

BOARD INFORMATION PACKET



Board of Public Utilities
Kansas City, Kansas

Regular Meeting of

September 18, 2024



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Regular Session

September 18, 2024 – 6:00 P.M.

- I. Call to Order
- II. Roll Call
 - _____ Tom Groneman, District 2
 - _____ David Haley, At Large, Position 2
 - _____ Stevie A. Wakes, Sr., District 1
 - _____ Rose Mulvany Henry, At Large, Position 3
 - _____ Brett Parker, District 3
 - _____ Mary L. Gonzales, At Large, Position 1
- III. Approval of Agenda
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- X. Adjourn

WORK SESSION MINUTES – WEDNESDAY, SEPTEMBER 4, 2024

STATE OF KANSAS)
) SS
CITY OF KANSAS CITY)

The Board of Public Utilities of Kansas City, Kansas (aka BPU, We, Us, Our) met in Work Session on Wednesday, September 4, 2024 at 4:30 PM. The following Board Members were present: David Haley, Vice President; Mary Gonzales, Rose Mulvany Henry and Brett Parker. Thomas Groneman, President; and Stevie A. Wakes Sr., Secretary participated via Zoom.

Also present: William Johnson, General Manager; Angela Lawson, Acting Chief Counsel; Lori Austin, Chief Financial Officer; Abbey Frye, Chief Administrative Officer; Leigh Mulholland, Chief Compliance Officer; Johnetta Hinson, Executive Director Customer Service; Gabriela Freeman, Supervisor Customer Services; Mark Masloski, Meter Data Management System Analyst; and Robert Kamp, IT Project Manager.

A video of this meeting is on file at the Board of Public Utilities and can be found on the BPU website, www.bpu.com.

Mr. Haley called the meeting to order at 4:30 PM.

Roll call was taken. All members were present, except for Mr. Wakes, who joined via Zoom at 4:31 PM.

Item #3 –Approval of Agenda

A motion was made to approve the Agenda, by Ms. Mulvany Henry, seconded by Mr. Parker, and unanimously carried.

Item #4 –Board Update/GM Update

There were no comments made at this time.

Item #5 – Customer Service Policy Review

Ms. Mulvany Henry reviewed updates made by the committee and staff in regards to the Customer Service Policy. (See attached.) Points discussed included:

- The amount of bad debt incurred by BPU from 2021 – 2023 and BPU’s ability to collect any previous bad debt prior to starting new service.
- Adjustments made to the fee schedule in regards to the deposit amounts and the criteria for the deposit refund. (Current fee schedule attached.)

WORK SESSION MINUTES – WEDNESDAY, SEPTEMBER 4, 2024

STATE OF KANSAS)
) SS
CITY OF KANSAS CITY)

- How a soft credit check was run by a third-party company in order to determine customer deposit amounts at the start of service.
- Clarification regarding who is required to provide their information when signing for service.
- The ability to automatically break up the deposit over a three-month period as the default setting, or the option to pay upfront at a customer’s request.
- Consideration of how to move forward with the service fee incentive.
- Modifications made in regards to qualifications for the waiver of late payment charges.

Item #6 – Adjourn

A motion was made to adjourn the Work Session at 5:57 PM, by Ms. Mulvany Henry, seconded by Mr. Parker, and unanimously carried.

ATTEST:

APPROVED:

Secretary

President



Kansas City Board of Public Utilities Policy

General Policies Applying to Customer Service Issuing Credit, Billing and Debt Collections for Electric and Water Service

PC-200-001

Definitions:

"Applicant" means a person or entity who applies to obtain Service(s) from KCBPU.

"Authorized User" means a user added to a KCBPU account by the Primary or Secondary Account Holder. An Authorized User is not financially responsible for the account but may have access to information, submit payment on the account, and reconnect Service(s).

"Automated Phone System" means... **Definition needed**

"Board of Directors" means the elected governing Board of Directors of KCBPU.

"Charge(s)" means the monthly recurring charges assessed by KCBPU and the UG, the usage-based charges for electric and water Services, the Energy Rate Component (ERC) surcharge, the Environmental Surcharge (ESC), the UG Payment in Lieu of Taxes (PILOT) charge, Late Payment Charges, and taxes, each of the foregoing as applicable. For clarity, all Charges assessed by the UG, including the PILOT, are collected by KCBPU and remitted to the UG.

"Contractor" means a builder, developer, contractor, home renovator, landlord, or similar category.

"Customer" means an end user that receives electric and/or water service(s) from KCBPU.

"Customer Service Policy" means this General Policies Applying to Customer Service (PC-200-001) document.

"Debt Recovery" means...

"Designated Account Holder" means... **Definition needed**

"Due Date" means... **Definition needed**

"Fee Schedule" means the Customer Service Adopted Fee and Deposit Schedule (PC-200-002) document.

"Final" or "Finaled" means the termination of a Customer account with KCBPU. Such termination may be voluntary per Customer's request, or involuntary pursuant to this Customer Service Policy, other KCBPU policy, lawful rule, regulation, law, or court order.

"Force Majeure Event" means any event that is directly or indirectly caused by circumstances beyond the reasonable control of KCBPU, including but not limited to acts of nature (e.g. tornadoes, storms, etc.), criminal, illegal, or unlawful acts, acts of war or terrorism, or any law, order, or ordinance in any way restricting the operation or delivery of Service(s).

"KCBPU" means the administrative agency of the Unified Government of Wyandotte County/Kansas City, KS. KCBPU provides electric and water services to the residential and non-residential customers in designated service areas.

"Late Payment Charge" means a charge assessed when a customer bill is past due as described in the Fee Schedule.

"Non-Residential Customer" means a customer who receives Service(s) at a non-residential location.

"Non-Residential Service" means the Service(s) provided to any non-residential location.

"Primary Account Holder" means the principal account holder for Service(s) at a location.

"Residential Customer" means a customer who receives Service(s) at a residential location.

"Residential Service" means the Service(s) provided to a residential location.

"Returned Item" means any payment made to KCBPU via check, money order, cashier's check, credit card, or debit card that is returned for any reason.

"Secondary Account Holder" means a person who is approved by KCBPU to be added onto an existing account. The Secondary Account Holder is financially responsible for the Customer account to which they are added, and is subject to the same application process, including an evaluation of such person's creditworthiness, as the Primary Account Holder.

"Service" means electric and water service provided by the KCBPU.

"Service Initiation Fee" means... **Definition needed**

"Summer Months" means... **Definition needed**

"Terminated Agreement" means. If the payment is not made on the due date, or is returned by the bank – the Payment Arrangement is in default.

"UG" means the Unified Government of Wyandotte County/Kansas City, Kansas.

"Usage" means the amount of KCBPU Service(s) used by a Customer.

1.00 GENERAL

1.01 Purpose: It is the responsibility of KCBPU to provide electric and water service to the residents within our service territory.

1.02 Scope: This Customer Service Policy (or "Policy") outlines the responsibilities of KCBPU and the Customers of KCBPU, in accepting use and submitting timely payment for services.

This Policy is also designed to inform Customers of potential charges associated with certain situations, and to ensure all customers receive uniform and equitable consideration.

1.03 Privacy Policy:

KCBPU employs a blend of technology and standard practices to safeguard customer information from unauthorized access or exposure. Customer information is protected on secure systems with restricted access, and KCBPU has implemented appropriate security controls to safeguard this data during storage or transmission. Before disclosing any information regarding their service and/or account, KCBPU requires customers to verify their account identity information. Contractors acting on behalf of KCBPU are also obligated to safeguard customer information.

