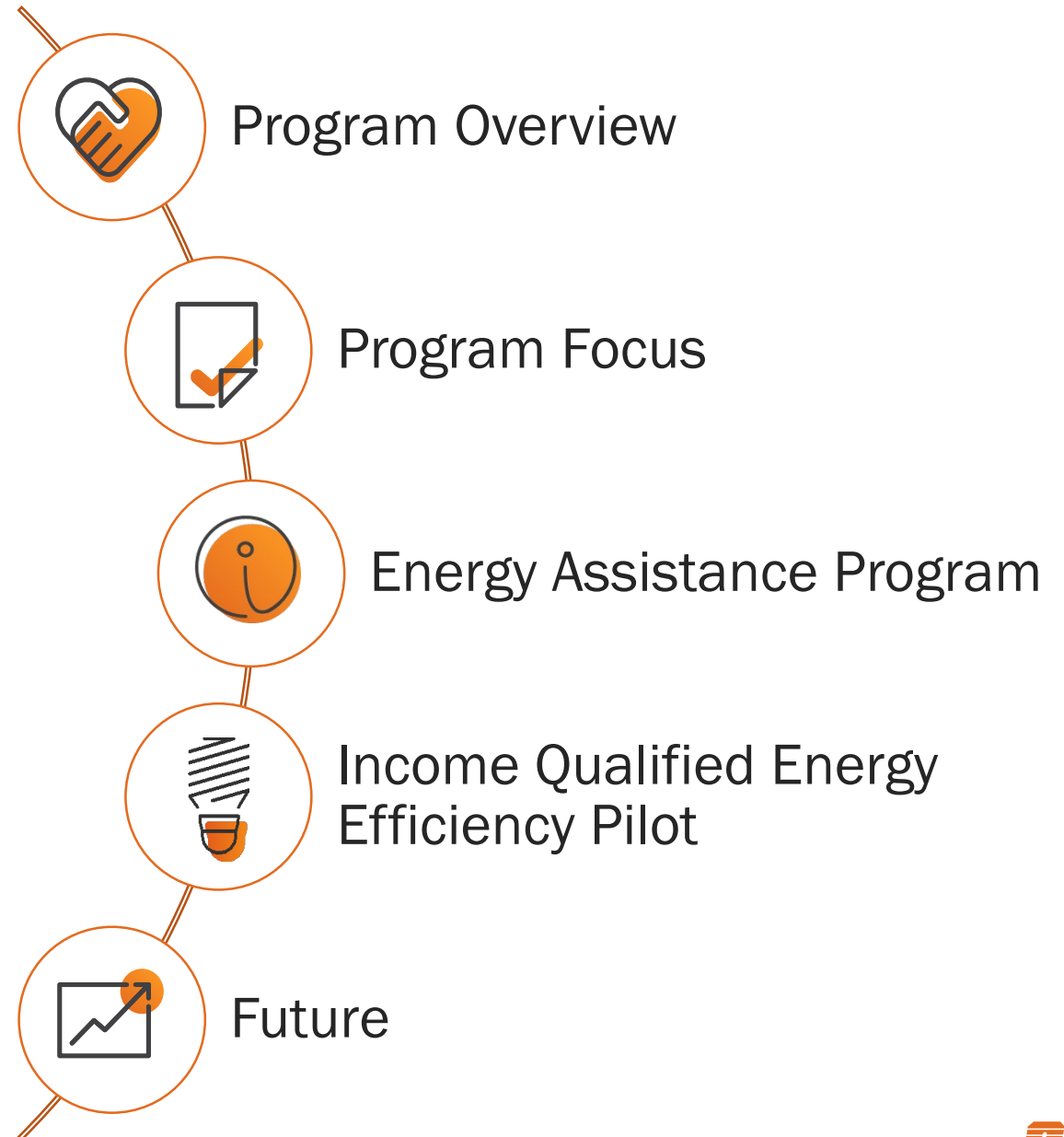


Income Qualified Programs

Presented by: Britton Gabel, Sr. Product Specialist



Agenda



Program Overview

- OPPD programs to assist customers experiencing financial challenges.
 - Energy Assistance Program (EAP)
 - Low Income Home Energy Assistance Program (LIHEAP)
 - Income Qualified Energy Efficiency Pilot Program
 - Low Use, Low Income Credit (LULI)
 - EAP Safe Neighbor
- Additional services to assist customers with budgeting utility expenses.
 - Level Payment Plan
 - Payment Plan Arrangements

Program Focus

- Focus of current programs to find efficiencies, expand relationships and growth
 - Launched Income Qualified Energy Efficiency Pilot Program (September 2019)
 - OPPD awarded \$50,000 APPA Deed Grant
 - Completed program administration request for proposal (RFP) which included expanded coverage ensuring customer access across the entire service territory
 - Energy Assistance Program Administrative Agency Change
 - Determined the most effective administration model for OPPD's EAP funds
 - Completed a full program evaluation and program administration RFP
 - Low Income Home Energy Assistance Program (LIHEAP)
 - Improved processes and collaboration between utilities (M.U.D.) and the State of Nebraska

Energy Assistance Program (EAP)

- Mission: Provide a program which is accessible, responsive, and impactful to the lives of vulnerable customers.
- Program Opportunities & Enhancements:
 - Access to assistance through the most efficient model
 - Leveraged community social service agencies to improve customer experience
 - Increased customer access to OPPD EAP Funds
 - Streamlined referral and application process
 - Established consistent eligibility requirements
 - Improved oversight and quality control of donor dollars
 - Improved reporting and performance metrics
 - Reduced overall program costs through lower administration fees
 - Updated EAP Website and Marketing Materials
 - Developed collaborative relationship between other utility partners

