

Give customers what they want

Prepay energy customers survey



Presenter



Jamie Wimberly

Senior Vice President, Utility Customer Strategy

Agenda

1. Research methodology overview
2. Narrative
3. Context
4. Detailed findings
5. Next steps

Research methodology overview

Research methodology

Participants consisted of 1,012 adults and were 18 years or older.

Bases shown in this report are unweighted.

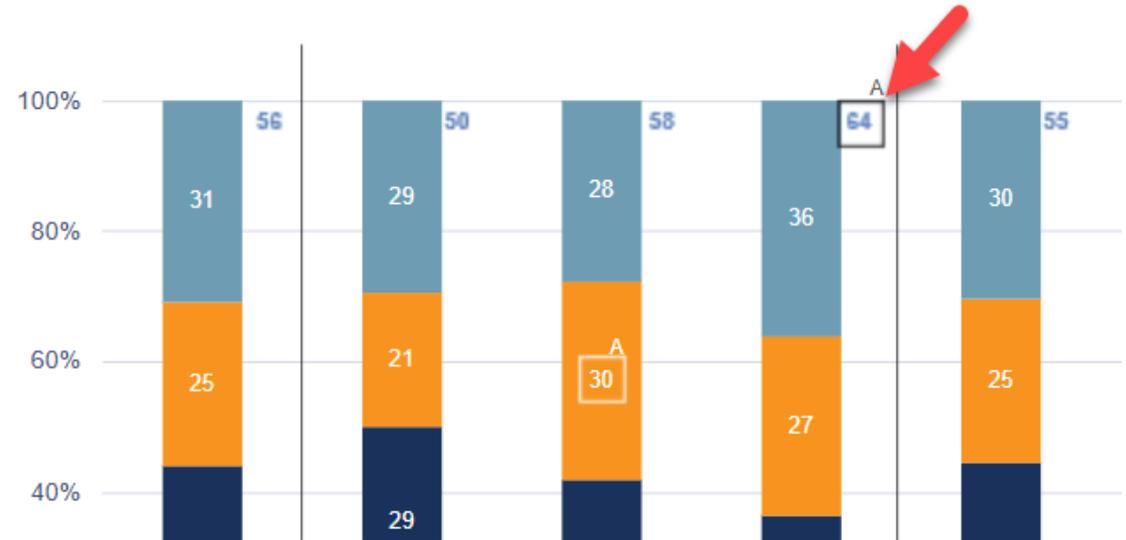
We invited participants by email and interviewed them online.

A leading sample provider provided the sample to Russell Research.

All research was carried out in compliance with all relevant legal and ethical requirements.

Statistical significance

A box around a number indicates that this figure is significantly higher than the other/indicated subgroup at a 95% confidence level.



Narrative

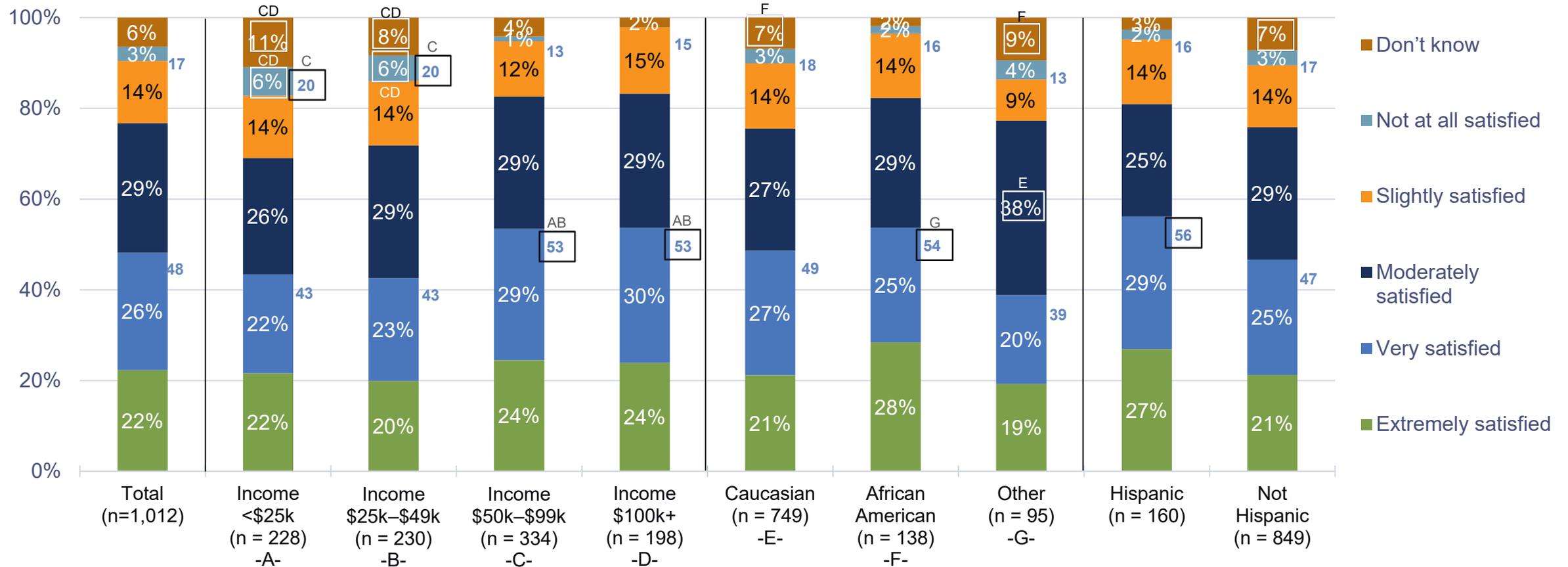
Customer interest in prepay energy at all-time high

We have been conducting our annual prepay survey of more than 1,000 customers nationally for over 10 years on all things prepay in the utility sector. Every year, we have noted a small but significant increase in customer interest in a voluntary prepay option in the utility sector. This year marks an all-time high in customer interest, with over two-thirds of respondents indicating some level of interest and 31% being “extremely” or “very” interested in a prepay energy option.

The reason is simple: utility rates continue to increase, and a growing number of customers are struggling to pay their utility bills. Customers really want their utility to provide alternative payment options and terms. And for those customers who start using prepay energy to pay their utility, they love the convenience and control it provides. Prepay energy consistently produces higher customer satisfaction than traditional bill pay.

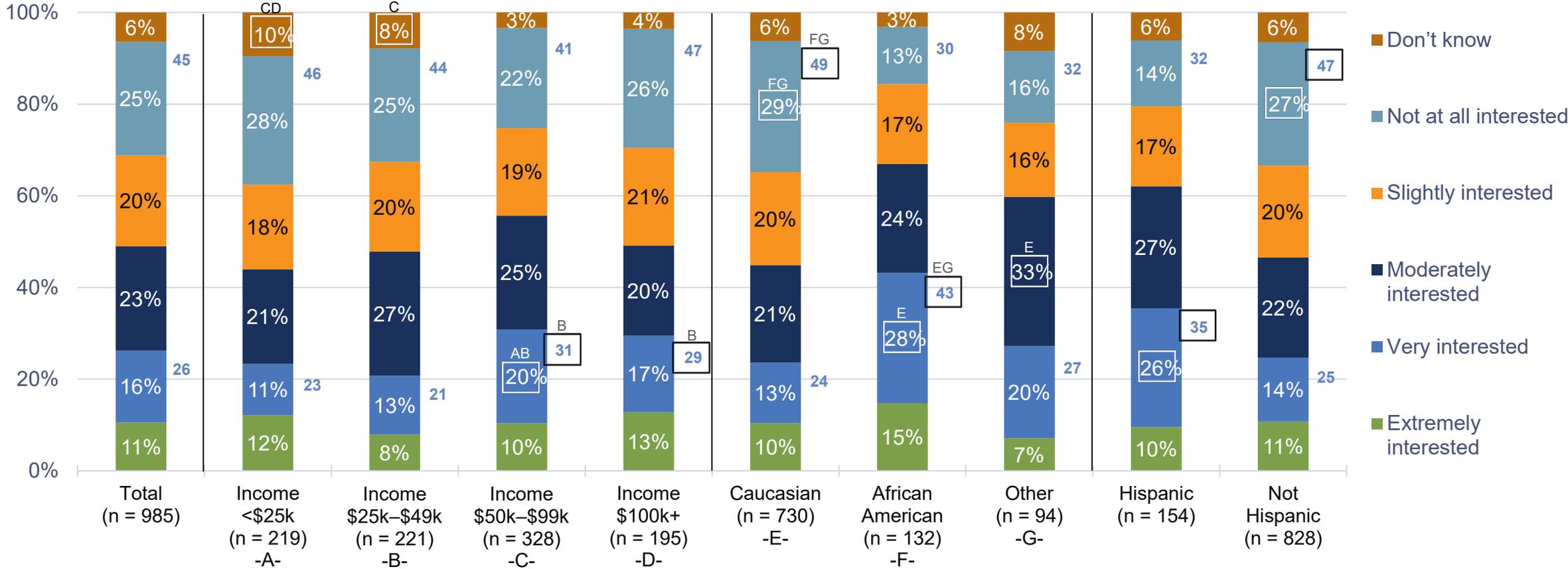
Context

Satisfaction in program that reduced energy bill by 10% or more



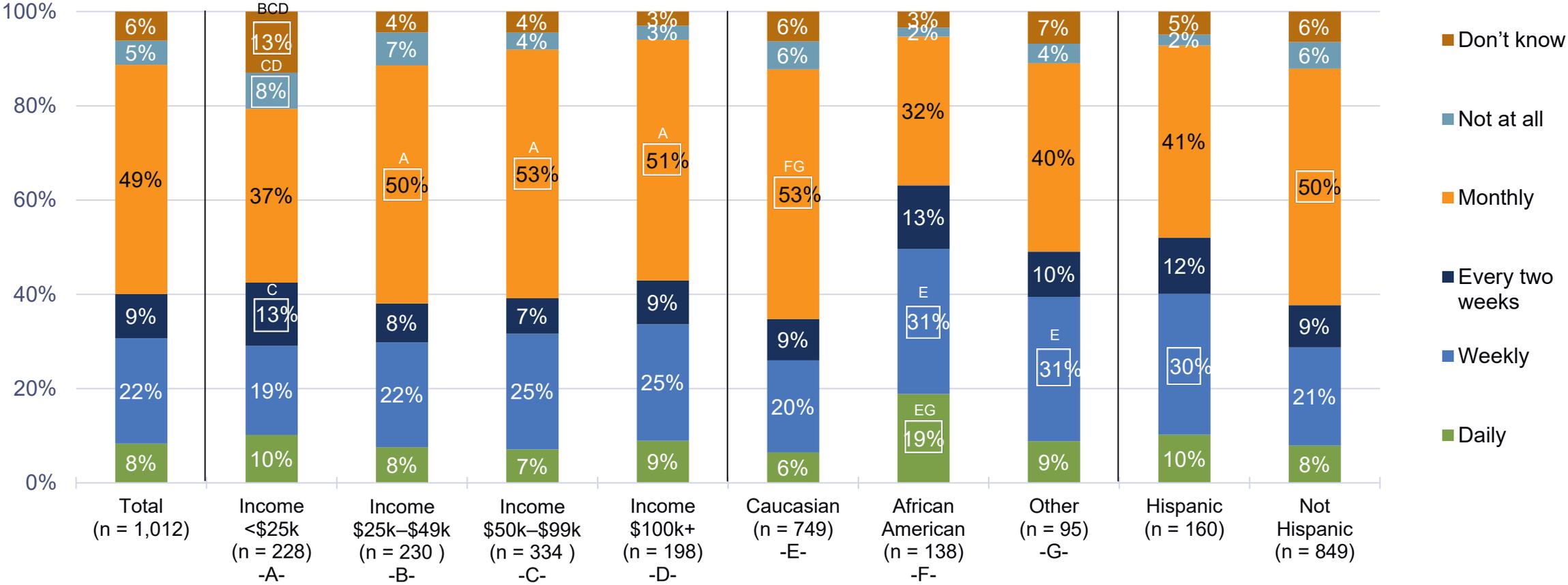
© E Source (2025 Q2 PEWG Pulse Survey). **Base:** Total respondents. **P5.** How satisfied would you be if you enrolled in a program offered by your utility that reduced your energy bill by 10% or more?

