



# City of San Antonio

## Agenda Memorandum

**File Number:**15-5919

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**Agenda Item Number:** 22.

**Agenda Date:** 12/3/2015

**In Control:** City Council A Session

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**DEPARTMENT:** Finance

**DEPARTMENT HEAD:** Troy Elliott, Director, Finance Department

**COUNCIL DISTRICTS IMPACTED:** City Wide

### **SUBJECT:**

CPS Energy's Policy for Miscellaneous Customer Charges, Field Notification Charge

### **SUMMARY:**

The proposed Ordinance will authorize amendments to CPS Energy's Policy for Miscellaneous Customer Charges. The proposed amendments would change the process to issue final notices from a door hanger to a mailed notice.

### **BACKGROUND:**

CPS Energy is requesting a change to the Policy for Miscellaneous Customer Charges (the "Policy"). The proposed change would add, as the primary source of notification, the ability to mail the final disconnection notice. Currently, customers receive a Field Notification Charge when a CPS Energy representative makes an on-site visit to a customer's premises in order to deliver a final disconnection notice door hanger. This Field Notification Charge is \$12 which helps cover the cost associated with the delivery of the notice. This includes employee time and vehicle travel costs.

The proposed change will allow CPSE to mail final disconnection notices, and reduce the associated fee to \$4

to cover the cost of mail and production. The new process will reduce overall cost to the consumer, reduce the risk of injury or hazard to CPSE employees, eliminate drive time and vehicle emissions, and add privacy to the communication process between the customer and the utility. The current Field Notification Charge and the delivery of a final notice will remain part of the Policy, and will still be an option when mail notification is not appropriate. Customers who are past due receive two phone calls and a mail notice prior to a final disconnection notice. Additionally, customers may check the status of their accounts through the online “Manage My Account” portal.

## **ISSUE:**

The proposed ordinance would authorize changing the process to issue final notices from a door hanger to a mailed notice. CPS Energy is seeking to make this proposed change effective February 1, 2016.

## **ALTERNATIVES:**

If action is not taken, customers will pay the higher fee for field delivery of the final disconnect notice, and the risks associated with field notice delivery will continue.

## **FISCAL IMPACT:**

The reduction in the Field Notice Disconnection fee will have a negligible impact on CPS Energy revenue and City payment.

## **RECOMMENDATION:**

Staff recommends the approval of the proposed change to allow the mailing of the disconnection notification.