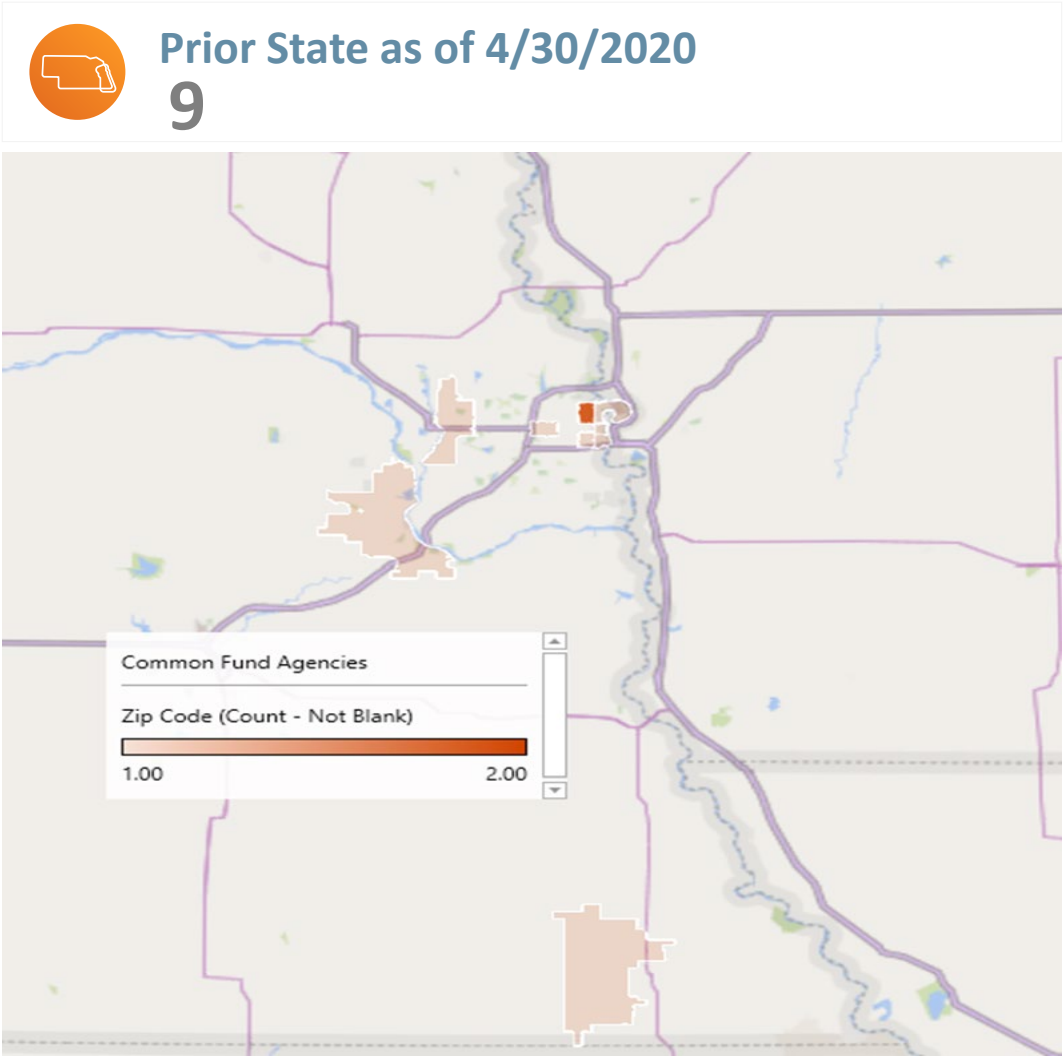
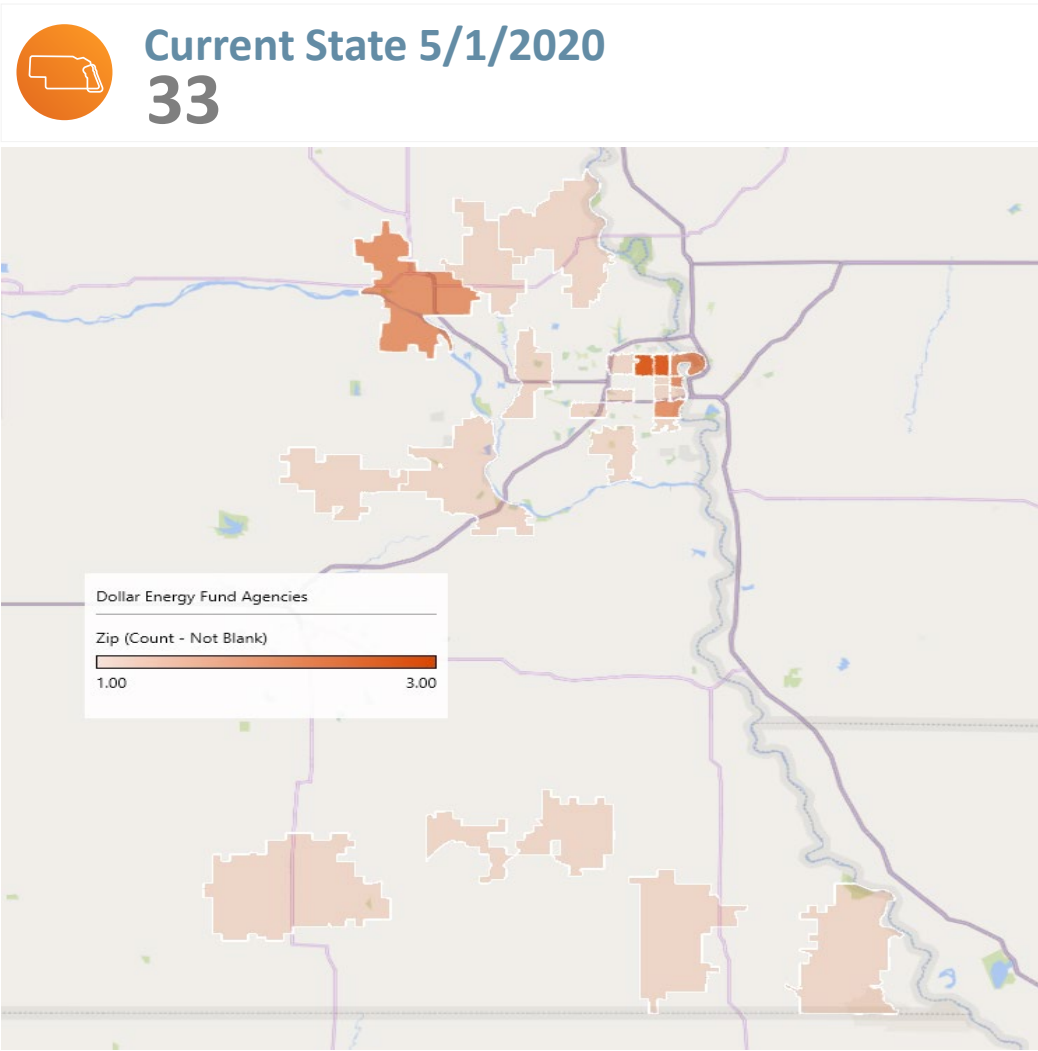