Interest level in switching to prepay billing



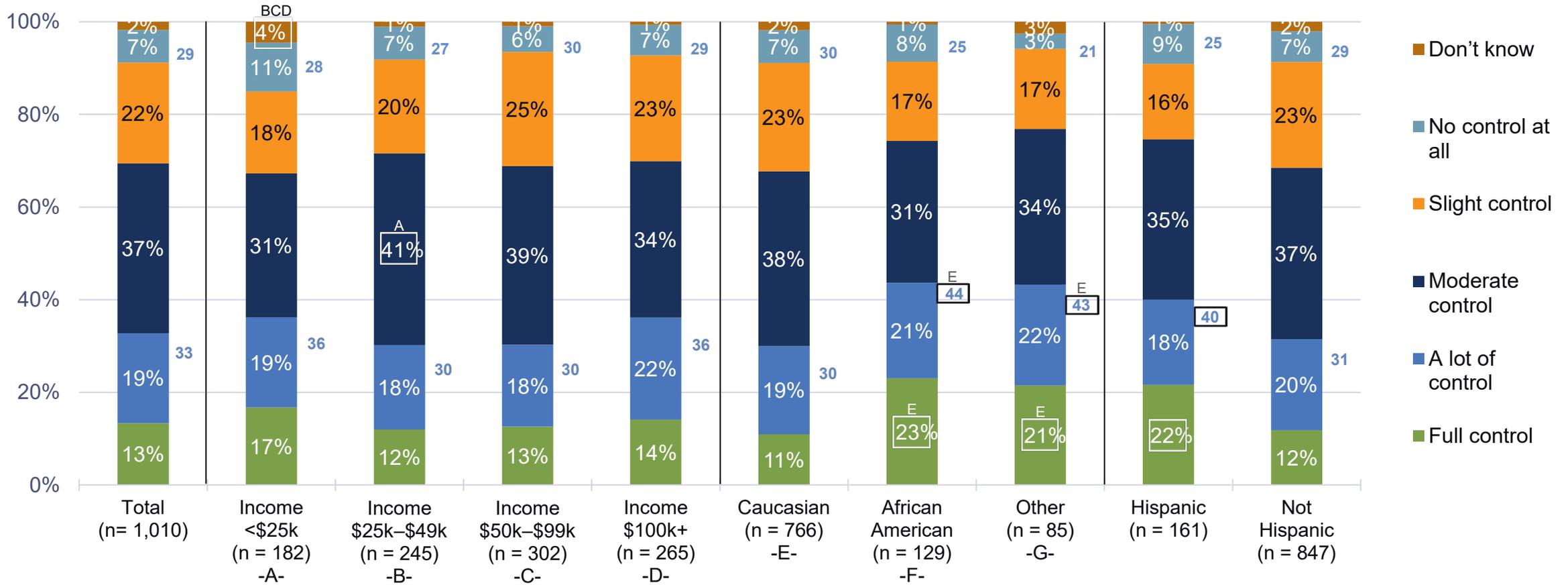
© E Source (2025 Q2 PEWG Pulse Survey). **Base:** Total not already participating in A prepay billing program. **P5.** Prepay billing is the ability to pay your utility bills as you go, before you use energy, rather than receiving a bill at the end of the month, after you've used energy. People that are enrolled in prepay billing have seen a reduction in their energy consumption anywhere from 5–15% due to becoming more aware of their energy use. Knowing this, how interested would you be in switching to prepay billing to reduce your energy consumption?

Frequency of receiving energy usage details



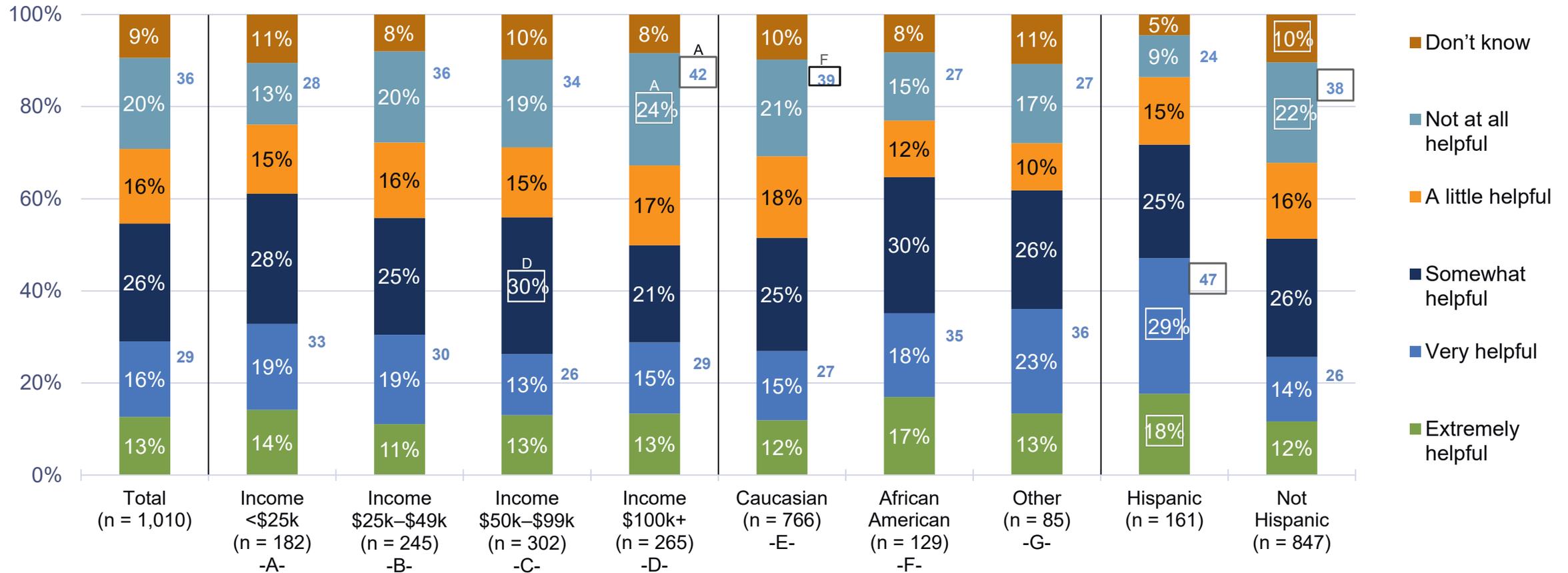
© E Source (2025 Q2 PEWG Pulse Survey). **Base:** Total respondents. **P3.** If your utility provided feedback that details your energy usage, how frequently would you want to receive that information?

Customers are split on how much control they feel with their energy use



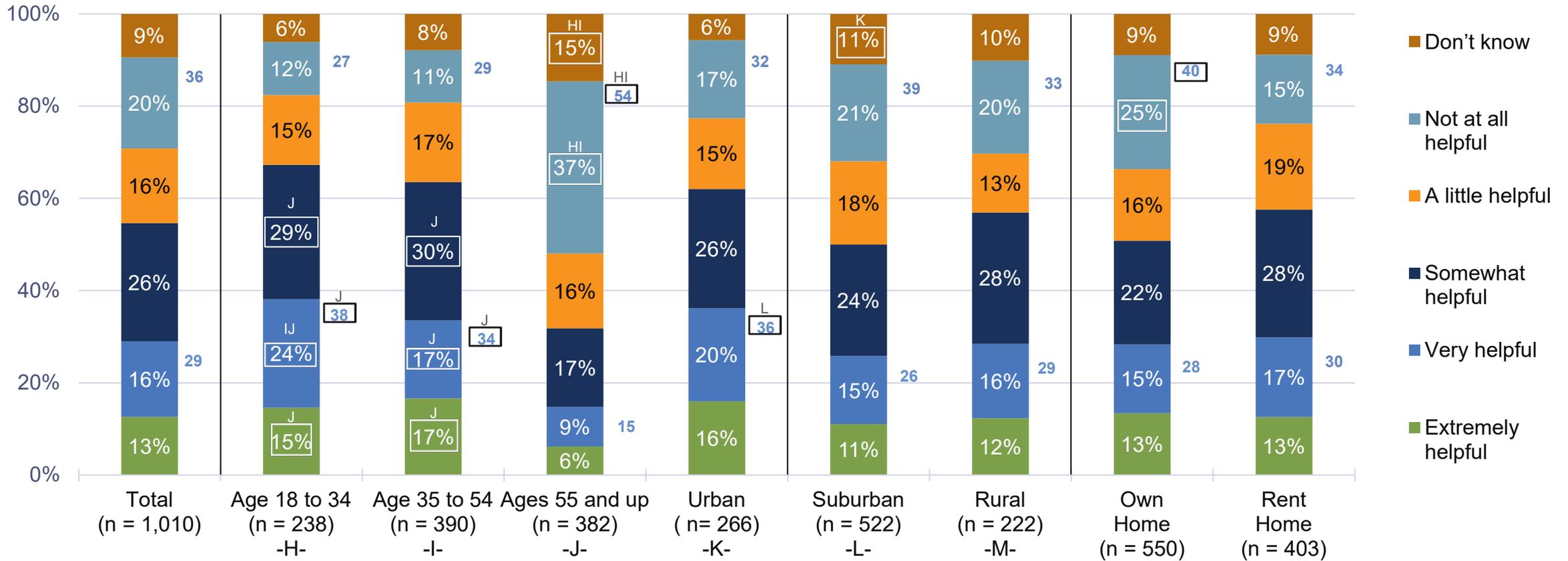
© E Source (2025 Q1 PEWG Pulse Survey). **Base:** Total respondents. **P3.** How much control do you feel you have to manage the monthly energy usage and the costs associated with your utility bill?

