Community Input Committee (CIC)
Subcommittee Report
Customer Relations and Communications

EXECUTIVE SUMMARY AND CHAIR REPORT FROM THE MAY 14, 2025, MEETING

PREPARED FOR COMMITTEE CHAIR, MR. RICHARD FARIAS

FOR REPORT AT THE JUNE 30, 2025, BOARD OF TRUSTEES MEETING

The Customer Relations and Communications Subcommittee met on May 14, 2025. As part of the agenda, the Committee:

Received a presentation on CPS Energy's accounts receivable process and support:

A. Accounts Receivable Update
   - CPS Energy serves about 960,000 customers. Roughly 90% of those customers are residential.
   - March 2025 snapshot.
   - Using payment plans, past due balances have been reduced from $208M in December 2022 to $122M as of March 2025.

B. Billing and Collections Approach
   - Customers are contacted multiple times over 45 days with reminders of the amount due and given opportunities to resolve any payment issues. This outreach includes:
     - Bill alerts
     - Email reminders
     - Mail notice of delinquency (60% reaction rate)
     - Voicemail reminders
     - At-risk letter – final reminder
   - No disconnections are performed during extreme weather.
   - Customer assistance programs utilize a bundled care approach with over 200 community assistance partners. Internal program and community engagement includes:
     - Disabled Citizens Billing Program
     - Senior Citizens Late Payment Waiver
     - Senior Citizens Billing Program
     - Burned Veterans Discount
     - Critical Care Customer Program
     - First Responders with Burn Inquiries Discount
     - Budget Payment Plan
     - Payment Arrangements
     - Energy Angels
     - REAP
     - Weatherization

C. Next Steps
   - Refine data analysis to better understand customer behavior and needs.
   - Expand marketing efforts to reach more customers for targeted assistance.
   - Help customers to make consistent payments over the long-term and avoid disconnection.

Subcommittee members sought to gain a better understanding of CPS Energy's disconnection policies and guidelines. A discussion occurred on the conditions when customers are not disconnected, such as during weekends, holidays, or extreme weather to protect customers from unnecessary hardship. It was also highlighted that customers enrolled in critical care or chronic condition programs are provided additional time to pay their bills.

This report has been distributed to all members of the Community Input Committee.

The next Customer Relations and Communications Subcommittee meeting is scheduled for August 13, 2025.