In certain circumstances, such as by law, legal process, litigation, or requests from public and governmental authorities, KCBPU may need to disclose some customer information. As a municipal utility, KCBPU is governed by the Kansas Open Records Act (KORA). Additionally, KCBPU may disclose customer information if it determines that disclosure is necessary or appropriate for national security, law enforcement, or other matters of public importance. Moreover, disclosure of customer information may occur if deemed reasonably necessary to enforce KCBPU's terms and conditions or to protect operations or users. KCBPU may also request that customers voluntarily provide additional information to better understand their needs and provide enhanced service.

2.00 CONDITIONS OF SERVICE

- 2.01** ***Conditions of Service:*** A Customer is the end-use consumer of the Service(s) and the party who is responsible for payment of the Service(s) provided to the applicable Service location. A Customer must pay in full all outstanding debt to KCBPU prior to KCBPU accepting a service application and shall promptly pay all bills for Services rendered. All Customers must be at least 18 years of age or legal adult to sign for Service.

3.00 SUPPLYING ELECTRIC AND WATER SERVICE

- 3.01** ***Supplying Electric and Water Service:*** Reference Policy Numbers PE-310-001 Section 4.00 and PW-410-001 Section 6.00

4.00 REQUESTS FOR SERVICE AND DISCONTINUING SERVICE

- 4.01** ***Requests for Service:*** In order to determine the credit risk and control bad debt expense, KCBPU seeks to discover the risk profile of a Customer.

A Service Initiation Fee, as set forth in the Fee Schedule, is assessed by KCBPU on the initial bill.

Residential Applicants must provide valid driver's license, or State or Federal issued photo identification, excluding military identification. A Social Security Number or Individual Taxpayer Identification Number (ITIN) is requested, but not required to be provided.

KCBPU may waive the Service Initiation Fee for a Residential Customer if the Customer signs up for automatic utility bill payments by bank draft and continues such automatic bank draft payments for at least one year. If the Customer cancels the automatic payment or incurs an insufficient funds transaction within the first year, the Service Initiation Fee will be reinstated and must be paid.

The property identified on a Service application must qualify to receive applicable Service(s) requested. If a property failed inspection or is determined to be unfit/unsafe for Service, Service will not be provided until property passes inspection and is determined fit/safe for Service. A property will have all Services established at account creation.

- 4.02** ***Discontinuing Service:*** Customer may discontinue Services upon giving KCBPU notice at least two business days in advance. If no such notice is given to KCBPU, the terminating Customer shall be responsible for all Services supplied until such notice is given to KCBPU.

Customer shall notify KCBPU when a change of occupancy or any other change of legal billing responsibility occurs on any Service being rendered, and when all required information is received by KCBPU, the request will be processed within two business days. The outgoing Customer shall be responsible for all Service(s) rendered until the notice of change has been received by KCBPU.

In the case of rental property, when services are terminated at the request of any tenant or landlord, a request to revert services to landlord may be requested for Services to be continued automatically, with full responsibility for payment of all Services thereafter delivered. If the landlord has an outstanding KCBPU debt, the Services will not be reverted and the outstanding debt must be paid before Services will be reverted.

5.00 SECURITY DEPOSITS

5.01 *Security Deposits:* Deposits may be assessed in an effort to ensure that all utility invoices are collected, and keeps the utility financially viable to continue providing Services to our Customers.

The deposit will be determined by a sliding scale based upon the credit rating of the applicant. The scale will be determined by using a third-party credit rating service utilized by KCBPU. Applicants, who do not provide the necessary information to determine a credit rating, will be required to pay the maximum deposit or use FlexPay. The deposit will be charged to the first three months of a Customer's monthly billing in equal installments, unless the Customer chooses to pay the deposit in full on the first month's bill.

Personal/business information is necessary for KCBPU to provide a basis of extending credit to the Customer for their Services.

The criteria used in requiring deposits from customers shall be as set forth in Sections 5.02 and 5.03 below.

5.02 *Residential Service Applicants:* Residential Service applicants include Homeowners, Renters, and Contractors. When applying for Service at a residential location, the Customer is deemed to have signed up for all KCBPU Services provided to that location.

A Service applicant, who provides a social security number that is returned as deceased, non-issued, belonging to a person under the age of 18, or belonging to a person other than the applicant, or is fraudulent, shall be denied service or shall be charged the maximum deposit as set out in the Fee Schedule, and may be referred to law enforcement, police, or prosecutor's office if warranted. Any applicant who has previously submitted a fraudulent application within the past five years, shall be charged the maximum deposit as set out in the Fee Schedule.

KCBPU cannot demand that an applicant provide their social security number as a requirement to initiate Service. However, it is KCBPU's policy that applicants who refuse to provide their social security number pose a greater credit risk and shall be charged the maximum deposit as set out in the Fee. The deposit may be held until the account is Finaled.

Residential Service Applicants – Homeowners, Renters, and Contractors

Residential Service Application Process Requirements:

All property owners (Homeowners) and renters (Renters) who reside at the property being served, and all Contractors who sign up for Service(s) and/or will be responsible

for the Service(s) at the property to be served are required to complete the application process.

To obtain Service(s) at a residential location:

- (i) Homeowners must provide a copy of their settlement statement, and all signers must provide the necessary information requested by KCBPU;
- (ii) Renters must provide a copy of their lease, and all signers must provide the necessary information requested by KCBPU; and,
- (iii) Contractors must provide the legal documents between the applicant and the property owner, and all signers to the documents must provide the necessary information requested by KCBPU.

Residential Service Credit Requirements:

Homeowners, Renters, and Contractors who pose a substantial credit risk, as determined by a third-party credit agency, may be charged the applicable deposit as set out in the Fee Schedule.

Homeowners, Renters, and Contractors who pose a limited risk or have no credit history, as determined by a third-party credit agency, may be charged the applicable deposit as set out in the Fee Schedule.

Homeowners, Renters, and Contractor who pose no credit risk, as determined by a third-party credit agency, may not be required to pay a deposit.

Homeowners, Renters, and Contractors may not be required to pay a deposit if they:

- (i) are a current Customer of KCBPU;
- (ii) have not incurred more than one Late Payment Charge assessed and have not incurred any disconnect activity over the previous 12 months of billing history.

If a Homeowner, Renter, or Contractor is disconnected for nonpayment of a bill for the third time within a 24-month period, a deposit as set out in the Fee Schedule may be imposed if they were

- (i) not originally required to pay a deposit;
- (ii) not originally assessed the maximum deposit; or
- (iii) previously refunded their deposit.

5.03 Non-Residential Service Applicants:

Non-Residential Service Applicants

Every non-residential service application shall have a deposit assessed to its account based on the electric and water utility related charges only, over the past 12 months at the location to be serviced. The non-residential service applicant deposit levels are

specified in the Fee Schedule. The deposit can be reassessed every 12 months based upon usage and payment history, and may be adjusted per the Fee Schedule.

The deposit may be waived for Governmental entities or a registered 501(c)(3).

Non-Residential applicants may not be assessed a deposit if they sign up for and maintain automatic utility bill payments by bank draft. If the Customer cancels the automatic payment or incurs an insufficient funds transaction, a deposit will be assessed based on the Fee Schedule.

In the event a Non-Residential Customer, who was not required to pay an adequate deposit or their deposit was refunded or is disconnected for nonpayment of a bill for the third time within a two-year period, a deposit may be imposed.

5.04 ***Form of the Deposit:***

Residential deposits may be in the form of cash, money order, credit card, debit card, cashier's check, personal check, or approved online payment method.

Non-Residential deposits may be in the form of an approved online payment method, cash, cashier's check, check or a surety bond written by an insurance company with at least an "A" rating from A.M. Best or equivalent credit rating and licensed to do business in the State of Kansas, or an Irrevocable Letter of Credit from a bank with at least a three-star rating from Bauer Financial (bauerfinancial.com). (One star is the lowest bank rating with five stars being the highest rating.) A non-cash deposit shall require a provision that notice must be given thirty days prior to expiration to KCBPU by the bank issuing the non-cash deposit.

