

UTILI-FACTS

Prepaid Electric Service

What is prepaid electric service?

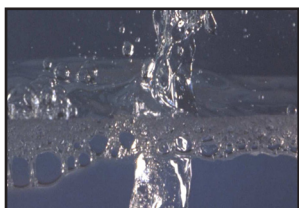
Prepaid electric service means you purchase electricity before you use it. With prepaid service, a Retail Electric Provider (REP) allows you to pay upfront in order to manage your payments and electricity usage.



Is prepaid service right for you?

There are several things to consider before signing up for prepaid service:

- Pre-paid service requires you to have an AMS meter.
- Continued electric service depends on you prepaying for service on a timely basis.
- If your current balance falls below the disconnection balance (not to exceed \$10), your service will be disconnected with little notice.



- You must be able to receive certain notices by text, email, phone or other electronic methods.
- You will not receive a monthly bill.

There are also several questions to consider if prepaid service might be a good choice:

- Do you prefer to pay as you go?
- Do you prefer not to pay a deposit?
- Are you ok with not receiving a monthly paper bill?
- Do you want to reduce and monitor your energy usage?
- Do you want to be able to split costs with roommates?
- How do you start prepaid service?

Once you have chosen a Retail Electric Provider (REP), you must contact them to start service. A REP will require you to make a payment to establish a positive balance before starting prepaid service.

This payment is called a connection balance. Prepaid service does not require a deposit, instead the REP will require a balance of up to \$75 which will be used to establish and provide electric service. You may also need to pay the REP for the Transmission and Distribution Utility (TDU) fees, which may make

the total due prior to starting service more than \$75. You will find additional information on the Prepaid Disclosure Statement (PDS).

Will I receive a bill?

Prepaid service customers do not receive a monthly bill. You will receive electronic communications from your REP letting you know how much money you have remaining in your account. You can also request your current balance from your Retail Electric Provider (REP). Upon request, Your REP can provide a Summary of Usage and Payment (SUP) for up to twelve months of usage. The SUP will show your usage, charges, the average price of service and payments by calendar month. Your REP will provide a downloadable and printable SUP by email free of charge. Your REP may charge a fee if you request a paper copy of the SUP. Please consult your Prepaid Disclosure Statement (PDS) and Terms of Service (TOS) for additional fee information.

What fees will I be charged?

Fees will depend on your Retail Electric Provider (REP). You should be aware of any fees that may be charged before you sign-up for a product. You can find out more about any REP fees on their Terms of Service (TOS) or contract documents. For prepaid products, you can find information on product fees and charges on the Prepaid Disclosure Statement (PDS).

Is payment assistance still available to me?

Some assistance agencies may not provide bill payment assistance programs to customers that use prepaid service. If you qualify for low-income assistance, have received energy assistance in the past, or think you will be in need of energy assistance in the future, you should contact the assistance program to confirm that you can qualify for energy or payment assistance if you need it prior to signing up for prepaid service. Your Retail Electric Provider (REP) may be able to provide you additional information regarding payment assistance.

What if someone in household is Critical/Chronic Care Customer?

Prepaid service is not available to critical care or chronic condition residential customers.

How will the company contact me for important notices?

Retail Electric Providers (REP) offering prepaid service must send important time-sensitive notices such as current balance notifications, disconnection warnings and payment confirmations by

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standard mail. Information on how your REP will communicate notices can be found on the Prepaid Disclosure Statement (PDS).

How can I avoid having my prepaid electric service disconnected?

- Continued prepaid electric service depends on you prepaying for service in advance. It is important to keep your account balance at or above the disconnection balance or your service may be disconnected. A Retail Electric Provider (REP) can set a disconnection balance of up to \$10, so it is important that you are aware of this minimum balance and make prepayments to avoid disconnection. You may find information regarding the disconnection balance on the Prepaid Disclosure Statement (PDS).
- If your current balance falls below the disconnection balance, your service will be disconnected with little notice. You will be notified one to seven days before your account balance is expected to fall below your disconnection balance. If your account balance falls below your disconnection balance more quickly than expected, service may be disconnected in as little as one day after you receive the low balance notification.

How do I restart prepaid service if my electricity is disconnected?

If your service is disconnected, and your account has a negative balance, you must pay off that amount before reconnecting. Once the negative balance has been corrected, your Retail Electric Provider (REP) will require you to make a payment to establish a new connection balance in order to restart service. Your REP may require you to confirm this payment if you make the payment at a third-party payment processor acting as an agent of the REP. You should begin receiving service within two hours of correcting the reasons for disconnection. You may find additional information regarding a specific product's reconnection balance and payment verification requirements on the Prepaid Disclosure Statement (PDS).

When is a deferred payment plan available?

Deferred payment plans are available upon request in certain situations; these situations are the same as the conditions under postpaid service. You may request a deferred payment plan if:

- Your account reaches a negative balance of \$50 or more during an extreme weather event. An extreme weather event is when the National Weather Service issues a heat advisory or a cold alert in your area.
- A state of disaster has been declared in your area by the Governor of Texas and the Public Utility Commission requires that deferred payment plans be offered.
- Your Retail Electric Provider (REP) has under-billed your account by \$50 or more for reasons other than theft of service.
- If you enter into a deferred payment plan, your REP may apply a switch-hold until your deferred payment plan is paid in full. A switch-hold means you will not be able to buy electricity from another company while the switch-hold is in place.
- The Rep shall not disconnect service unless it has provided the customer at least one day's notice that the deferred payment plan has been broken.

Please contact your REP for additional deferred payment plan options and information.

How much is prepaid service?

Each REP may charge a different price per kWh. You should be aware of the price per kWh the provider is charging. Your prepayment buys you a dollar amount of electricity, instead of a specific amount of kilowatt hours (kWh). Your costs will depend on how much electricity you use and how much your REP charges for each kWh. Most prepaid service products are variable or indexed rate products. You can find more information on these product types on the Power to Choose website. Just as with gasoline, the energy price per kWh can change daily with variable or indexed rates so there is not one, fixed price that will be used for the electricity you purchase as it is used each day. You may find more information about electricity rates on the Electricity Facts Label (EFL).

QUESTIONS:

Call: 1-888-782-8477, in Austin 512-936-7120
(TTY 512-936-7136) (FAX 512-936-7003)

Write: PUC - Consumer Protection Division
P.O. Box 13326, Austin, TX 78711-3326

Online: <http://www.puc.texas.gov/consumer/complaint/Complaint.aspx>