Energy Assistance Program (EAP)

- Program Overview:
 - Funds are distributed by a network of Community Based Organizations (CBO) managed by Dollar Energy Fund
 - Focus on keeping services and customer relationships local
 - Current number of CBO's: 28 (increased from 9 and still growing)
 - Program Criteria
 - \$500 maximum benefit per household
 - Household's gross income must be at or below 200% of the Federal Poverty Level Guidelines*
 - Eligible customers are those who are experiencing an acute financial crisis due to a verifiable emergency (illness, death, lay-off, loss of income, etc.)

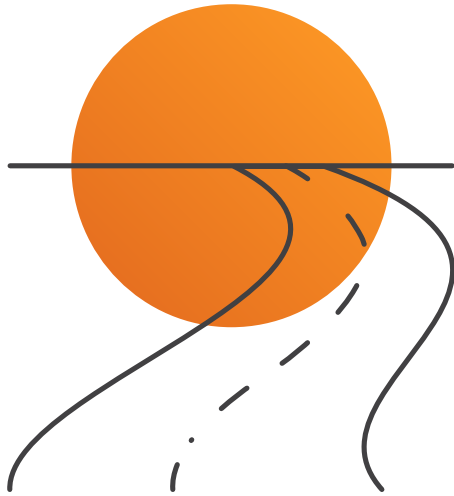
* Income criteria waived for households impacted by COVID-19

EAP Access Locations



211 Covers the entire services area with phone applications for Dollar Energy Fund

The Future with EAP



- Continued Community Based Organization Recruitment
- Donation Strategy Enhancements
- Electronic Application
- Program Dashboard
- Marketing Campaigns
- Process Improvement

Income Qualified Energy Efficiency Pilot

- Program designed to help customers improve the energy efficiency (EE) of their homes leading to reduced energy consumption and lower utility bills
 - ELIGIBILITY REQUIREMENTS
 - Household income less than 200% of the Federal Poverty Level
 - Customer must own their home and be an OPPD customer
 - PROGRAM DETAILS
 - In-home energy assessment is conducted to identify opportunities for EE upgrades
 - Customer receives a home EE kit which is installed during the assessment
 - Customer receives the completed home energy assessment report and including all recommended upgrades
 - Based upon the energy assessment findings, customer may receive up to \$1,000 of EE home improvements performed by a program contractor

Income Qualified Energy Efficiency Pilot

- Program Contractors
 - Habitat for Humanity of Omaha
 - Southeast Nebraska Community Action Partnership (SENCA)
 - 100% of OPPD service territory coverage
- OPPD awarded a \$50,000 APPA DEED Grant Update for 2020
 - Purpose of grant:
 - Increase energy efficiency measure investment to \$2,000 per home
 - 50 homes will receive additional funding beginning in March 2020
 - OPPD will utilize data to determine if current program EE investment is adequate