5.05 ***Credit of the Deposits:***

Subject to subsections XXX below, Residential and Non-Residential deposits will be credited to an eligible Customer's account with interest. Such interest is determined by the Kansas Department of Administration, Municipal Services, and K.S.A. 12-822 and as amended.

- (i) If a Residential Customer has paid 22 out of 24 payments on time, or a Non-Residential Customer has paid 34 out of 36 payments on time (each such time period shall be evaluated on a rolling basis), and the Customer's deposit has been paid in full, the applicable account shall qualify as an Eligible Account;
- (ii) For Eligible Accounts, deposits that are credited will be applied towards the outstanding balance, if any;
- (iii) Any credit balance remaining on a Finaled account will be refunded to the Customer;
- (iv) For any Customer account that is not in Eligible Account status as of the initial timely payment period analysis, the deposit credit will be delayed. Thereafter, KCBPU shall review the most current 12-month period, and when no more than two Late Payment Charges have occurred, the deposit will be credited to the Customer's account.

6.00 FRAUD

- 6.01** ***Fraud:*** If a Customer and/or applicant provides fraudulent information or material misrepresentations to KCBPU, then:
- (i) KCBPU may refuse to provide new Service or discontinue existing Service;
 - (ii) the Customer must bring their account to a zero balance;
 - (iii) a deposit may be imposed for reconnection; and,
 - (iv) proper authorities may be notified.

7.00 INDIVIDUAL LIABILITY

- 7.01** ***Individual Liability:*** Where two or more persons are joint account holders, such persons shall be jointly and individually liable and shall be billed by means of a single periodic bill provided to the person(s) designated on the application to receive the bill.

A Primary Account Holder may add a Secondary Account Holder to an existing account, and such Secondary Account Holder shall be jointly and severally liable for the bill from KCBPU, as well as any past delinquencies at any Service location previously under the Primary Account Holder's name. Upon request to KCBPU, a Primary Account Holder or Secondary Account Holder may be removed from the account at any time, provided the account is at a zero balance when the request is made.

A Primary Account Holder or a Secondary Account Holder may add an Authorized User to an existing account, and such Authorized User is not financially responsible for the account in any way, but may obtain account information, make payment on the account, and reconnect Service(s).

Rose to add change to cover adding a secondary account holder and the acceptance of liability by both parties.

- 7.02** ***Unauthorized Tenant:*** A Designated Account Holder is the person that signs up for a KCBPU account. A Customer must notify KCBPU if there is a change in status of such Designated Account Holder, which includes but is not limited to, death, divorce, or other similar change of circumstance whereby the Designated Account Holder no longer resides at the Service location. If a User fails to notify KCBPU of such change in status of the Designated Account Holder, KCBPU may send an Unauthorized Tenant notification to the Customer and require the Customer to apply for KCBPU Service by the date identified in the notification.

Following the change in status, the Customer wanting to maintain Service(s) at the Service location will become the new Designated Account Holder and is required to transfer the Services into their name and bring the account balance to a zero balance, and further, may have new deposit requirements. The new Designated Account Holder shall adhere to the requirements listed in Section 5.00 Security Deposits.

7.03 ***Deceased Account Holder:*** When an account holder(s) is deceased, and a new responsible party seeks to transfer Service(s) into their name or to Final the account of the deceased, KCBPU may request documentation including, but not limited to, a death certificate or obituary. If KCBPU receives notice or determines that an account holder is deceased, notification of account closure may be given that would set forth a date on which the responsible party must bring the account balance to a zero balance and transfer the Services into their name to continue Services at the location of the deceased account holder.

The new responsible party at the deceased Customer's Service location who wants to maintain Service(s) at that location will become the Designated Account Holder, and is required to transfer the Services into their name, bring the account balance to a zero balance, and further, may have new deposit requirements. The new Designated Account Holder shall adhere to the same requirements that are listed in Section 5.00 Security Deposits.

8.00 EFFECTIVE DATE OF SERVICE

8.01 ***Effective Date of Service:*** KCBPU's Charges will be assessed and bills rendered from the earlier of (i) the date the Service(s) are first requested to be available at the Service location; or (ii) the Service(s) are used by the Customer.

9.00 CHARGES

9.01 ***Charges:*** Charges for electric and water service provided to a Customer at any point of delivery are established by resolution(s) adopted by the Board of Directors and include various fees and penalties. The Rate Application Manual is available on KCBPU's website.

Accounts will be charged monthly minimum charges, including Unified Government charges, even if there is no meter usage on the account.

10.00 BILLING AND PAYMENT

10.01 ***Billing and Payment:*** Bills shall be rendered monthly, or at such other interval as KCBPU determines appropriate. In computing bills for multiple month periods, the minimum charges of the rate may be prorated as applicable.

If Services supplied do not correctly register due to a KCBPU network failure of any kind, a force majeure event, or if KCBPU metering equipment is damaged, destroyed, or tampered with, an estimated bill may be rendered to the customer based on consumption during previous periods, but in the case where no previous consumption is available, other information may be used to determine the estimated bill.

Failure to receive bill and/or notifications does not release the customer from the obligation to pay for Service(s) received.

KCBPU can back-bill for any Charges including but not limited to failure to sign for service or a stuck or non-operating meter for up to three (3) years as per Kansas Statute 60-512 (the "Back-Bill Period"). Except in cases of unauthorized usage or fraud, Customers will have the same amount of time as the applicable Back-Bill Period to pay for such charges via an approved payment arrangement plan.

10.02 ***Equalized Payment Program (EPP):***

Only Residential Customers can elect to be billed in equal monthly installments.

For a customer to be eligible to elect to be billed under the terms of the EPP, the customer must meet the following requirements:

- (i) Customer must have received service continuously at their present address for 12 consecutive-billing periods; and,
- (ii) Prior to enrollment in the EPP a customer must have a zero balance.
- (iii) An account credit will not disqualify a customer from enrollment in EPP.

Initial monthly payments on the EPP will be determined by dividing customer's past 12 months billed amount by twelve.

The monthly amount payable may be adjusted by KCBPU, based on applicable rate changes, balance changes, and the Customer's recent consumption history.

The EPP will continue automatically unless terminated if

- (i) the Customer closes the account, in which case, KCBPU will render a final bill based on the actual unpaid balance; or,
- (ii) The Customer requests termination of the program, becomes eligible for involuntary disconnection, or has a payment returned (which was caused by Customer), in case of any of the foregoing, Customer's unpaid balance shall be due and payable with their next bill.

If a Customer's EPP is terminated by KCBPU, the Customer must pay the balance in full in order to be reinstated to the EPP.

10.03 ***Prorated & Estimated Bills:***

Bills for more days or less days than the normal billing cycle may be prorated for the actual days of service in accordance with the monthly schedule applicable thereto.

10.04 ***Due Dates:***

Payment must be received by KCBPU on or before the indicated Due Date to avoid a Late Payment Charge and potential disconnection of Service.

For reference, various payment options are listed below:

- (i) Authorized Payment Kiosk
- (ii) Bank Draft
- (iii) Online
- (iv) Phone/Automated Phone System

- (v) Drop Box at KCBPU (540 Minnesota Avenue)
- (vi) ACH (Automated Clearinghouse/Electronic Payments)
- (vii) Wire
- (viii) US Mail

Note: All payments are cleared electronically including checks. Collection of payment at a customer's location is not permitted.