One-third of customers making less than \$25,000/year say prepay could be helpful



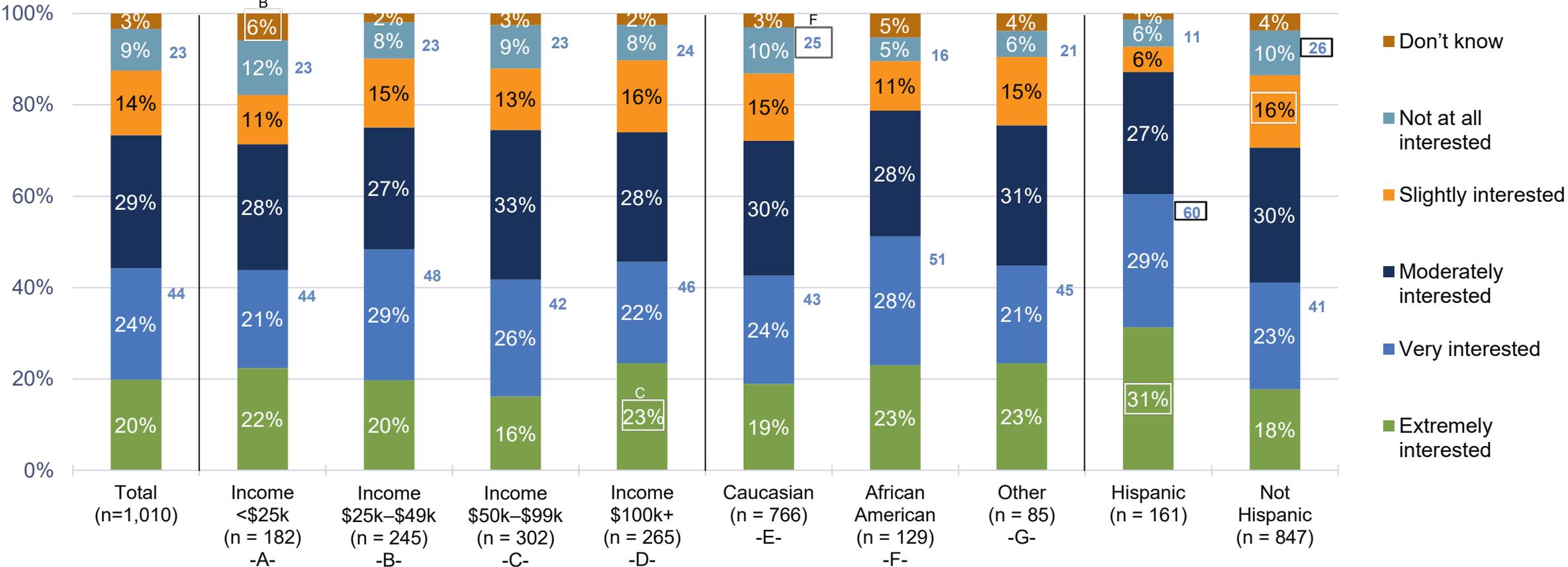
© E Source (2025 Q1 PEWG Pulse Survey). **Base:** Total respondents. **P4.** With prepay energy, you manage and pay for your energy in advance when it best fits your schedule and you are provided your daily energy usage as well as how many dollars you spend on your utilities each day. How helpful would prepay energy be to your family compared to your normal, monthly utility bill?

Older customers find prepay less helpful than younger customers



© E Source (2025 Q1 PEWG Pulse Survey). **Base:** Total respondents. **P4.** With prepay energy, you manage and pay for your energy in advance when it best fits your schedule and you are provided your daily energy usage as well as how many dollars you spend on your utilities each day. How helpful would prepay energy be to your family compared to your normal, monthly utility bill?

Respondents are interested in receiving real-time tips to save money with prepay



© E Source (2025 Q1 PEWG Pulse Survey). **Base:** Total respondents. **P6.** How interested would you be to get real-time tips to save more money when you are enrolled in a prepay program, based on the information about different energy uses within your home?

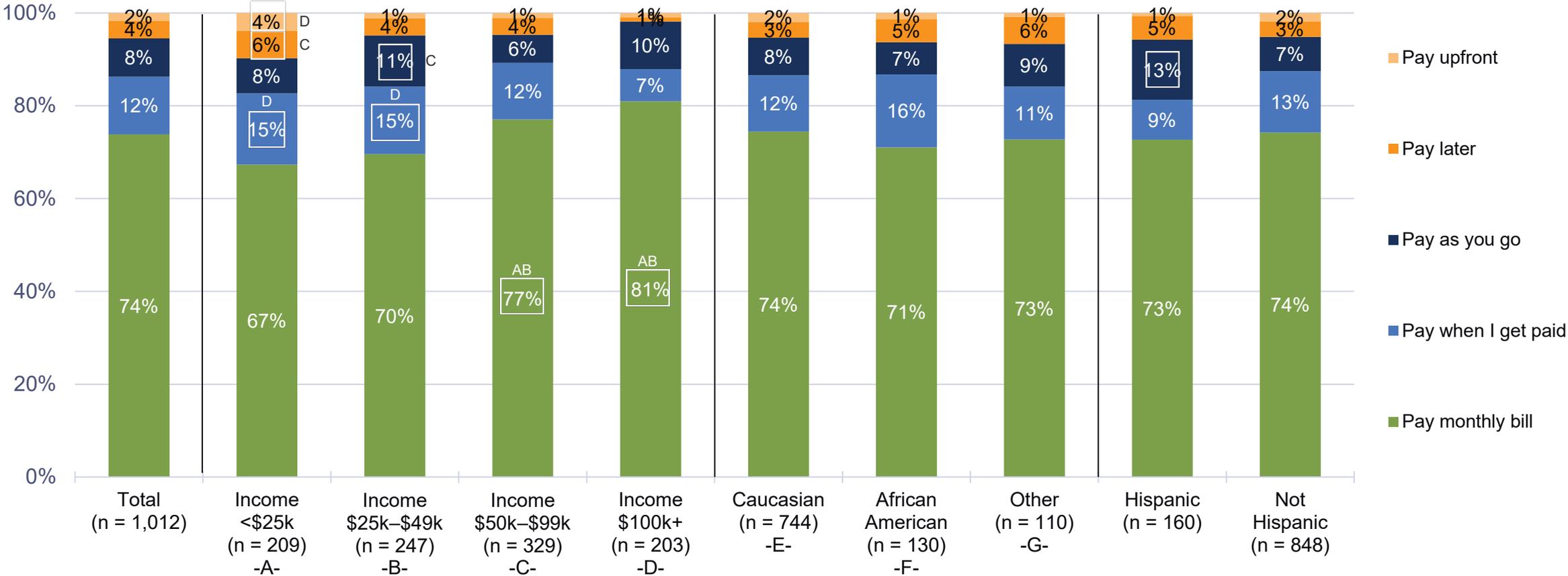
Saving money is the top reason to switch to prepay

		Household Income				Race			Ethnicity	
	Total	Income <\$25k -A-	Income \$25k-\$49k -B-	Income \$50k-\$99k -C-	Income \$100k+ -D-	Caucasian -E-	African American -F-	Other -G-	Hispanic	Not Hispanic
Total Respondents	(n = 1,010)	(n = 182)	(n = 245)	(n = 302)	(n = 265)	(n = 766)	(n = 129)	(n = 85)	(n = 161)	(n = 847)
Save money	39%	38%	44%	36%	40%	39%	34%	51% ^{EF}	35%	40%
Avoid big monthly bills	19%	20%	20%	22% ^D	14%	18%	25%	15%	22%	18%
More control over energy usage	12%	14%	9%	11%	16% ^B	12%	12%	8%	17%	11%
Use less energy	7%	8%	9%	5%	8%	7%	8%	7%	8%	7%
Avoid miscellaneous utility fees	7%	4%	6%	8%	7%	6%	10%	5%	8%	6%
Other	0%	1%	1%	0%	0%	0%	-	2%	1%	0%
Not interested	15%	13%	13%	17%	15%	17%	11%	12%	9%	17%

© E Source (2025 Q1 PEWG Pulse Survey). **Base:** Total respondents. **P7.** What would be the top reason why you might switch to prepay billing for your utility bill?

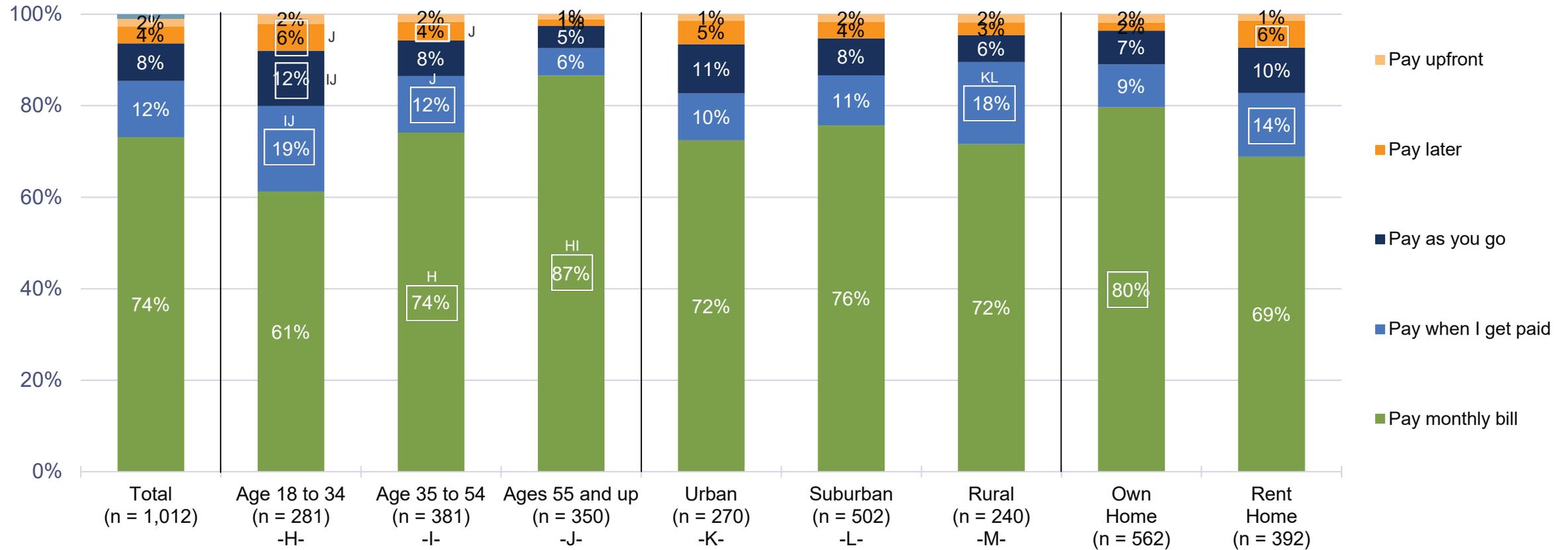
Detailed findings

Preference for when to pay household bills



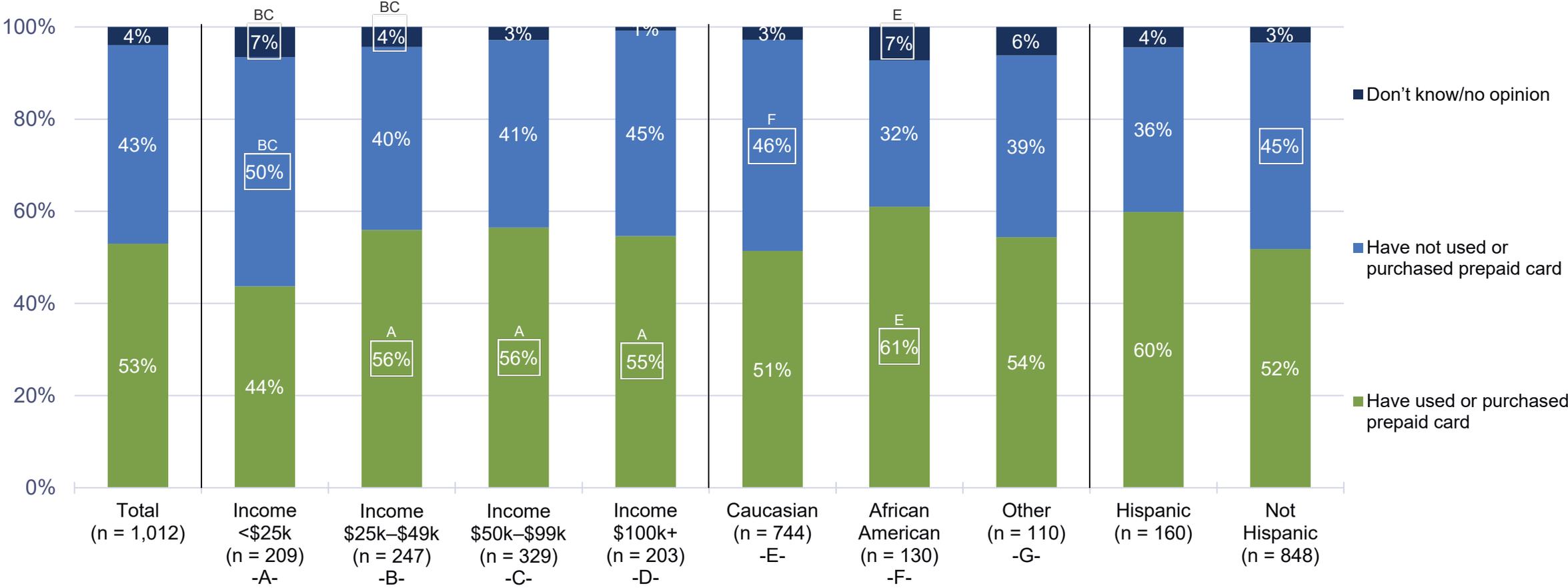
© E Source (2025 Q3 Prepay Consumer Pulse Survey). **Base:** Total respondents (n = 1,012). **M2.** If given the choice, choose which option best describes when you would like to pay household bills?