Income Qualified Energy Efficiency Pilot



AVG PROJECTED ENERGY SAVINGS
62,613 kwh, annually



PARTNER AGENCIES
13



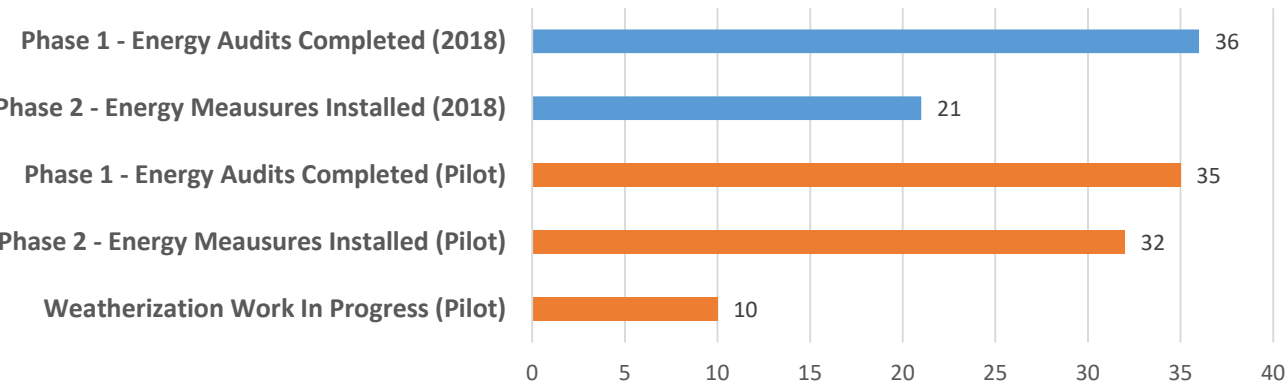
NET PRESENT VALUE
\$140,087



AVG PROJECTED UTILITY BILL SAVINGS
\$163 per home, yr.
vs. \$85 per home, yr. pre-pilot



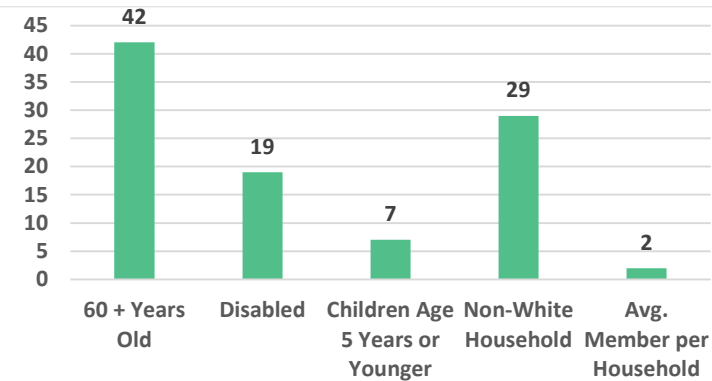
Comparative Participation Summary Pilot: September 2019 – March 2020



76
Households
Referred in Pilot



Demographic Data

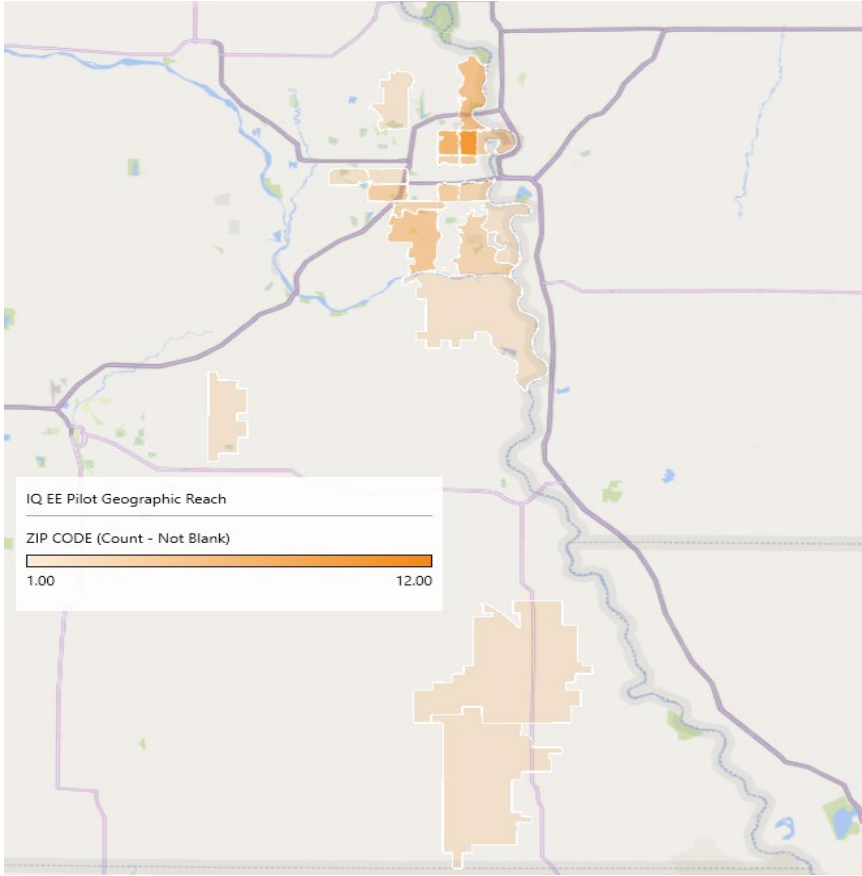


Investment Metrics

Measurement	Actual		Goal
Savings to Investment Ratio (SIR):	2.67	↑	1
Return on Investment (ROI)	26.5%	↑	5%
Household Investment	\$61,847	↓	75,000