10.05 ***Waiver of Late Payment Charge for Customers in Special Circumstances:*** Residential Customers who are at least 62 years of age or disabled, and at or below 150% of the Federal Poverty Guidelines, and have a KCBPU account in the applicant's name, may submit an application to request a waiver of the Late Payment Charge at the Customer's primary residence. Documented proof of income must be provided to KCBPU with an application. If an applicant qualifies for the Unified Government Utility and Sales Tax Rebate Program, an application does not need to be submitted pursuant to this section. Future Late Payment Charges will be waived if the application is approved. Customers will be notified if the application is approved or denied.

10.06 ***Payment Allocation:*** KCBPU allocates payments to the oldest charges first on a Customer's account. KCBPU will not allocate payments per a Customer's specific request.

11.00 RETURNED ITEMS

11.01 ***Returned Items:*** If a Customer payment is returned it may be converted to an Automated Clearing House (ACH) electronic transaction for re-presentation and collection.

The customer may be charged the maximum established rate for a Returned Item pursuant to K.S.A. 60-2610.

Upon receipt of a Returned Item for any reason, KCBPU may disconnect a Customer's utility Services if the item is not redeemed or payment of the item and any applicable fee is not received. If Services are disconnected for a Returned Item, all past due Charges and the returned payment amount and applicable fees become due immediately. A Returned Item can be paid by cash, money order, credit/debit card, cashier's check, or wire payment only.

KCBPU may notify a Customer that future payments to KCBPU must be made by cash, money order, cashier's check, or wire payment only upon receipt of two returned checks or one returned credit or debit card payment.

12.00 PAYMENT ARRANGEMENTS

12.01 ***Payment Arrangements:*** KCBPU may allow a Customer to enter into a payment arrangement in accordance with this section. Payment arrangements are not available for Non-Residential customers,

finalized accounts, or where diversion or fraud has occurred. Finalized accounts, if service is currently disconnected or scheduled for disconnection that day, or a returned item.

Customers must keep their account current by paying any new utility charges billed in order to maintain the payment arrangement or other actions on delinquent accounts. Late charges may be applied to all past due amounts.

Any past due amounts incurred during a Payment Arrangement will render the Payment Arrangement in default and all outstanding balances due immediately.

If a payment arrangement is in default, a Customer's Services are eligible for disconnection without prior notification. A Customer is allowed up to three Terminated Arrangements per calendar year.

13.00 PAST DUE AND COLLECTION STATUS

13.01 Past Due and Collection Status:

An account that remains unpaid or is past due may be subject to the following actions:

- (i) A Late Payment Charge
- (ii) The customer's utility service(s) may be disconnected.
- (iii) A disconnect fee
- (iv) Liens or Legal Action

14.00 DISCONNECTION AND RESTORATION OF SERVICE

14.01 Disconnection of Service:

If the amount due as indicated on the bill is not paid on or before the due date, a Late Payment Charge may be added to the bill. A courtesy phone call or text message may be attempted to the phone number on file to notify the customer of a late payment. Non-payment in accordance with this Customer Service Policy can result in disconnection of service.

If the bill remains unpaid, a courtesy phone call or text message may be attempted to the phone number on file to notify the customer of a pending disconnection. Failure to receive a phone call or text message does not release the customer from pending disconnection. Payment must be made before the cutoff date noted on the bill to avoid disconnection. Any previous unpaid amount is eligible for disconnection at any time.

14.02 Restoration of Service:

In order to restore disconnected service, the customer must pay all past due fees, penalties, and bills, plus the appropriate deposit if applicable.

It may take up to 24 hours for service restoration.

15.00 COLD AND HOT WEATHER DISCONNECTION RULE

**15.01 Cold and Hot
Weather
Disconnection
Rule:**

During Summer Months, on any day when the National Weather service forecasts the temperature will rise above 95 degrees Fahrenheit, or the heat index will rise above 105 degrees Fahrenheit, KCBPU will not disconnect electric service for non-payment of bills.

During the period of November 1st through March 31st, KCBPU will not disconnect Residential electric customers for non-payment of bills when the National Weather Service forecasts the temperature will be at or below 32 degrees Fahrenheit in the next 24 hours. KCBPU will check the weather forecasts daily between 8:00 AM and 9:00 AM. Water service can be disconnected at any time.

16.00 FLEXPAY PROGRAM

16.01 FlexPay Program:

Residential electric customers may qualify to receive Services under KCBPU's prepay service program called FlexPay.

The FlexPay Agreement can be found at:

<https://www.bpu.com/forhome/billing/flexpay.aspx>

The following provisions apply to the FlexPay program:

- (i) Only customers with electric Advanced Metering Infrastructure (AMI) meters that can be remotely disconnected and reconnected are eligible for the FlexPay program. Water only accounts are not eligible to participate.
- (ii) Prior to being approved for the FlexPay program, the customer must agree to the Service Agreement.
- (iii) Customers flagged as Life Support customers are not eligible to participate.
- (iv) Customers on certain programs (including Kansas Home Loan, etc.) are not eligible to participate.
- (v) Deposit requirements may be waived.
- (vi) FlexPay customers are not eligible for the Equalized Payment Program.
- (vii) Disconnection charges may apply.
- (viii) KCBPU offers customers in the FlexPay program a notification when the customer's balance reaches a Low Balance threshold and when the balance becomes negative. KCBPU will not disconnect the customer until the next business day after notification is attempted. After disconnection, KCBPU will provide customers with a minimum payment amount required to re-establish service.
- (ix) KCBPU will make available a separate website and mobile application for all customers in the FlexPay program.
- (x) FlexPay program service customers are responsible for purchasing services in advance of usage. For customers in arrears before entering the

FlexPay program, the percentage of their payments that will be applied to debt recovery may be 25%.

- (xi) A customer electing to return to postpaid service may have the same payment plan options as other residential customers after satisfying the conditions set forth in the FlexPay program. Conditions that may require a new or modified deposit are described in Section 5: Security Deposits.

For reference, various payment options are listed below:

- (i) Authorized Payment Kiosk
- (ii) Online
- (iii) Phone/Automated Phone System
- (iv) Drop Box at KCBPU (540 Minnesota Avenue)

Note: All payments are cleared electronically including checks.

General Policies Applying to Customer Service
Issuing Credit, Billing and Debt Collections for Electric and Water Service

PC-200-001

REVISION HISTORY

Prior Version # [Effective Date]	Owner [Author]		Approver	Board Approval Required <input checked="" type="checkbox"/> Yes
1.00 11-1-2022	Name	Johnetta Hinson	William Johnson	
	Title	Manager of Customer Service	General Manager	
Current Version # [Effective Date]	Owner [Author]		Approver	
1.01 xx-xx-xxxx	Name	Johnetta Hinson	William Johnson	
	Title	Manager of Customer Service	General Manager	
Description of Changes:	<p>Made verbiage and content changes to the following sections: 1.01, 1.02, 1.03, 2.01, 4.01, 4.02, 5.01, 5.02, 5.03, 5.04, 5.05, 6.01, 7.01, 7.02, 7.03, 10.01, 11.01, 11.02, 11.04, 12.00, 12.01, 13.01</p> <p>Deleted sections: 7.04, 9.00, 9.01</p> <p>Renumbered the following sections: 10.00 and 10.01 to 9.00 and 9.01, 11.00 through 11.06 to 10.00 through 10.06, 12.00 and 12.01 to 11.00 and 11.01, 13.00 and 13.01 to 12.00 and 12.01, 14.00 and 14.01 to 13.00 and 13.01, 15.00 and 15.01 to 14.00 and 14.01, 16.00 through 16.02 to 15.00 through 15.02, 17.00 and 17.01 to 16.00 and 16.01, 18.00 and 18.01 to 17.00 and 17.01.</p>			
Resolution Number				
General Manager Signature/Date				



