

Electronic Bill Presentment Overview (E-billing)

June 22, 2009



CHELAN COUNTY



Purpose – Informational Overview

1. Background
2. Preferred option
3. Moving forward
4. Questions



E-billing Background

- E-billing or paperless billing continues to be requested by customers
- 2007 Customer Satisfaction Survey indicated 33% of customer are “very likely” to use, another 11% “somewhat likely
- Many northwest utilities have already adopted an E-billing solution (Benton, Grant, Snohomish, Seattle City Light, etc...)



E-billing – Why now?

- Makes business sense to move forward now
- Recent “double yes” and hiring decisions support acting now
- No longer a “new technology”, greater customer expectation
- Automated metering system deferment has freed up key players to participate on this project



Billing Options

1. Stay on the same course
2. Consider an option of electronic bill presentment only, maintain in-house bill print
3. Full service E-billing – Vendor to print bills and manage e-billing arrangement along with online and automated payments



Billing Options

- Options 1 & 2 not feasible based on business case and staffing situations
- Option 3 – full service E-billing is the preferred choice



E-billing Business Case

Key assumptions

- Conservative ramp rate – 10% year one with another 5% added each year, max at 50%
- Only hard benefits recognized
- Low initial project costs
- Strong business case based on assumptions



E-billing Business Case

Non-quantified soft benefits

- Increased customer satisfaction
- Support for other communication / conservation feedback channels
- Reduction in current equipment maintenance costs, longer life of existing equipment
- Opportunity to leverage bill presentment best practices



E-billing Next Steps

Formalize project team

- Customer Service, IT, Finance, PCS, Legal & Communications

Request for Proposal (RFP)

- Develop RFP
- Evaluation and selection
- Contract negotiation
- Implementation



Questions?