Geographic Reach



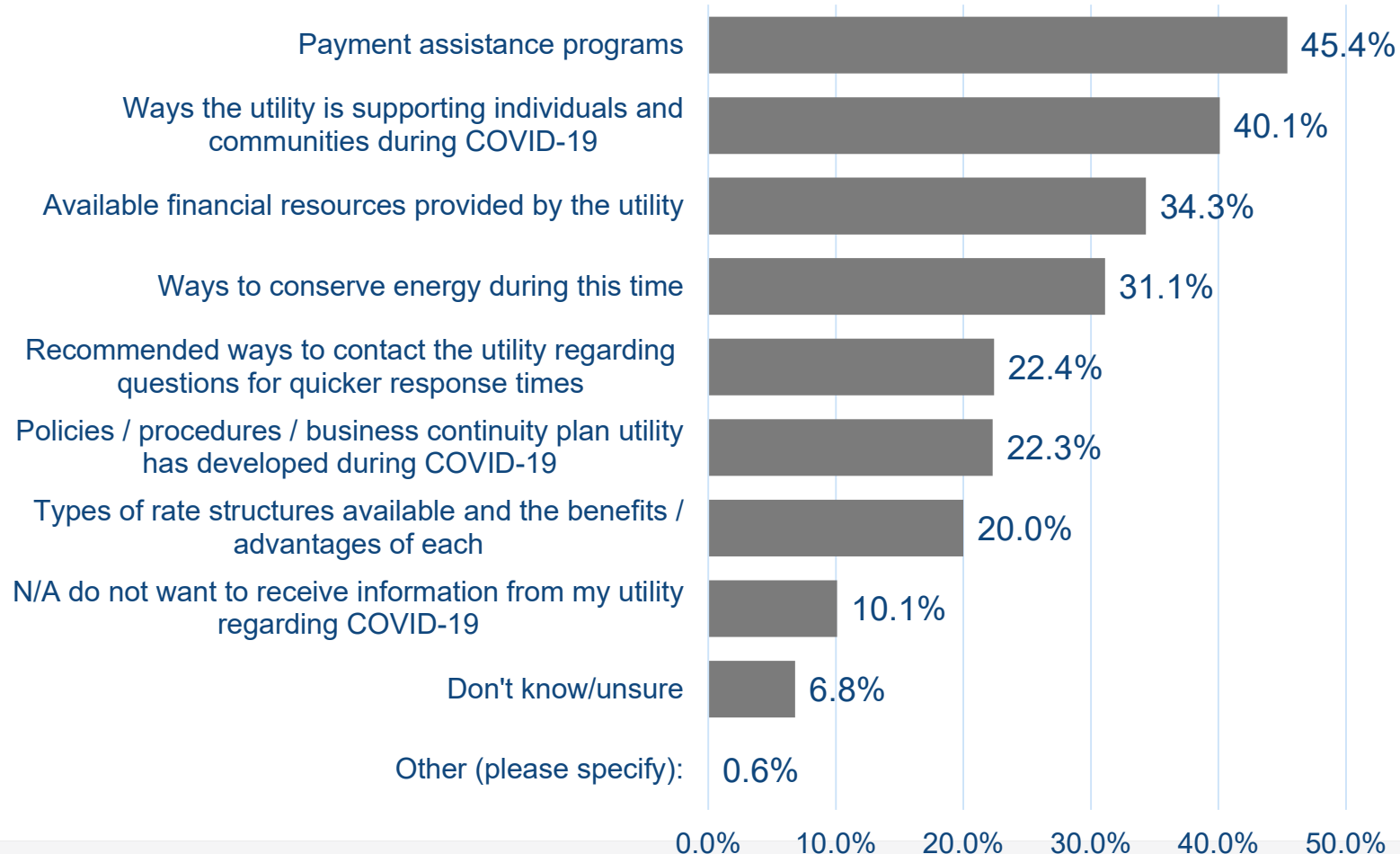


Empowering Utilities for the Future



Preferred Communication During COVID-19

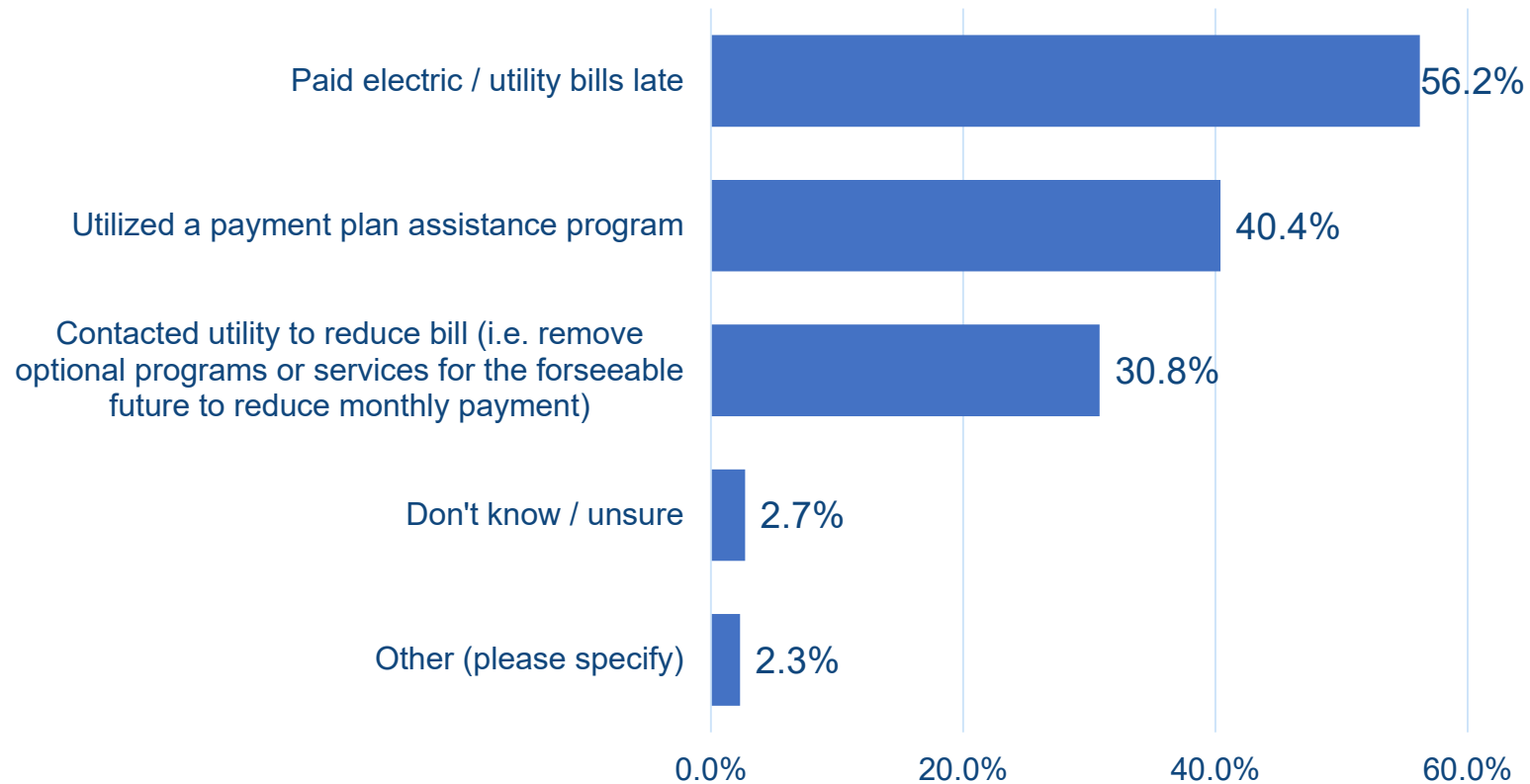
What COVID-19 related topics would you like to see more communication from your electric utility about?