Preference for when to pay household bills (continued)



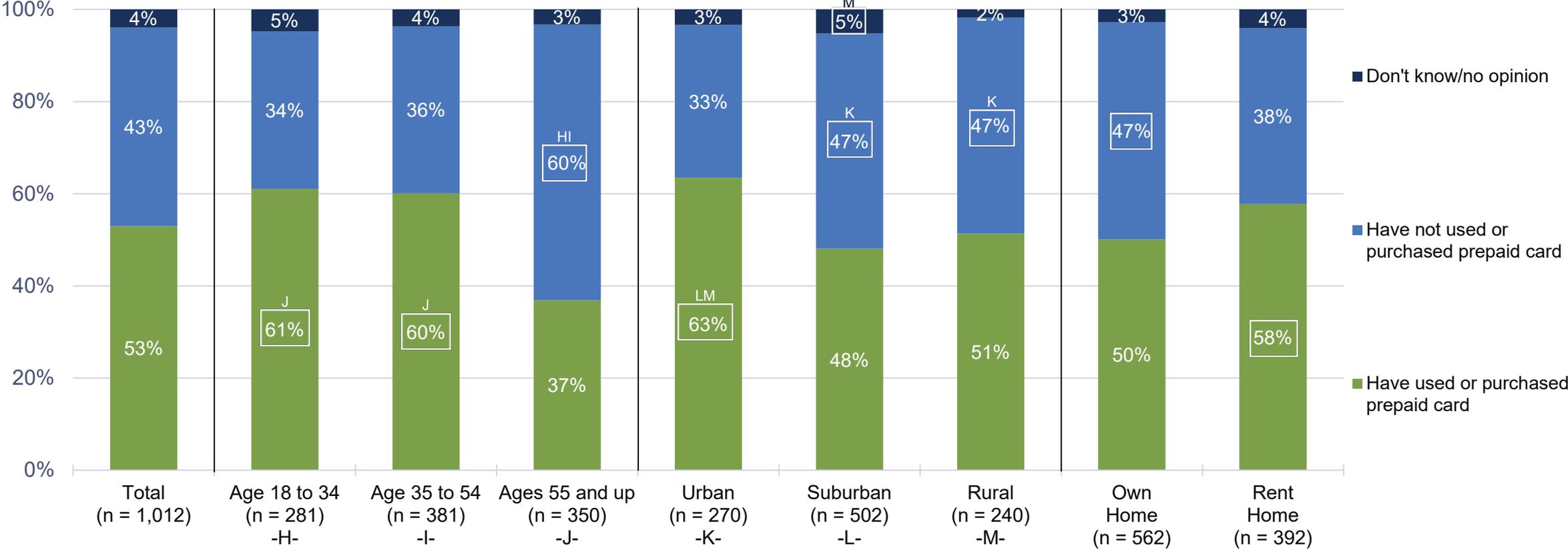
© E Source (2025 Q3 Prepay Consumer Pulse Survey). **Base:** Total respondents (n = 1,012). **M2.** If given the choice, choose which option best describes when you would like to pay household bills?

Usage and purchase of prepaid cards



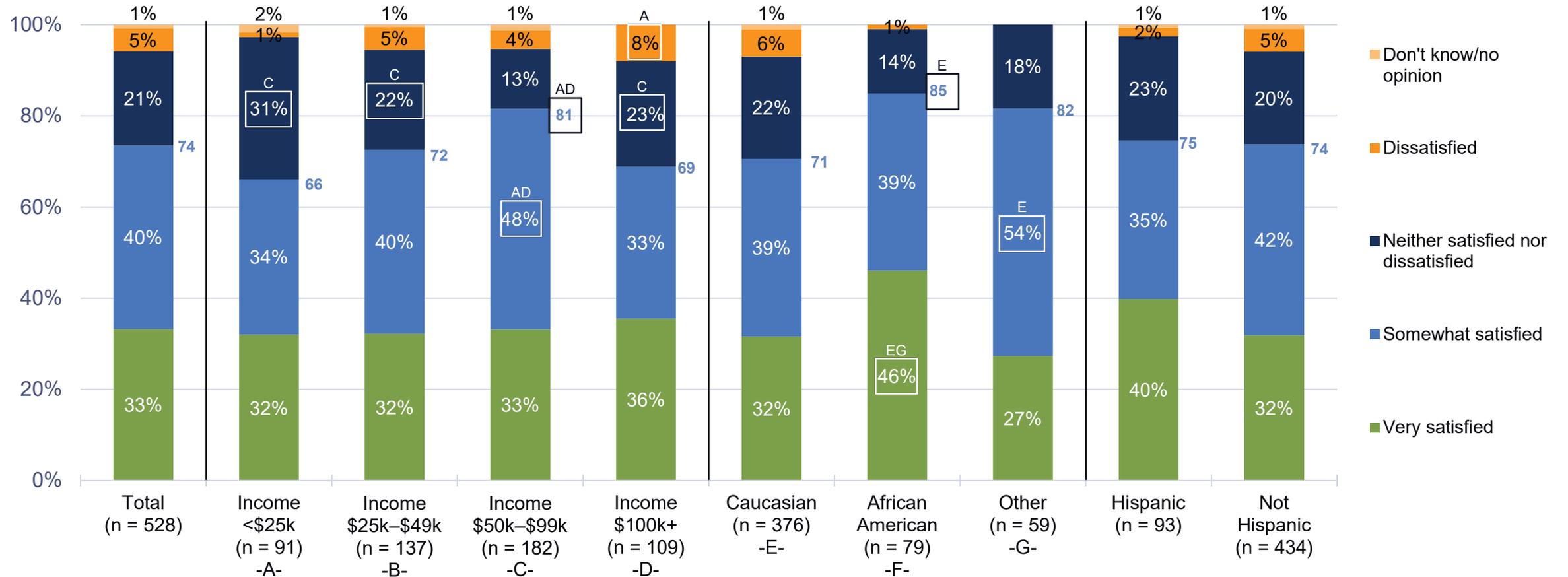
© E Source (2025 Q3 Prepay Consumer Pulse Survey). **Base:** Total respondents (n = 1,012). **M3.** Have you ever used or purchased a prepaid card (e.g., payroll, transit/metro card, gift or reloadable), prepaid wireless phone service plan or any other service that you paid before you used the good or service?

Usage and purchase of prepaid cards (continued)



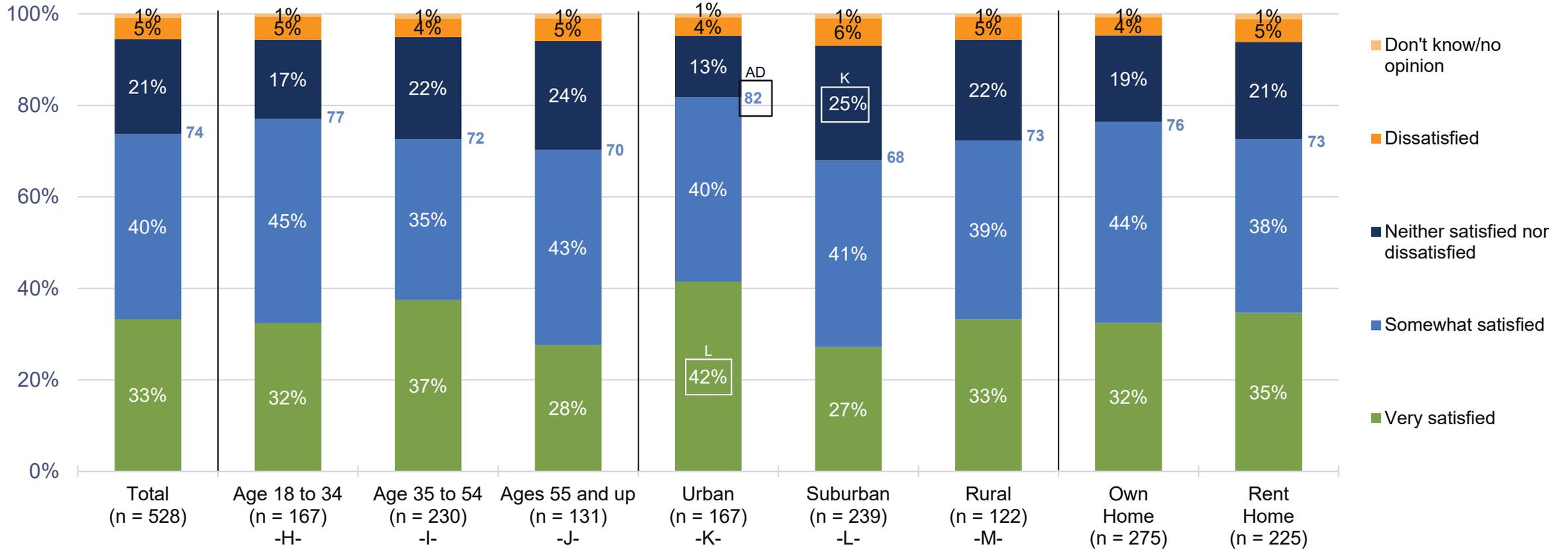
© E Source (2025 Q3 Prepay Consumer Pulse Survey). **Base:** Total respondents (n = 1,012) **M3.** Have you ever used or purchased a prepaid card (e.g., payroll, transit/metro card, gift or reloadable), prepaid wireless phone service plan or any other service that you paid before you used the good or service?