Kansas City Board of Public Utilities Rules and Regulations

Customer Service Adopted Fee and Deposit Schedule

| PC-200-002

1.00 CUSTOMER SERVICE ADOPTED FEE AND DEPOSIT SCHEDULE

1.00	1. Service Fees	
	a. Service Fee	\$75.00
	b. Disconnection Fee (Postpaid)	
	• Electric Meter	\$10.00
	• Water Meter	\$35.00
	c. Disconnection Fee (Prepay)	
	• Electric Meter	\$0.00
	• Water Meter	\$35.00
	d. Late Payment Charge	5% of Outstanding Current Bill
2.00	2. Residential Homeowner / Renter Deposit (Postpaid)	
	a. Limited Liability	
	• Electric	\$150.00
	• Water	\$60.00
	• Sewer	\$15.00
	b. Substantial Liability	
	• Electric	\$250.00
	• Water	\$100.00
	• Sewer	\$25.00
	c. Maximum Deposit	\$500.00
	3. Residential Other / Contractor Deposit (Postpaid)	\$250.00 up to the Maximum
	a. Maximum Deposit	\$500.00
	4. Residential Homeowner / Renter Deposit (Prepay)	
	• Electric, Water, Sewer	\$0.00

REGULAR SESSION –WEDNESDAY, SEPTEMBER 4, 2024

STATE OF KANSAS)
) SS
CITY OF KANSAS CITY)

The Board of Public Utilities of Kansas City, Kansas (aka BPU, We, Us, Our) met in Regular Session on Wednesday, September 4, 2024 at 6:00 PM. The following Board Members were present: David Haley, Vice President; Mary Gonzales, Rose Mulvany Henry, and Brett Parker. Thomas Groneman, President; and Stevie A. Wakes Sr., Secretary, participated via Zoom. At the request of Mr. Groneman, Mr. Haley served as the presiding officer.

Also present: William Johnson, General Manager; Angela Lawson, Acting Chief Counsel; Lori Austin, Chief Financial Officer; Jeremy Ash, Chief Operating Officer; Abbey Frye, Chief Administrative Officer; Leigh Mulholland, Chief Compliance Officer; Darrin McNew, Executive Director Electric Operations; Donald Stahl, Executive Director Electric Production; Johnetta Hinson, Executive Director Customer Service; Steve Green, Executive Director Water Operations; Jerin Purtee, Executive Director Electric Supply; Dennis Dumovich, Director of Human Resources; Steve Hargis, Supervisor Water Operations; Nicholas Moreno, Communications Coordinator; and Robert Kamp, IT Project Manager.

A video of this meeting is on file at the Board of Public Utilities and can be found on the BPU website, www.bpu.com.

Mr. Haley called the Board meeting to order at 6:03 PM. He welcomed all that were listening to or viewing the meeting. He informed all that the meeting was being recorded including video and audio. During the visitor comments section, those who attended in person, wishing to speak, should use the sign-up sheet at the entry and provide their name and address. In addition, there would be a public comments section after the General Manager/Staff Reports. During this section, the public could comment on the items presented in the General Manager/Staff Reports section that evening. Both visitor and public comments were limited to three minutes and should be addressed to the Board. Members of the public who wished to speak to the Board using Zoom needed to use the raise hand feature at the bottom of the application or window to signal that they wish to address the board during the public comment section. Members of the public connected by phone only, needed to press *9 to indicate they wished to address the Board in the visitor and public comment sections. No confidential information should be shared, including, account information. Staff would not provide individual account information during an open meeting. As always, the public could also email or call the BPU with any concerns. He informed all participants to act respectfully to each other; personal attacks or accusations would not be tolerated. All concerns would be directed to the Board only, they would then determine staff involvement. If side discussion was necessary, it was to be conducted outside of the Board room to avoid interfering with presenters or other attendees. If any rules are breached during this meeting, the attendee was subject to removal.

REGULAR SESSION –WEDNESDAY, SEPTEMBER 4, 2024

STATE OF KANSAS)
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Mr. Haley introduced himself and the other Board members along with the General Manager, and Legal Counsel.

Roll call was taken and all Board members were present.

Item #3 – Approval of Agenda

A motion was made to approve the Agenda, by Ms. Gonzales, seconded by Ms. Mulvany Henry, and unanimously carried.

Item #4– Approval of the Minutes of the Work Session of August 21, 2024:

A motion was made to approve the minutes of the Work Session of August 21, 2024, by Mr. Parker, seconded by Ms. Mulvany Henry, and unanimously carried.

Item #5– Approval of the Minutes of the Regular Session of August 21, 2024:

A motion was made to approve the minutes of the Regular Session of August 21, 2024, by Ms. Gonzales, seconded by Mr. Parker, and unanimously carried.

Item #6– Visitors Comments

Ms. CeCe Harlin, Wyandotte County, spoke about legal counsel and items that were presented by BPU at a recent Unified Government (UG) meeting.

Mr. Ty Gorman, 2843 Parkwood Blvd., expressed his views on renewable energy and energy efficiency options for the community.

Item #7– 2020 Leadership

Ms. Marnie Morgan, Executive Director of 20/20 Leadership, and Ms. Katelyn Wells, Coordinator for Student Programs, introduced participating students of 20/20 Leadership program. The students spoke about the impact the program had on their academic growth, as well as other areas such as; confidence, real-world opportunities and networking. They also spoke about various projects they had completed as a result of their participation in 20/20 Leadership.

Ms. Morgan responded to questions and comments from the Board.

REGULAR SESSION –WEDNESDAY, SEPTEMBER 4, 2024

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Mr. Ash, Chief Operating Officer, shared that a BPU scholarship was awarded to a graduate of the 20/20 Leadership Program from Wyandotte High School, who was pursuing an engineering degree.

Item #8– General Manager / Staff Reports

- i. *July 2024 Financials:* Ms. Lori Austin, Chief Financial Officer, responded to questions and comments from the Board. The Board waived the verbal presentation of the July 2024 financials. (see attached PowerPoint.)

A motion was made to approve the July 2024 Financials, by Ms. Gonzales, seconded by Mr. Parker, and unanimously carried.

- ii. *Customer Service Enhancement Presentation:* Ms. Abbey Frye, Chief Administrative Officer, reviewed enhancements that were being explored and implemented to improve the customer experience. Areas of focus included, education and promotion of current programs, incentives, and the roll out of the phone line dedicated to scheduling in-lobby appointments. (See attached PowerPoint.)

Ms. Frye and Ms. Johnetta Hinson, Executive Director Customer Service, responded to questions and comments from the Board.

- iii. *Miscellaneous Comments:* Mr. Johnson said that BPU was on the agenda for the Unified Government (UG) meeting scheduled for Thursday, September 5th, and encouraged all to listen. He also introduced and welcomed Ms. Leigh Mulholland, as BPU’s new Chief Compliance Officer.

Item #9– Public Comments on Agenda Items

Ms. Pamela Penn Hicks, Wyandotte County, expressed appreciation and gave feedback regarding the Customer Service enhancements, and spoke about the budget and PILOT collection.

Mr. Ty Gorman, 2843 Parkwood Blvd., expressed his thoughts regarding BPU’s ability to serve vulnerable residents versus a for-profit organization. He also spoke about the Customer Service Policy, renewable energy, and energy efficiency options.

REGULAR SESSION –WEDNESDAY, SEPTEMBER 4, 2024

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Item #10– Board Comments

Ms. Mulvany Henry thanked community members for their engagement, expressed appreciation to the Customer Service department for their continued work, and wanted to reiterate that in-person lobby appointments can be made by phone at 913-573-9960.