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Financial Impacts: Electric Bill Payment Troubles

What adjustments have you had to make in your electric bill payment?





Personalization

Forbes

90% found personalization appealing

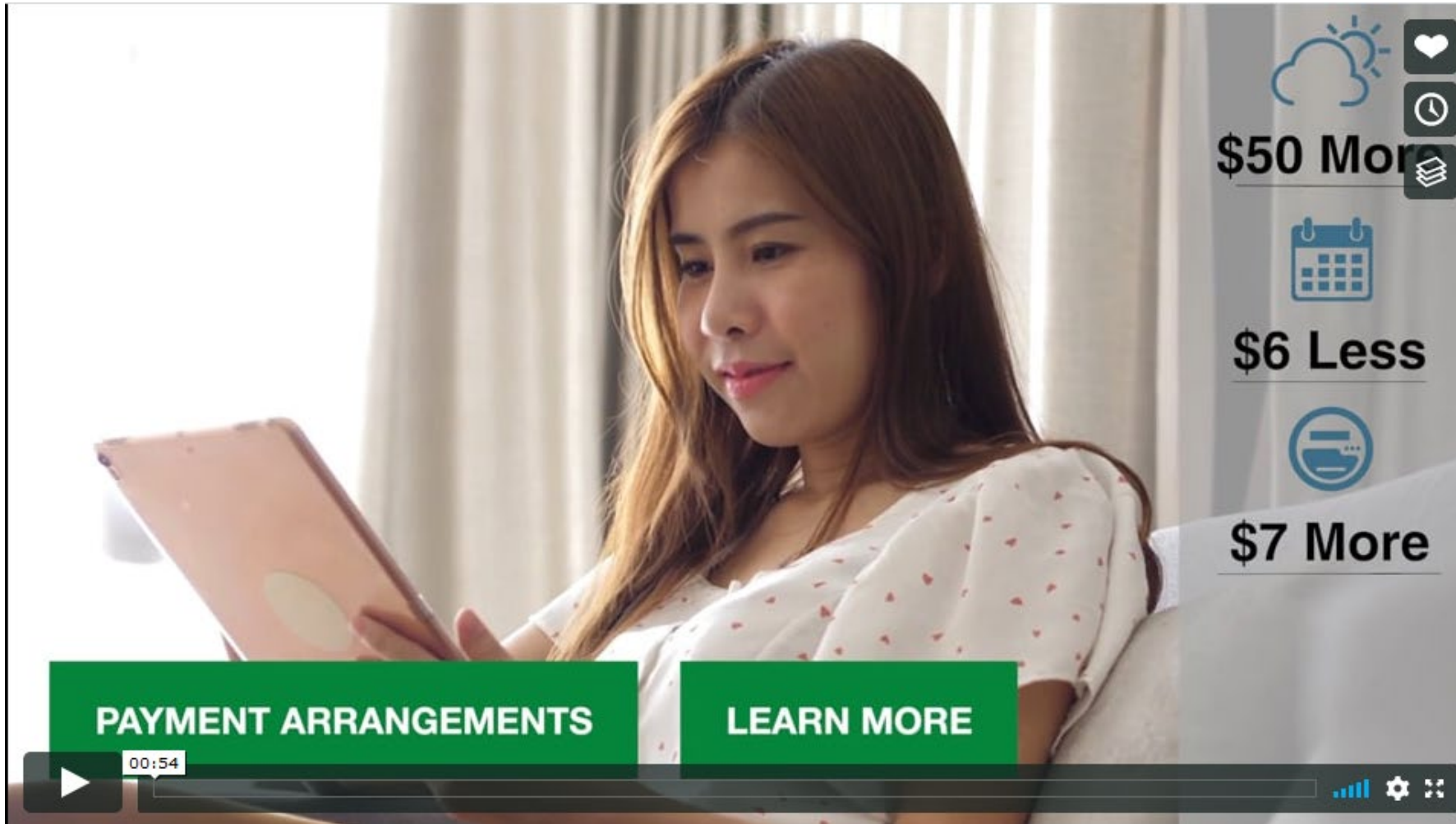
80% prefer businesses that used personalization