Satisfaction with prepayment



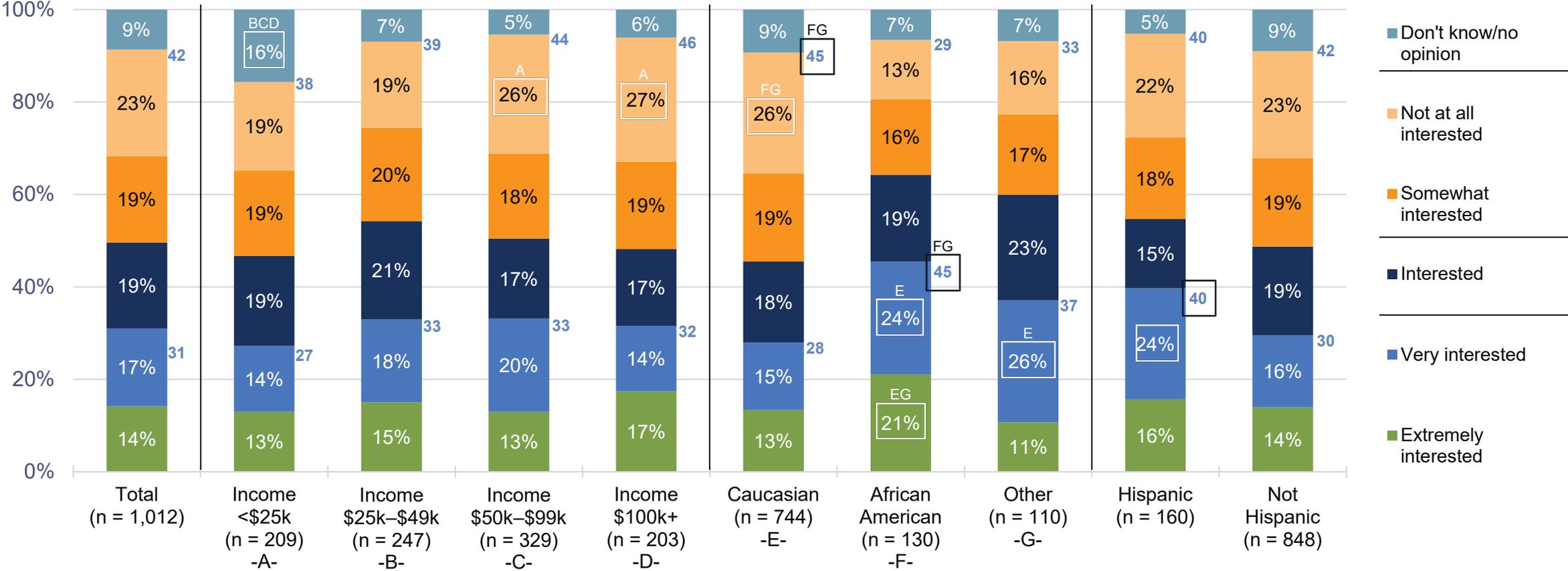
© E Source (2025 Q3 Prepay Consumer Pulse Survey). **Base:** Total Have Used/Purchased Prepaid Card (n = 528) **M4.** How would you generally rate your satisfaction with using prepayment as an option to make purchases or contract for services?

Satisfaction with prepayment (continued)



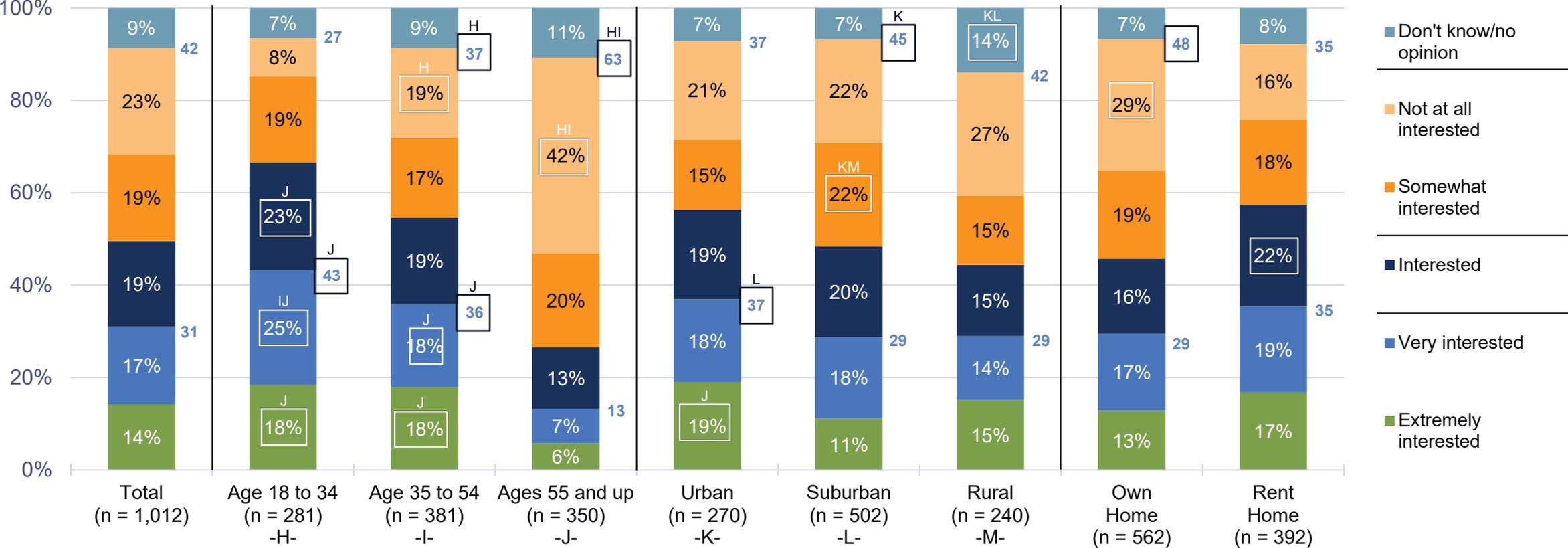
© E Source (2025 Q3 Prepay Consumer Pulse Survey). **Base:** Total have used/purchased prepaid Card (n = 528). **M4.** How would you generally rate your satisfaction with using prepayment as an option to make purchases or contract for services?

Interest in voluntary prepayment for utilities



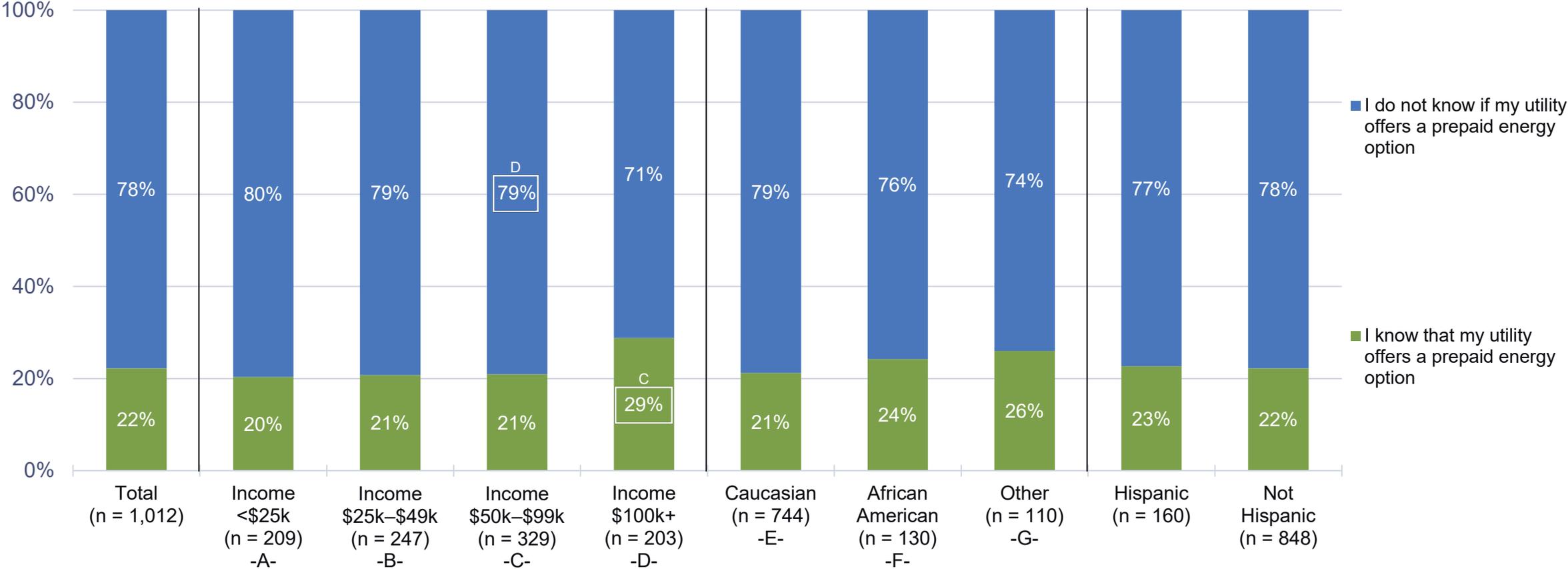
© E Source (2025 Q3 Prepay Consumer Pulse Survey). **Base:** Total respondents (n = 1,012). **M5:** A growing number of local utilities (electric and gas) or service providers are offering voluntary prepaid energy service to consumers. Under this option, you would choose to pay upfront anytime you wanted before you used the energy rather than paying your bill at the end of the month after you used the service. Reasons for possibly using prepaid energy would include to help manage your utility bill or avoiding unexpected high bills. You would always be able to check the balance remaining in your prepaid account. If your local utility or provider were to offer a voluntary prepaid option for consumers, how interested would you be?

Interest in voluntary prepayment for utilities (continued)



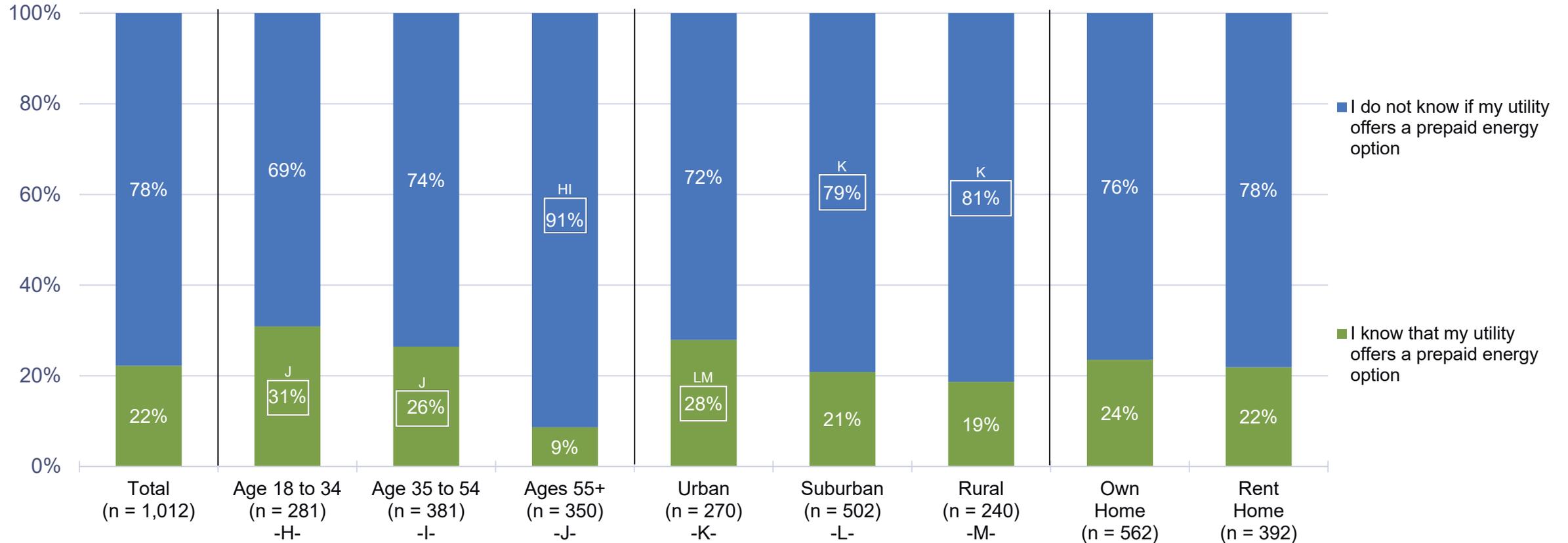
© E Source (2025 Q3 Prepay Consumer Pulse Survey). **Base:** Total respondents (n = 1,012). **M5.** A growing number of local utilities (electric and gas) or service providers are offering voluntary prepaid energy service to consumers. Under this option, you would choose to pay upfront anytime you wanted before you used the energy rather than paying your bill at the end of the month after you used the service. Reasons for possibly using prepaid energy would include to help manage your utility bill or avoiding unexpected high bills. You would always be able to check the balance remaining in your prepaid account. If your local utility or provider were to offer a voluntary prepaid option for consumers, how interested would you be?