Ms. Gonzales thanked Customer Service and the Board members who served on the Policy Committee for their work to improve customer’s interactions with BPU.

Mr. Parker said he appreciated the public input and the update from the 20/20 Leadership group. He also thanked staff for their Customer Service enhancement and policy efforts.

Mr. Wakes said he had expressed his comments during the presentations but wanted to thank Mr. Johnson for providing detailed information and for answering questions from community members regarding BPU.

Mr. Groneman echoed previous comments and emphasized the importance of listening to the UG Commission meeting that would discuss BPU.

Mr. Haley thanked the 20/20 Leadership group for presenting, welcomed Ms. Mulholland, and thanked staff and committee members for their work on the Customer Service Policy. He also spoke about the in-lobby appointment option and thanked community members for their participation.

Ms. Angela Lawson, Acting Chief Counsel, confirmed a BPU meeting notice would be sent out before the UG Commission meeting.

Item 11 – Adjourn

At 7:37 PM a motion to adjourn was made by Ms. Mulvany Henry, seconded by Mr. Parker, and unanimously carried.

ATTEST:

APPROVED:

Secretary

President

July 2024 Financial Results September 4, 2024

Financial Results

2024 Billed kWh (YTD July)

Electric	(CY) 2024 YTD	(PY) 2023 YTD
Residential	324,785,302	333,549,060
Commercial	562,690,056	575,932,985
Industrial	293,021,288	291,359,500
	1,180,496,646	1,200,841,545
		-1.7%

All Residential and Commercial customer classes are below 2023 levels while Industrial customer class is slightly above last years level.

Residential – Down 3% Commercial – Down 2% Industrial – Up 1%



Financial Results

2024 Billed CCF's (YTD July)

Water	(CY) 2024 YTD	(PY) 2023 YTD
Residential	1,980,719	2,022,946
Commercial	1,537,299	1,516,733
Industrial	1,034,695	1,049,977
	4,552,713	4,589,656
		-0.8%

Residential – Down 2% Commercial – Up 1% Industrial – Down 1%



Financial Results

Revenues – July 2024

	(CY) 2024 July	(PY) 2023 July	Budget 2024 July	(CY) 2024 July
Electric	\$ 34.884	\$ 32.722	\$ 29.770	\$ 34.884
Water	5.870	5.343	5.193	5.870
Combined	\$ 40.754	\$ 38.065	\$ 34.963	\$ 40.754
				16.6%

**Dollars in millions

Actual Compared to 2024 Budget

Electric – Up 17%

Water – Down 13%

Financial Results

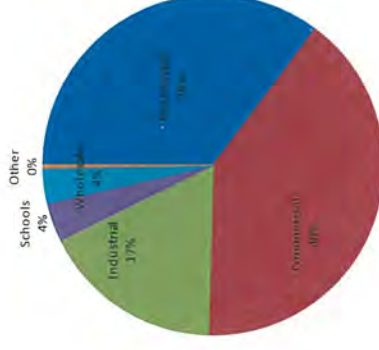
Revenues – 2024 YTD

	(CY) 2024 YTD	(PY) 2023 YTD	Budget 2024 YTD	(CY) 2024 YTD
Electric	\$ 186.204	\$ 187.155	\$ 179.852	\$ 186.204
Water	32.664	30.737	32.007	32.664
Combined	\$ 218.868	\$ 217.892	\$ 211.859	\$ 218.868
				3.3%

**Dollars in millions

Variance – YTD comparing Budget to Actual for 2024

<u>Electric:</u>	Up 4%	Water:	Up 2%
Residential	\$ 440K	Residential	\$ 25K
Commercial	\$ 4.7M	Commercial	\$ 819K
Industrial	(\$ 2.0M)	Industrial	(\$ 20K)
Schools	\$ 390K	Wholesale	(\$ 37K)
Wholesale	(\$ 2.2M)		



Recognized 6 months of 6 of the 2023 ERC Over Recovery of the ERC - \$4,087,528



Financial Results

Operating Expenses – July 2024

	(CY) 2024 July	(PY) 2023 July	Budget 2024 July	(CY) 2024 July
Electric	\$ 20.279	\$ 20.257	\$ 20.022	\$ 20.279
Water	3.532	3.067	3.464	3.532
Combined	\$ 23.811	\$ 23.324	\$ 23.486	\$ 23.811
				1.4%

**Dollars in millions

Actual Compared to 2024 Budget

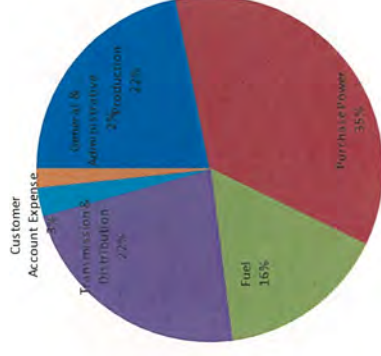
Electric – Up 1%

Water – Up 2%

Financial Results

Operating Expenses – 2024 YTD

	(CY) 2024 YTD	(PY) 2023 YTD	Budget 2024 YTD	(CY) 2024 YTD
Electric	\$ 138.523	\$ 148.673	\$ 137.949	\$ 138.523
Water	22.208	22.358	25.072	22.208
Combined	\$ 160.731	\$ 171.031	\$ 163.021	\$ 160.731
				-6.0%
				-1.4%



**Dollars in millions

Actual Compared to 2024 Budget

- Electric – Up >.5%
- Water - Down 11%
- Combined – Down 1%

Financial Results

Operating Expenses - 2024 YTD less Depreciation

	(CY) 2024 YTD	(PY) 2023 YTD	Budget 2024 YTD	(CY) 2024 YTD
Electric	\$ 117,476	\$ 128,036	\$ 117,605	\$ 117,476
Water	17,294	17,444	20,238	17,294
Combined	\$ 134,770	\$ 145,480	\$ 137,843	\$ 134,770
				-2.2%

**Dollars in millions

Electric:

Purchased Power \$ 7.9M
 Fuel (\$ 3.1M)
 Production (\$ 222K)
 T&D (\$ 2.5M)
 G&A (\$ 2.0M)

Water:

Production (\$665K)
 T&D (\$ 1.6M)
 G&A (\$558K)

Variance - YTD comparing Budget to Actual 2024

Financial Results

Change in Net Position – July 2024

	(CY) 2024 July	(PY) 2023 July
Electric	\$ 10.174	\$ 8.305
Water	1.788	1.728
Combined	\$ 11.962	\$ 10.033

	Budget 2024 July	(CY) 2024 July
Electric	\$ 5.458	\$ 10.174
Water	1.205	1.788
Combined	\$ 6.663	\$ 11.962