71% reported they were frustrated by an impersonal customer experience

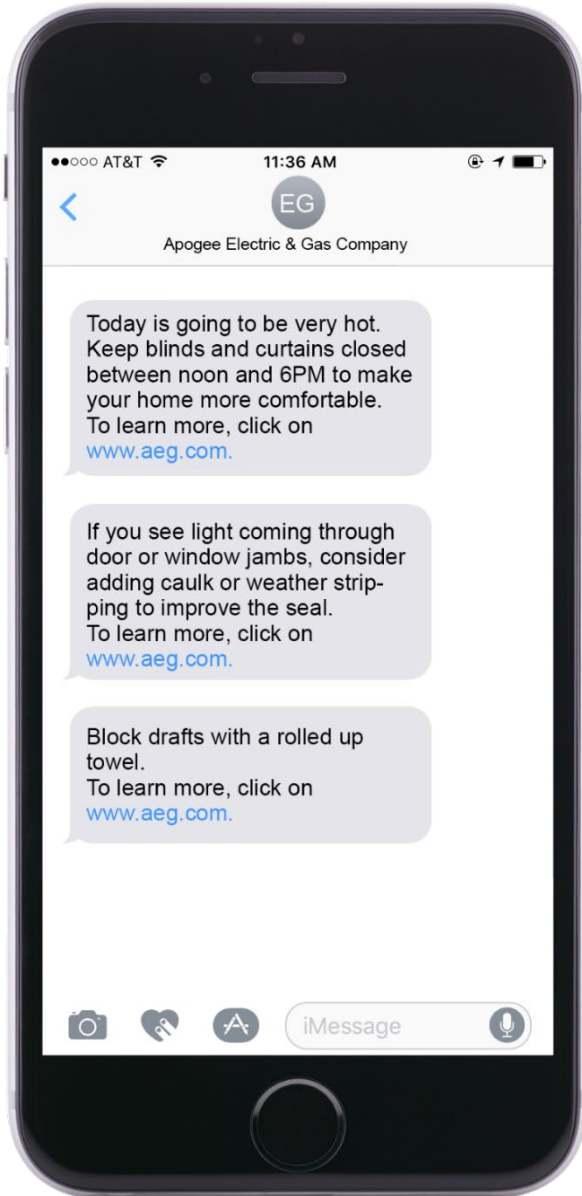
Ways To Engage Consumers

- Personal & Relevant
- Video Based
- Mobile Phone Text/Short Message Service (SMS)

Proactive Outbound Video

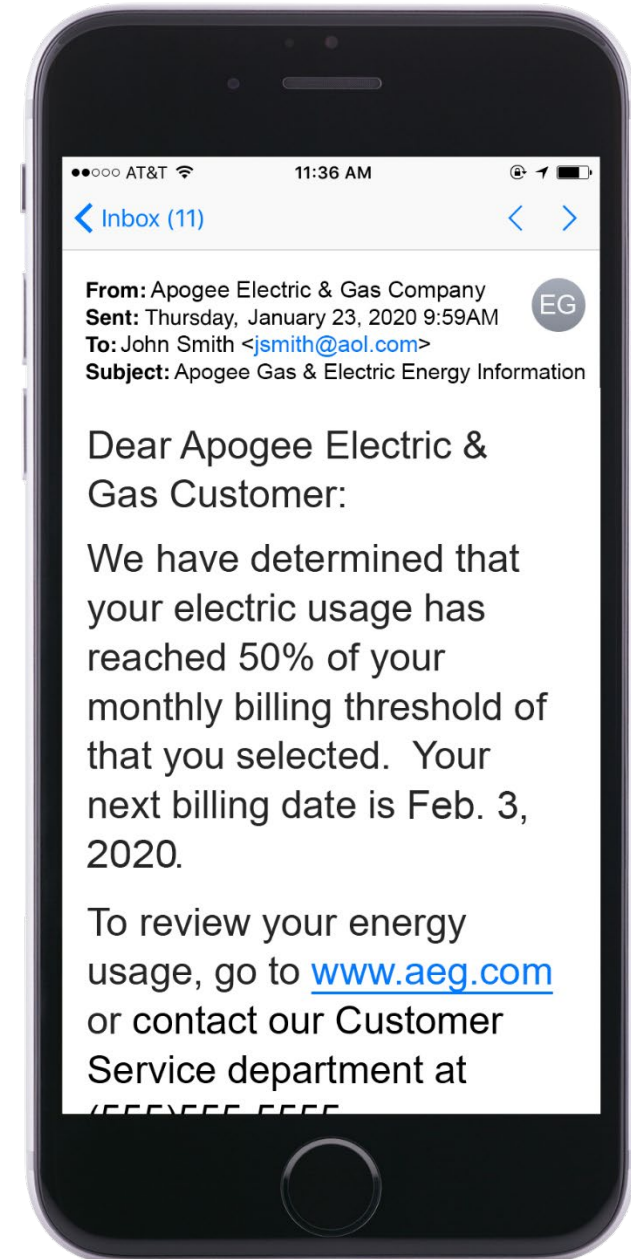


Sample Text Messages



Alerts

- Mid-cycle
- Usage threshold
- Savings recommendations
- Payment reminders



Calls to Action

- Payment options
 - Assistance
 - Authorized vs Unauthorized payment centers
- Programs
- Energy tools
- NPS and Voice of the Customer Surveys