Is a voluntary prepaid energy option currently offered?



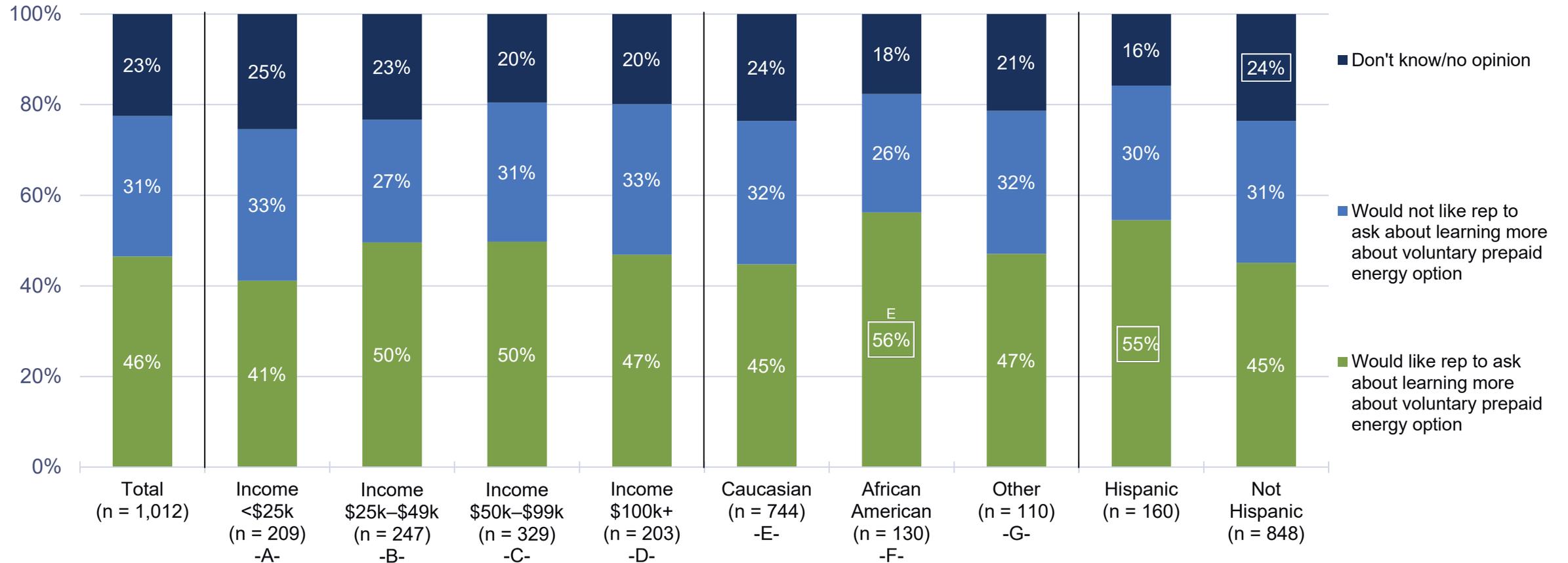
© E Source (2025 Q3 Prepay Consumer Pulse Survey). **Base:** Total respondents (n = 1,012). **M6.** Do you know if your utility is currently offering a voluntary prepaid energy option to pay your bill, where you pay before you use energy rather than after using the service?

Is voluntary prepaid option currently offered (continued)



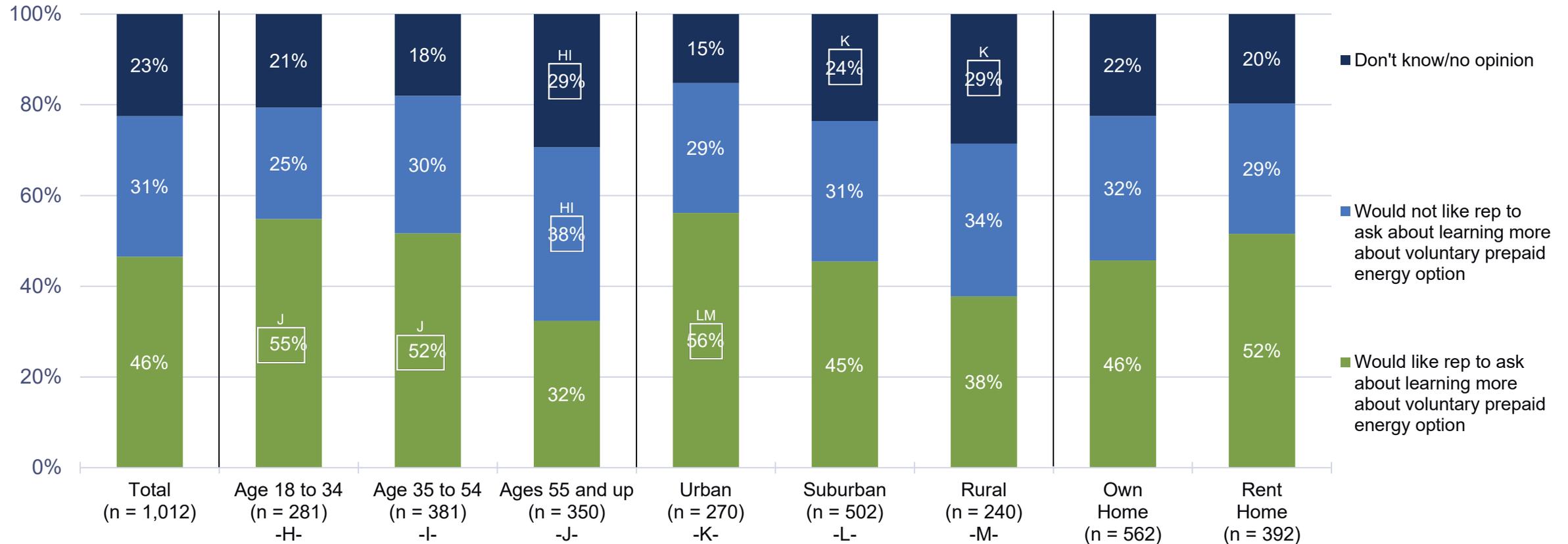
© E Source (2025 Q3 Prepay Consumer Pulse Survey). **Base:** Total respondents (n = 1,012). **M6.** Do you know if your utility is currently offering a voluntary prepaid energy option to pay your bill, where you pay before you use energy rather than after using the service?

Would you like the utility rep to ask if you would like to learn more about a voluntary prepaid energy option?



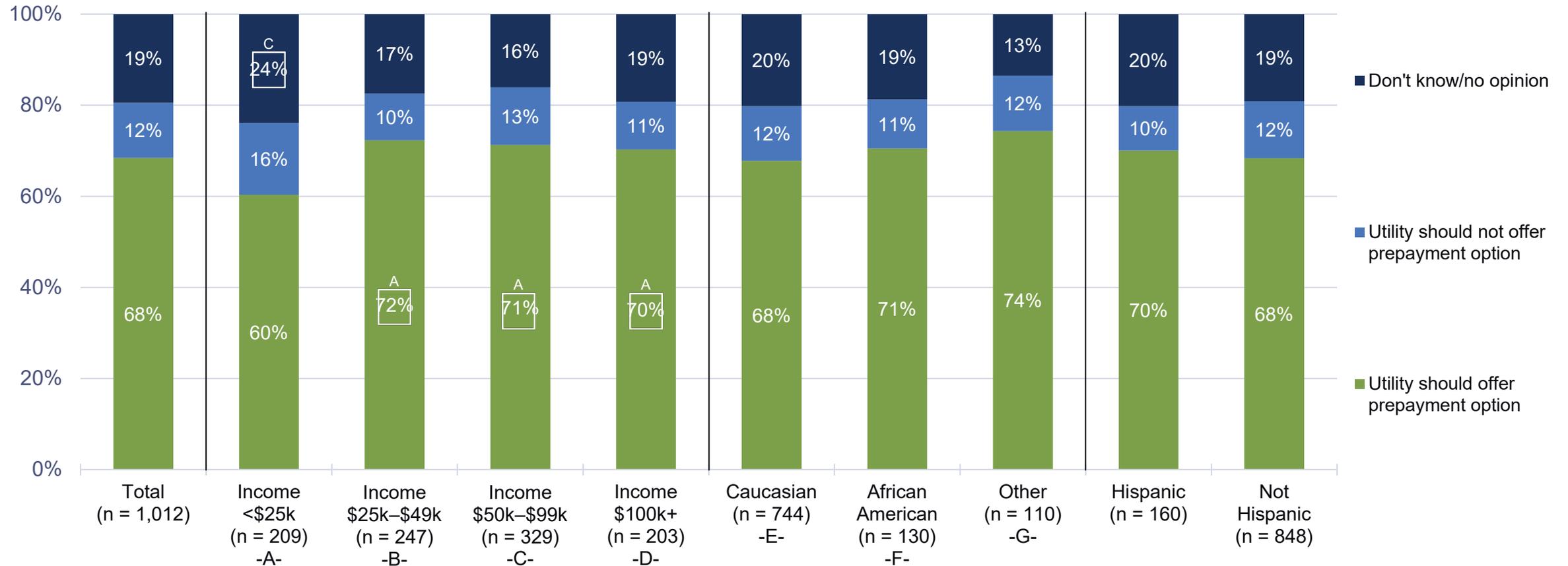
© E Source (2025 Q3 Prepay Consumer Pulse Survey). **Base:** Total respondents (n = 1,012). **M7.** If you are calling your local utility with a customer service question, would you like the utility representative to ask if you would like to learn more about a voluntary prepaid energy option?

Would you like the utility rep to ask if you would like to learn more about a voluntary prepaid energy option? (continued)



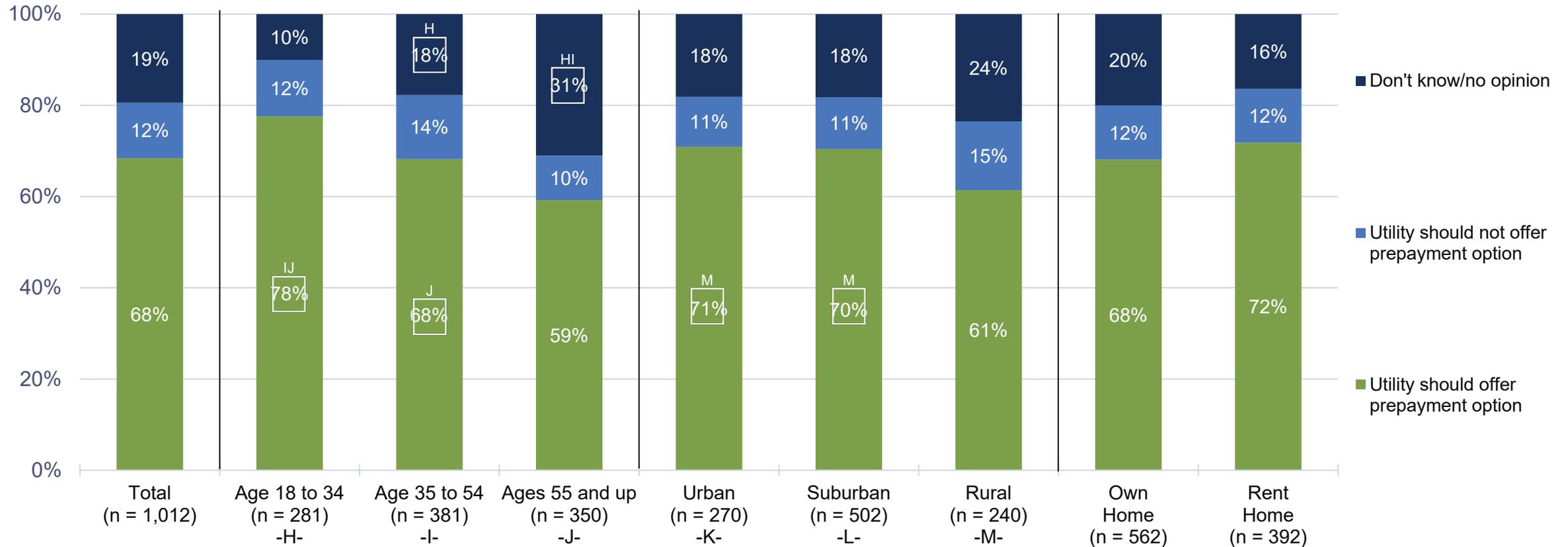
© E Source (2025 Q3 Prepay Consumer Pulse Survey). **Base:** Total respondents (n = 1,012). **M7.** If you are calling your local utility with a customer service question, would you like the utility representative to ask if you would like to learn more about a voluntary prepaid energy option?