Electric
Water
Combined

**Dollars in millions

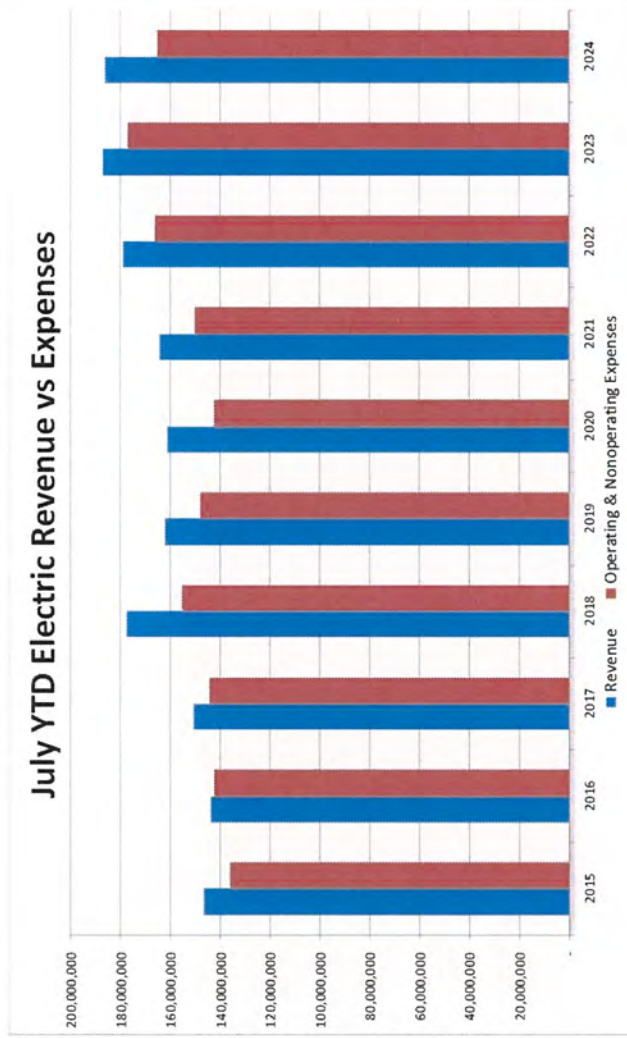
Financial Results

Change in Net Position – 2024 YTD

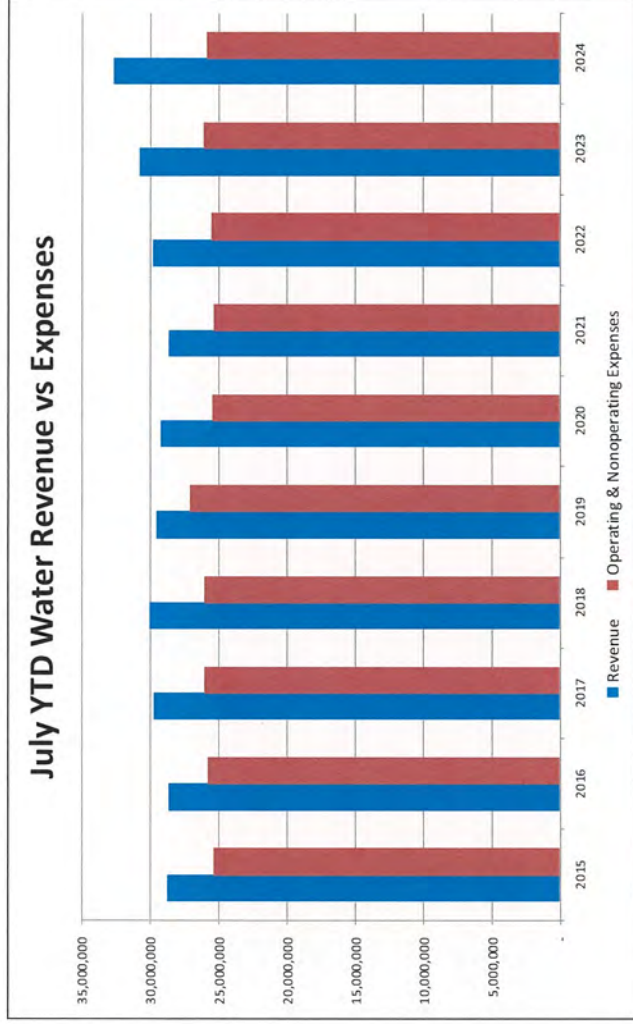
	(CY) 2024 YTD	(PY) 2023 YTD	Budget 2024 YTD	(CY) 2024 YTD
Electric	\$ 20.844	\$ 10.130	\$ 14.657	\$ 20.844
Water	8.942	5.243	3.458	8.942
Combined	\$ 29.786	\$ 15.373	\$ 18.115	\$ 29.786

