FAIR AND ACCURATE CREDIT TRANSACTION (FACT) ACT COMPLIANCE PROGRAM ANNUAL REPORTING

PRESENTED BY:
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Interim Director, Customer Service
February 18, 2019
Informational Update
AGENDA

• BACKGROUND
• POLICY REQUIREMENTS
• PERFORMANCE SUMMARY
• QUESTIONS
BACKGROUND


• Board approved Policy for Compliance with the FACT ACT for Prevention of Customer Identity Theft in 2008

• In 2018, the Board approved an update to the policy, including renaming the policy FACT ACT Compliance Policy
  – Required implementing an Identity Theft Prevention Program designed to protect customers when opening new accounts
  – Provided for annual updates to the Board on issues and performance
POLICY REQUIREMENTS

CPS Energy is required to:

• Validate proper identification from potential customers to prevent customer identify theft (SSN*, TDL** and passports)
• Identify and detect relevant Red Flags for new and existing accounts
• Respond appropriately to any Red Flags
• Ensure program is updated annually

*Social Security Number
**Texas Drivers License
## PERFORMANCE SUMMARY

**Validation process remains the same as last year: Deny application for service if SSN*, TDL** or passport does not match other information provided by the customer.**

<table>
<thead>
<tr>
<th></th>
<th>FY17</th>
<th>FY18</th>
<th>FY19</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of Move in Requests (#)</td>
<td>230,227</td>
<td>238,004</td>
<td>260,343</td>
</tr>
<tr>
<td>Service Denials (#)</td>
<td>328</td>
<td>422</td>
<td>333</td>
</tr>
<tr>
<td>Service Denials (%)</td>
<td>0.14%</td>
<td>0.18%</td>
<td>0.13%</td>
</tr>
<tr>
<td>Inconsistent TDL** information (%)</td>
<td>0.03%</td>
<td>0.03%</td>
<td>0.03%</td>
</tr>
<tr>
<td>Inconsistent SSN*** information</td>
<td>0.07%</td>
<td>0.08%</td>
<td>0.07%</td>
</tr>
<tr>
<td>Other (no verifiable ID’s, ID did not match name, foreign ID, etc.)</td>
<td>0.03%</td>
<td>0.06%</td>
<td>0.03%</td>
</tr>
<tr>
<td>Unidentified</td>
<td>0.01%</td>
<td>0.01%</td>
<td>0.00%</td>
</tr>
</tbody>
</table>

Data 2/1/18 – 1/31/18

*Social Security Number
**Texas Drivers License

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Thank You