Should the utility offer a prepayment option?



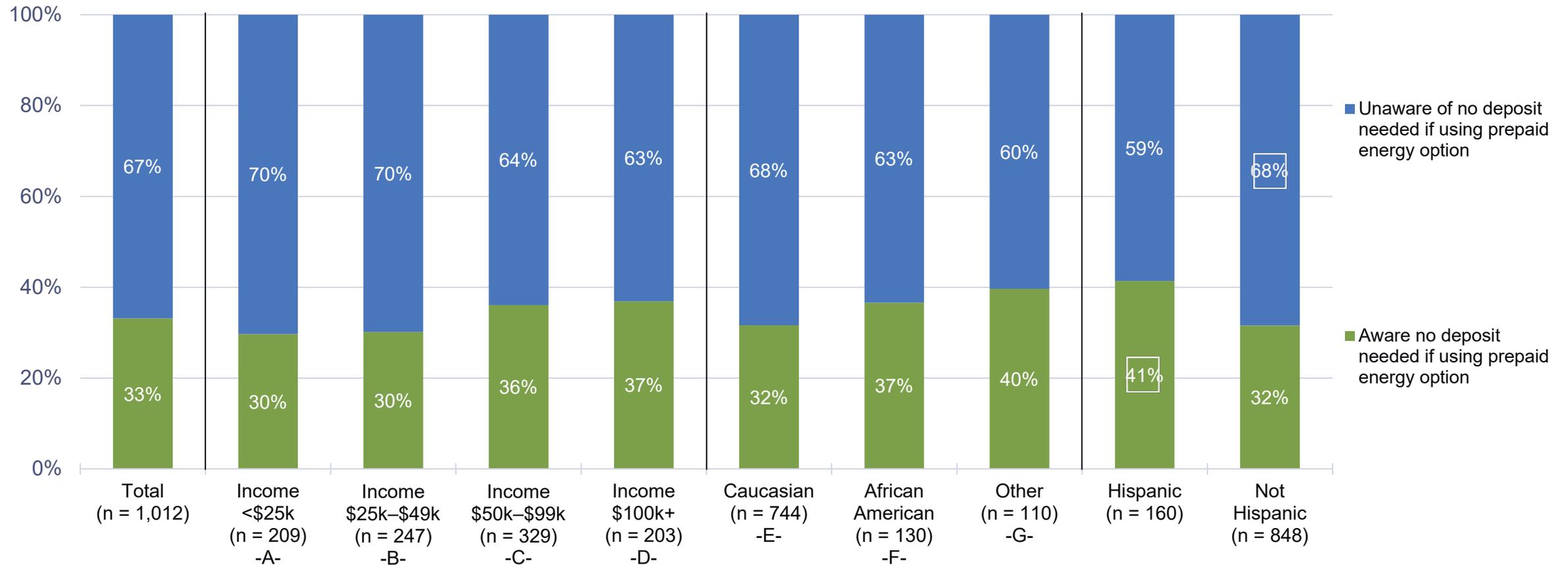
© E Source (2025 Q3 Prepay Consumer Pulse Survey). **Base:** Total respondents (n = 1,012). **M8.** Even if a prepaid energy option wasn't right for you, do you think your utility should offer prepaid energy service for other customers who may benefit from it?

Should the utility offer a prepayment option? (continued)



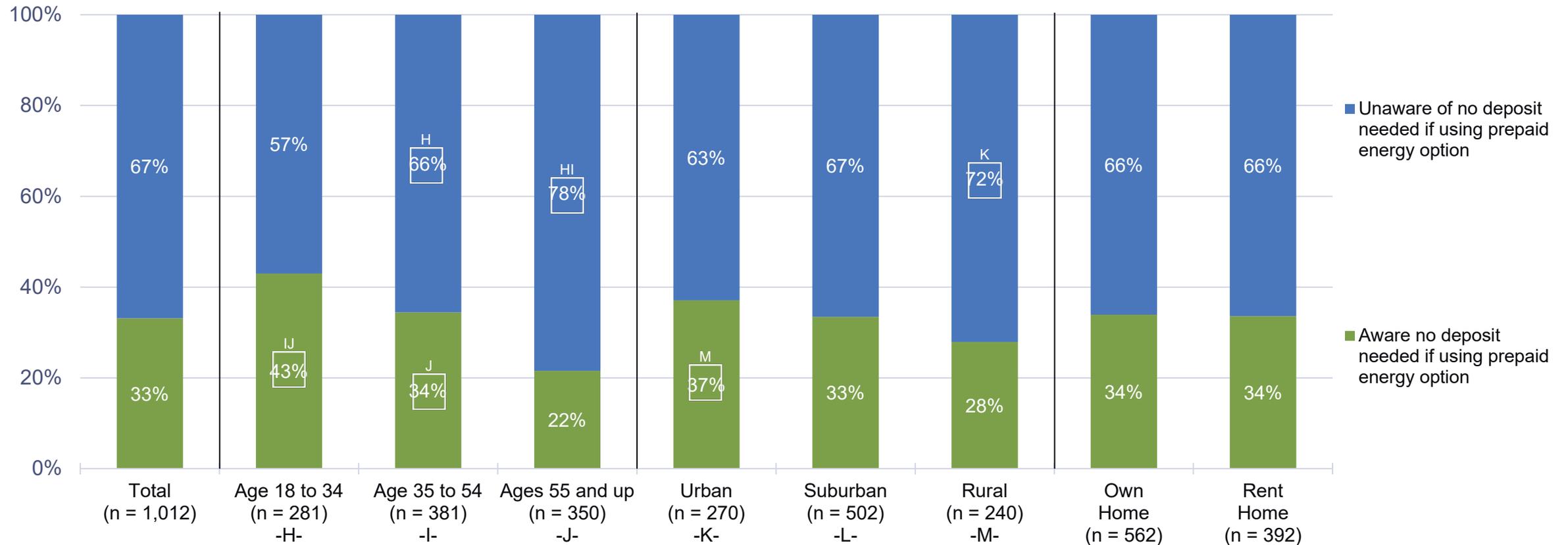
© E Source (2025 Q3 Prepay Consumer Pulse Survey). **Base:** Total respondents (n = 1,012). **M8.** Even if a prepaid energy option wasn't right for you, do you think your utility should offer prepaid energy service for other customers who may benefit from it?

Is a security deposit needed with a prepaid energy plan?



© E Source (2025 Q3 Prepay Consumer Pulse Survey). **Base:** Total respondents (n = 1,012). **M10b.** Many utilities ask for a security deposit to start service, especially when the customer doesn't have a credit record. Did you know that most utilities do not require a security deposit to start service if the customer chooses to be on a prepaid energy option?

Is a security deposit needed with a prepaid energy plan? (continued)



© E Source (2025 Q3 Prepay Consumer Pulse Survey). **Base:** Total respondents (n = 1,012). **M10b.** Many utilities ask for a security deposit to start service, especially when the customer doesn't have a credit record. Did you know that most utilities do not require a security deposit to start service if the customer chooses to be on a prepaid energy option?

Two benefits of prepaying for energy service

		Household Income				Race			Ethnicity	
	Total	Income <\$25k -A-	Income \$25k-\$49k -B-	Income \$50k-\$99k -C-	Income \$100k+ -D-	Caucasian -E-	African American -F-	Other -G-	Hispanic	Not Hispanic
Total Respondents	(1012)	(209)	(247)	(329)	(203)	(744)	(130)	(110)	(160)	(848)
It eliminates surprises on the size of the utility bill	40%	32%	42% A	45% AD	35%	40%	42%	37%	39%	40%
I get control over my usage and cost	36%	35%	30%	39% B	38%	34%	41%	38%	34%	36%
It improves family budgeting	35%	32%	32%	36%	41% B	37% F	28%	34%	35%	36%
There is no need to make a security deposit to start service	34%	32%	34%	33%	36%	35%	28%	32%	31%	34%
It is an alternative to making a utility payment arrangement	23%	27%	25%	21%	22%	24%	21%	24%	25%	23%
It is a way to simultaneously keep lights on and pay down debt in small amounts	18%	23% D	21%	16%	14%	17%	24%	20%	21%	18%
You can apply an existing security deposit to pay any past due amount	14%	20% C	16%	10%	13%	13%	17%	14%	16%	13%

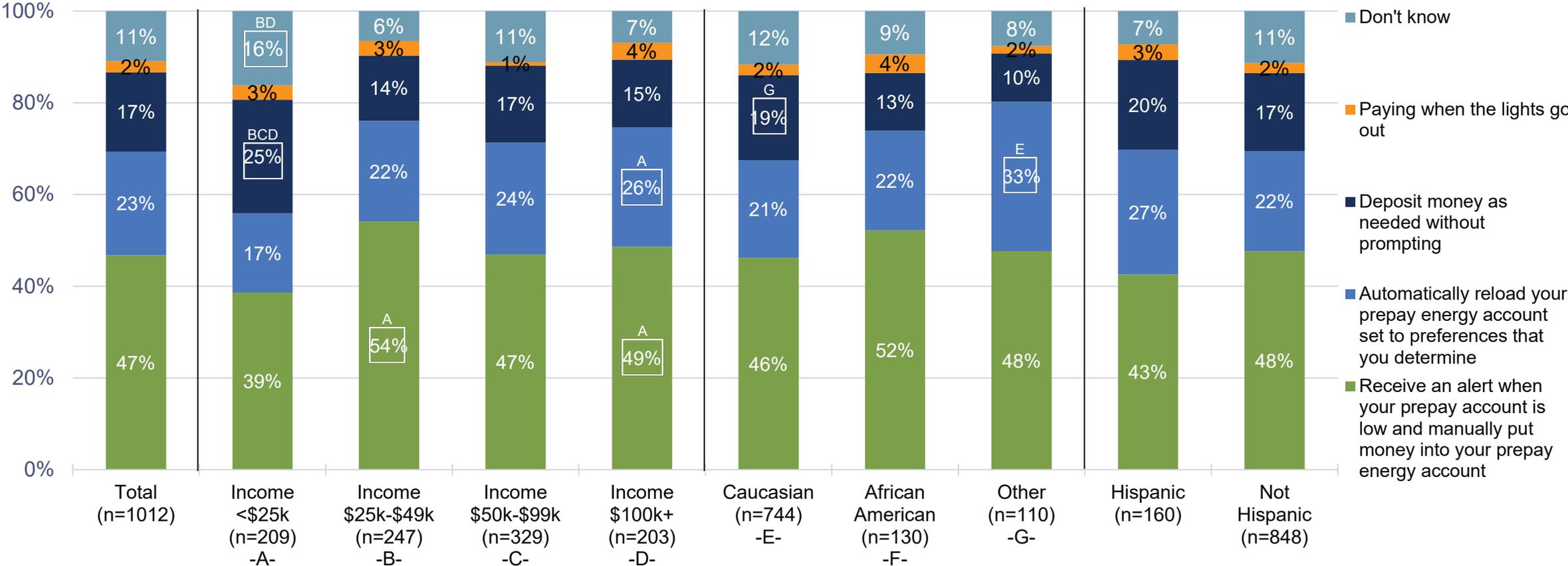
© E Source (2025 Q3 Prepay Consumer Pulse Survey). **Base:** Total respondents (n = 1,012). **M11.** From your perspective, what would be the top two benefits of prepaying for energy service?