**Dollars in millions

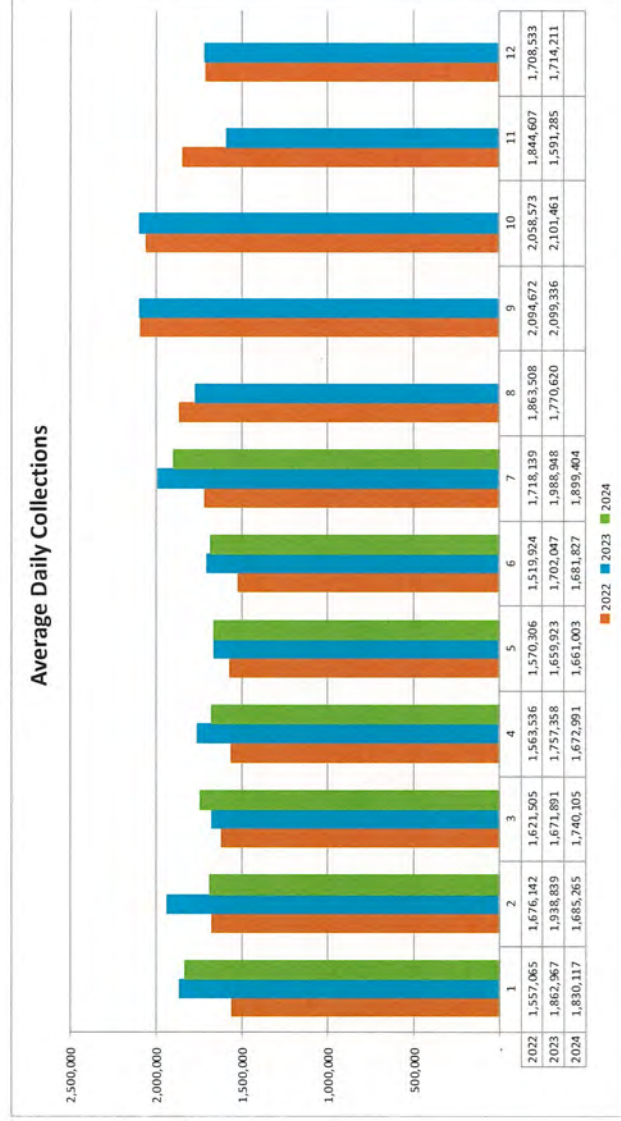
Financial Results – 10 Year Trend



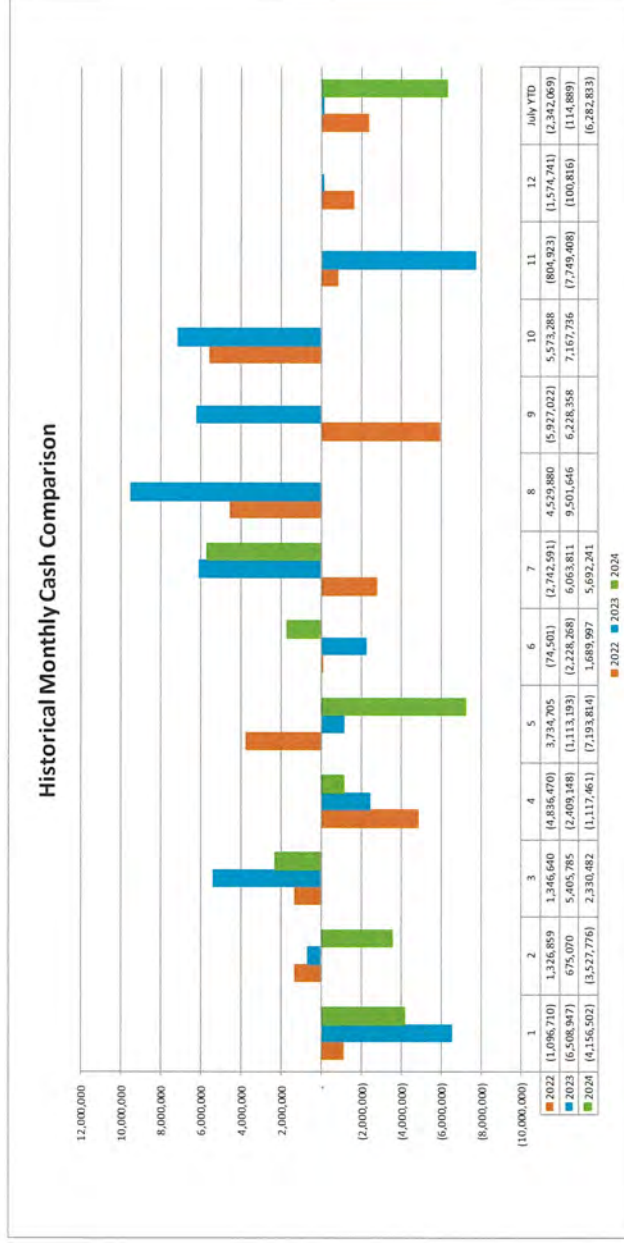
Financial Results – 10 Year Trend



Financial Results



Financial Results





Financial Results

Cash Position

Combined (E&W)
Days Cash-on-Hand

	(CY) 2024 July	(PY) 2023 July	2024 June
\$	51.64	\$ 43.62	45.68
	84	67	75

1 Day = Approximately \$600K-\$625K
(Based on 12 month rolling average of expenses)

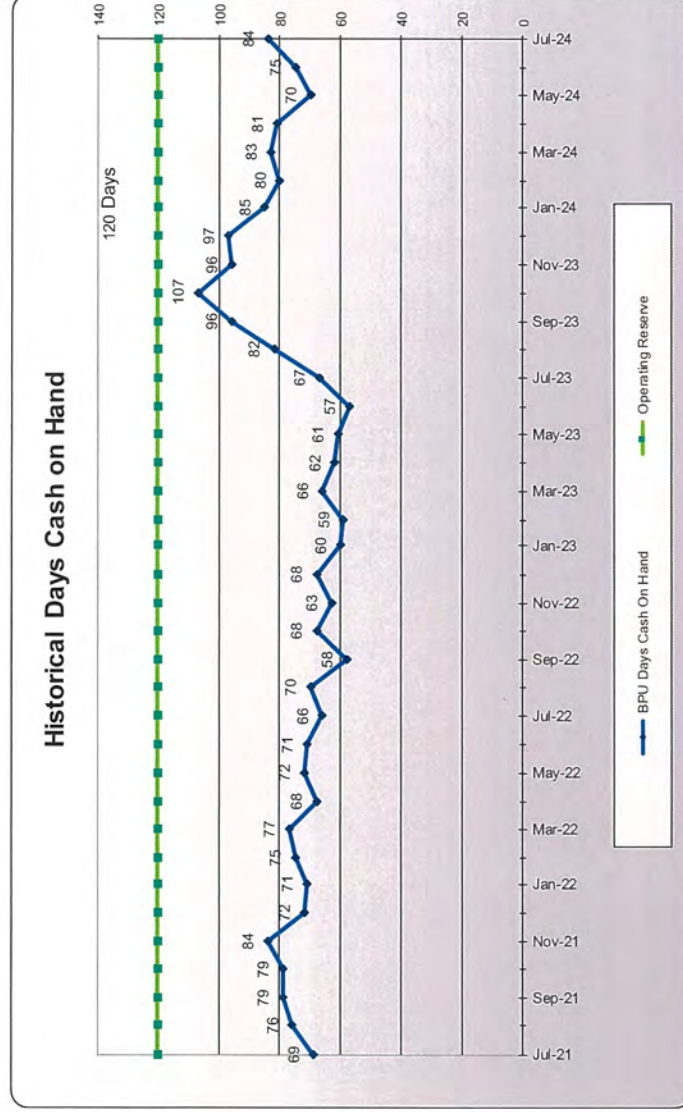
Balance Sheet: Notables

Fuel Inventory

	(CY) 2024 July	(PY) 2023 July
\$	9.700	\$ 10.404

**Dollars in millions

Financial Results



Financial Results

Capital Spending

	(CY) 2024 YTD	(PY) 2023 YTD	2024 Budget
Electric	\$ 10.39	\$ 14.06	\$ 35.58
Water	7.61	7.30	26.38
Common	2.49	1.78	5.13
Total YTD Capital	\$ 20.49	\$ 23.15	\$ 67.09
			Remaining
			69%

Major projects in 2024:

- Annual OH & UG Construction - \$1.2M
- Annual Meter Program - \$808K
- Distribution Pole Inspection - \$1.3M
- OH & UG Transformers - \$1.4M
- 98th St OH Feeder Relocation - \$700K
- Water Distribution - \$3.9M
- Water Production - \$327K
- Water Services - \$418K

** Dollars in millions



Financial Results

Debt Coverage

Financial Guideline Target
2.0 times with PILOT

Debt Coverage with PILOT

	(CY) 2024 July	(PY) 2023 July
Electric	2.75	2.75
Water	2.96	2.23
Combined	2.90	2.85

Debt Coverage w/o PILOT

	(CY) 2024 July	(PY) 2023 July
Electric	2.04	2.01
Water	2.35	1.75
Combined	2.18	2.12

Financial Guideline Target
1.6 times without PILOT



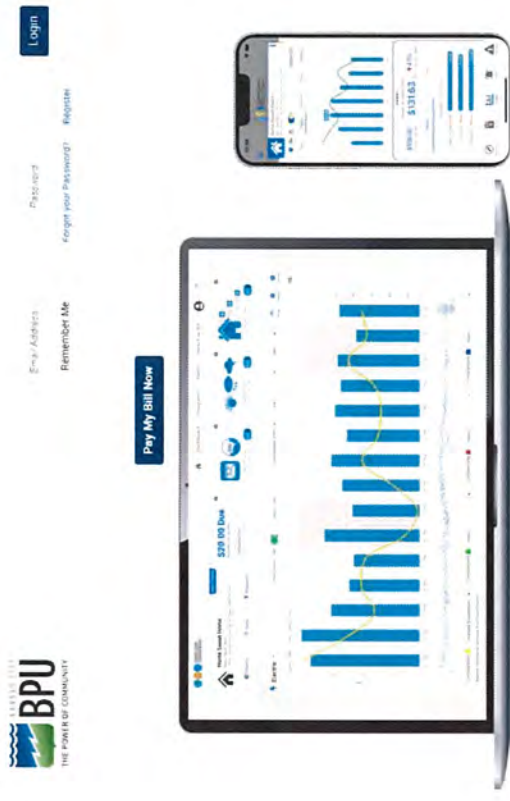
CUSTOMER SERVICE ENHANCEMENTS

September 4, 2024



Customer Enhancements

- IVR upgrade
- MyMeter - Start/Stop/Transfer Service



The meter at your home or business provides amounts of up-to-date. Now you can spot trends, track your usage, and even receive energy-related alerts and challenges. It's your energy!





Customer Options

- FlexPay
- E-bill
- Auto Pay
- Email/Text Payment Reminders
- Email Usage Notifications



Exploring Customer Options

Customer Programs:

- Email & Text Payment Reminders
- Email Usage Notifications
- E-bill Enrollment
- FlexPay Enrollment
- Auto Pay Enrollment

Incentives:

- Customer Bill Credit
- Home Energy Audits
- Drawings/Enter to Win
- Priority IVR Service
- Flexible Billing & Payment Options



In-Lobby Appointments

- Phone number to schedule in-lobby appointments:

(913) 573-9960





Payment Kiosk - update

- Change machines typically convert dollars to coins
- Coins cannot go in or out of the kiosk machine
- Continue to look for other machines/options





Customer Service

QUESTIONS?