Energy Tools

Energy Advisor

Housing stock to reflect appropriate dwellings

Specific recommendation

Links to Utility programs

Special Purpose Calculators (SPC)

Aimed at savings

Simple to use



Messaging Schedule

Every message has a call to action and pertinent utility link

Peak Months

- Monthly bill explanation
- Simple ways to save

Pre-season Cooling & Heating

- Payment assistance
- Check the filters

Budget Billing

Other



Messaging Results

- Net Promoter Score (NPS) 39 compared to industry average 15
- 98% user improved brand perception
- 96% reported favorable perceptions
- 97% bill explanation useful
- 90+% reported would not contact utility

Upcoming Webinars

August 27, 2020 – 2:00PM EST

What's after Home Energy Reports?

Fall Topics:

Communicating Rate Options Effectively

Implementing Virtual Audits



Jim Malcom

jmalcom@apogee.net

678-684-6820

Britton Gabel

bjgabel@oppd.com

531-226-3515

Bob Evely

revely@wfafinet.com

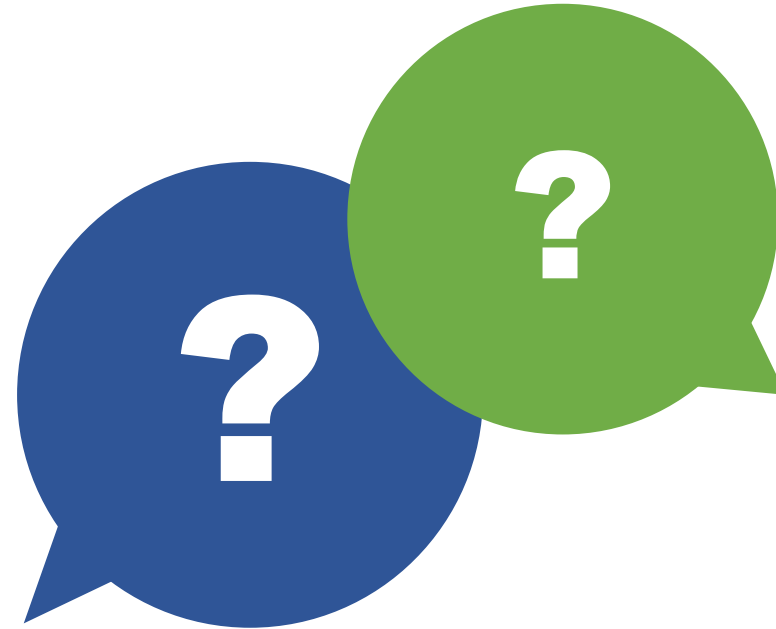
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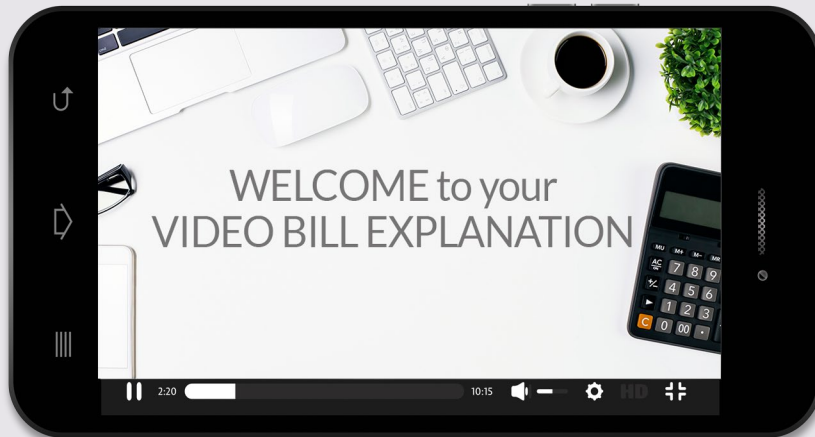
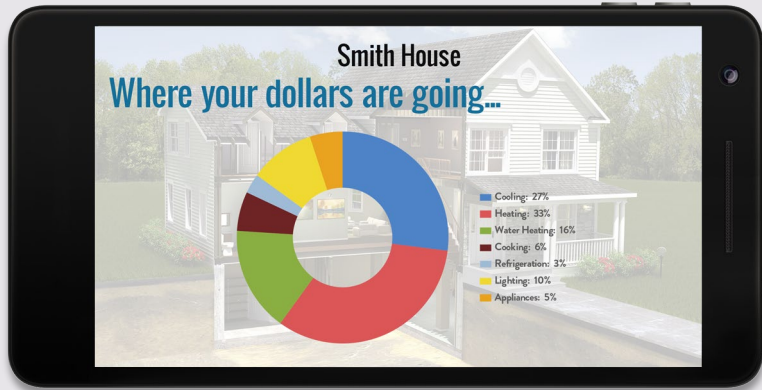
Thank You!

Please complete our Survey



Any Questions





Personalized Video Content

- 41% of marketers say video has helped reduce calls
- 94% say video has increase understanding of products and services
- 68% prefer to learn about products and services by watching a short video

**Source 2019 Wyzowl video survey*

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