

# **[Brand Name] Program**

## **Billing System & Administrative Functions**

### **Attachment 8**

*This document outlines ideal program administration capabilities for a utility implementing a program based on the PAYS<sup>®</sup> system.*

#### **Integrated Project Management and Program Administration**

Based upon previous programs using the PAYS<sup>®</sup> system, it is vital for customer service staff, billing staff, accounting staff, and program operators to have access to program information that allows them to be swiftly responsive to inquiries and to perform their work efficiently.

The following checklist of program administration capabilities can enable a utility to efficiently and accurately track and report program information for each location and investment. This checklist is designed to support considerations inside the utility regarding how to make use of existing systems, identify gaps, and acquire licenses to complementary software capabilities.

#### **Customer Relationship Management (CRM)**

- Member information:
  - Account Number
  - Location or Meter ID
  - Name on the account and physical address
  - Phone number (or other contact information) of the responsible party on the account
  - List of linked accounts if member is served by multiple meters
  - Upgrades installed at the location (including date completed and contractor contact information) and estimated savings for project
  - Program Charges associated with installation and status of charges (including number of remaining Charges)
  - Status of New Member form(s) sent to that location
- Notification(s) function: Tagging or flagging system to indicate that a meter at the member's location is subject to Tariffed On-Bill Charges

#### **Program Administration**

For each site where the utility has invested in energy efficiency upgrades, the following information needs to be readily accessible to utility staff and the Program Operator:

- Project status at each location <sup>1</sup>

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<sup>1</sup> Milestones may include: inquiry of interest, participant qualified, building qualified, cost effectiveness analysis complete, Efficiency Upgrades Agreement signed and approved, contractor selected, contractor work completed, Customer Work Acceptance form submitted, work approved, cost recovery period active, and cost recovery period complete.

- Completed Upgrades:
  - Contractor installing Upgrades (and contact information)
  - Number and type of Upgrades installed
  - Costs incurred to complete the upgrade project at that site <sup>2</sup>
  - Status of Member Work Acceptance form
  - Type of quality control actions, dates of calls and on-site inspections, and inspector
  - Number and cause for failed inspections and penalty charges imposed
  - Repair costs, description of repairs and vendor making repairs, if any
  - Monthly Program Services Charge <sup>3</sup>
- Program Charge dates:
  - Project completion date <sup>4</sup>
  - Actual initial billing start date for monthly charge (at least 45 days after project completion date)
  - Initial Term: total number of billing cycles for Program Services Charges (assuming no missed payments or repairs)
  - Additional billing cycles added to recover repair costs
  - Estimated and actual end date for Program Services Charges

### **Billing system**

For each meter associated with a member account, both the customer and program manager need to be access of the following information:

- Basic Program Services Charge information:
  - Monthly Program Services Charge amount
  - Due date for the current bill
  - Program Services Charges billed to date (total and number of Charges)
  - Charges paid to date (total and number of Charges)
  - Cost Recovery Balance <sup>5</sup>

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<sup>2</sup> These include Upgrade costs, contractor installation costs, copayments by members to qualify projects, fees, incentive payments, applicable rebates, cost of capital, etc.

<sup>3</sup> The system should be able to handle multiple cost-effective Upgrade projects at this location over the course of several years, resulting in multiple Program Charges, which can be summed and tracked separately since they will have separate Charge termination dates).

<sup>4</sup> This is the date at which Program Operator approves the work completed.

<sup>5</sup> This is the remaining total Charges until the costs for the Upgrades at that location are recovered.

- Expected (or actual) end date for billing Program Services Charges at a location
- Modifications to Program Charge at that location:
  - Program Charge status (Active/Inactive/Suspended/Waived) at that meter <sup>6</sup>
  - Dates associated with a change in Program Charge status <sup>7</sup>
  - Missed payments, if any, and reason for missed payments <sup>8</sup>
  - Number of charges and amount to be added to recover cost of repairs <sup>9</sup>
  - Charge-off by utility of uncollected accounts receivable
  - Early payment amount (including amount of reimbursed incentives and or legal fees)

### Periodic program reporting

By drawing on data from multiple information systems, the utility and Program Operator need to periodically be able to account for program activity by producing reports of these types.

- Program Administration reports:
  - Project sites by status, listed by individual meter and account number <sup>10</sup>
  - Number and type of Upgrades installed
  - Estimated or actual savings in total and by individual accounts
- Billing system reports:
  - Program Charges billed and collected per bill cycle (by meter; and in total)
  - Payment history for a single meter
  - Delinquent accounts subject to the Program Charge and amount not recovered
- Bookkeeping / financial reporting:

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<sup>6</sup> The Program Charge is Inactive when service to the meter is turned off. The Program Charge is suspended when the Upgrades are not performing and need repairs in order to continue generating savings. The Program Charge is waived when Upgrades are not performing and repairs or replacement is not cost effective or possible. When multiple projects have different projects, status must identify projects (i.e., measures, project number, etc.)

<sup>7</sup> When billing for the Program Charge at a location is suspended, all program charges are halted and they do not accrue. When Charges are restarted, they will start again following the first full month of the utility's billing cycle.

<sup>8</sup> This is the number of billing cycles and total amount of Program Charges not collected due to non-payment and or the Program Charge status was Inactive or Suspended. Utilities can carry outstanding payments for the duration of the original cost recovery term until missed payments are recovered by extending the cost recovery period by the number of missed payments or outstanding payments can be treated the same as all other non-collectibles (which does not prevent extending the Charge recovery duration and then crediting uncollectible accounts).

<sup>9</sup> Number of billing cycles that the Program Charge status was suspended.

<sup>10</sup> Milestones may include: inquiry of interest, participant qualified, building qualified, cost effectiveness analysis complete, Efficiency Upgrades Agreement signed and approved, contractor selected, contractor work completed, Customer Work Acceptance form submitted, work approved, cost recovery period active, and cost recovery period complete.

- Payments made to Contractors, Suppliers (if any), Program Operator

**Periodic Quality Assurance reports:**

- Compare pre-upgrade *energy* usage to post-upgrade *energy* usage, adjusting for weather
- Compare pre-upgrade *demand* to post-upgrade *demand*, adjusting for weather
- Compare *actual* post-upgrade usage from member bills (or smart meter data) to *estimated* post-upgrade usage expected in the cost effectiveness analysis prior to the project start
- Outlier test: Identify accounts where actual savings is more than 25% less than the amount that had been estimated in cost effectiveness analysis. Forward this information to Program Operator to inquire or investigate as appropriate.
- if the data above can be segmented by the contractor installing upgrades, it can be used to evaluate contractor performance.
- If this data can be segmented by the package of upgrades installed, it can be used to identify which upgrades are resulting in the best outcomes for members.