Two benefits of prepaying for energy service (continued)

	Total	Age			Type Of Community			Home Ownership	
		Age 18-34 -H-	Age 35 to 54 -I-	Ages 55+ -J-	Urban -K-	Suburban -L-	Rural -M-	Own Home	Rent Home
Total Respondents	(1012)	(281)	(381)	(350)	(270)	(502)	(240)	(562)	(392)
It eliminates surprises on the size of the utility bill	40%	36%	37%	46% HI	34%	43% K	39%	44%	35%
I get control over my usage and cost	36%	40% J	37% J	29%	41% M	36% M	28%	33%	39%
It improves family budgeting	35%	37%	37%	32%	36%	36%	32%	38%	31%
There is no need to make a security deposit to start service	34%	26%	33% H	43% HI	28%	33%	43% KL	36%	30%
It is an alternative to making a utility payment arrangement	23%	23%	24%	23%	26%	22%	24%	22%	24%
It is a way to simultaneously keep lights on and pay down debt in small amounts	18%	23% J	19% J	12%	21%	15%	21%	17%	21%
You can apply an existing security deposit to pay any past due amount	14%	15%	13%	14%	13%	15%	13%	10%	19%

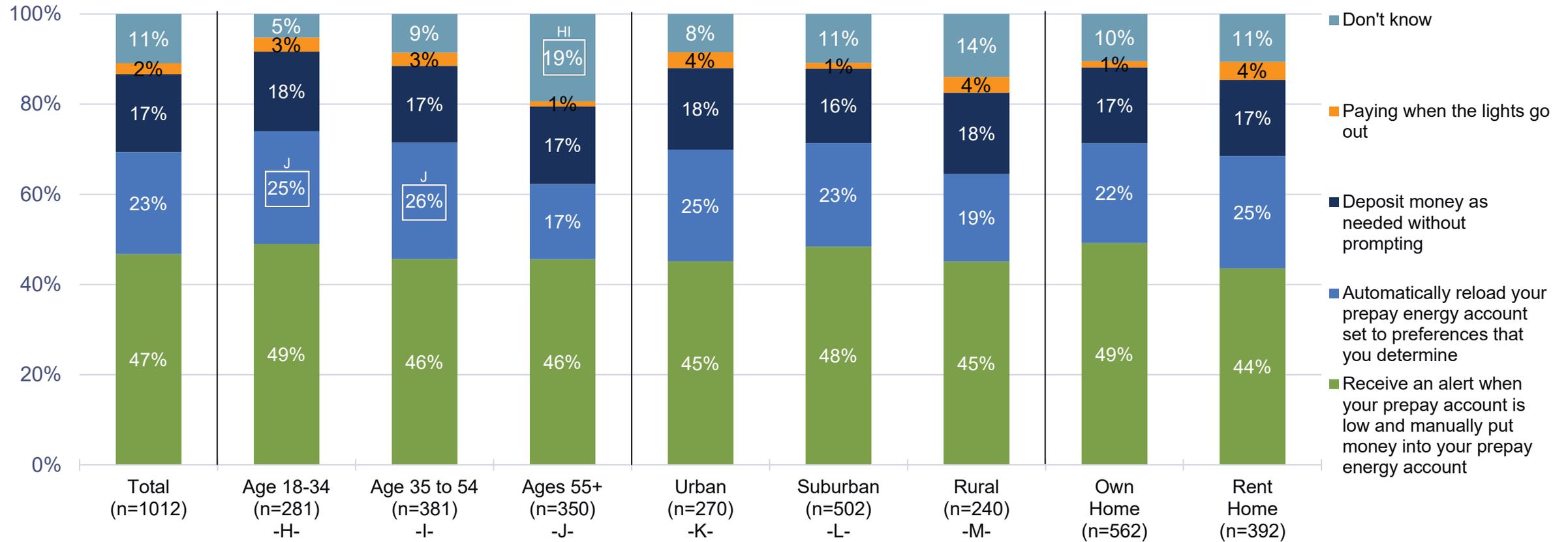
© E Source (2025 Q3 Prepay Consumer Pulse Survey). **Base:** Total respondents (n = 1,012). **M11.** From your perspective, what would be the top two benefits of prepaying for energy service?

Preferred prepay account replenishment method



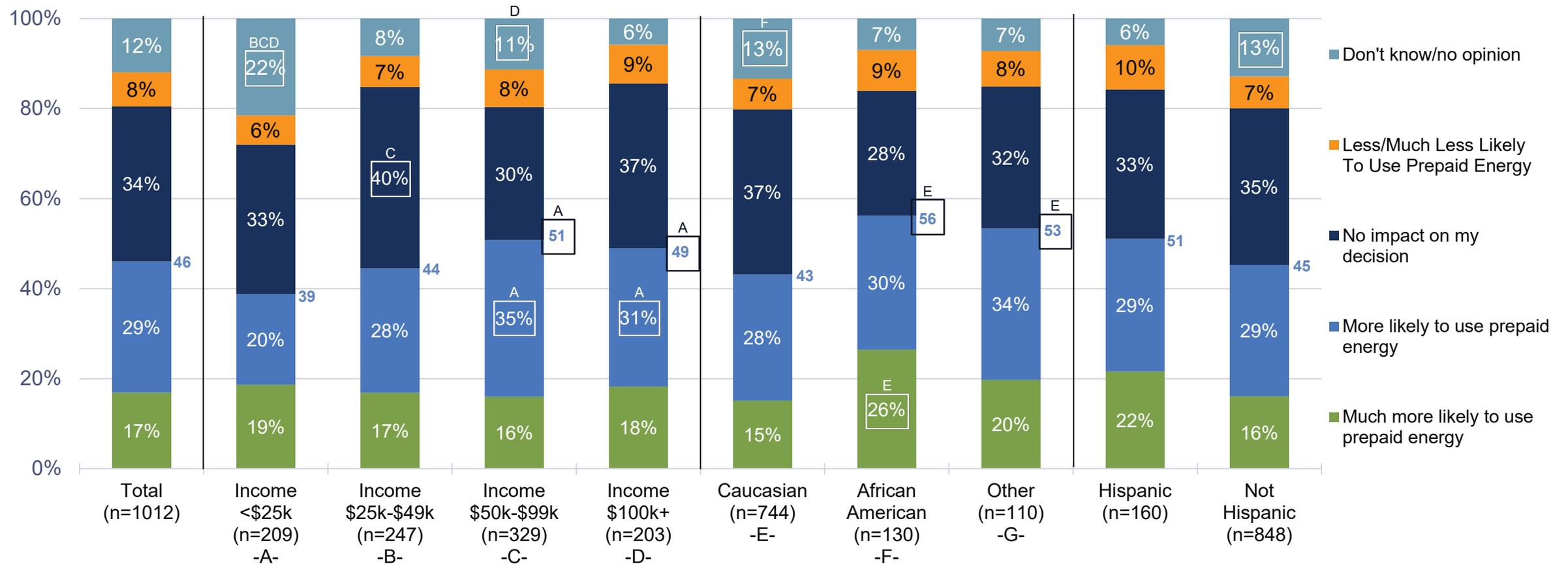
© E Source (2025 Q3 Prepay Consumer Pulse Survey). **Base:** Total respondents (n = 1,012). **M14.** If you were going to use prepay energy for a utility service, which would you most prefer?

Preferred prepay account replenishment method (cont'd.)



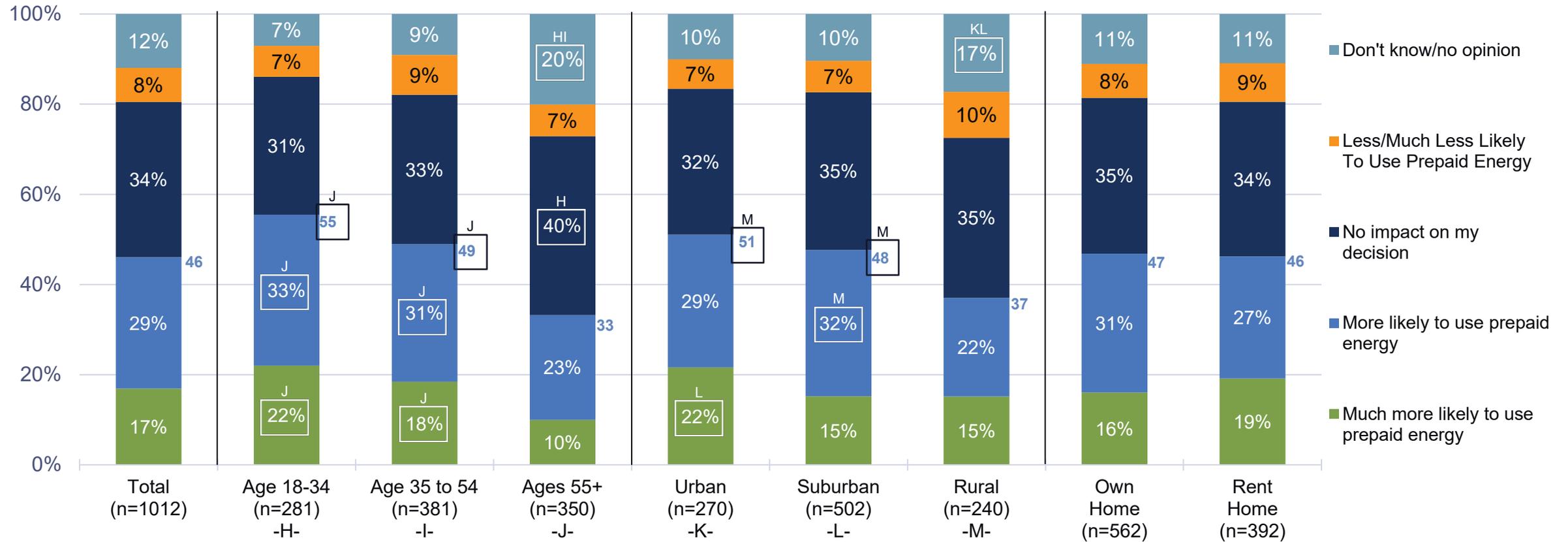
© E Source (2025 Q3 Prepay Consumer Pulse Survey) Base: Total Respondents (n = 1,012) M14. If you were going to use prepay energy for a utility service, which would you most prefer?

Impact of environmental impact on using prepaid energy



© E Source (2025 Q3 Prepay Consumer Pulse Survey) Base: Total Respondents (n = 1,012) M17. Prepaid energy can help customers not only manage their energy bill but may have significant environmental benefits by changing your behavior and reducing energy consumption. If you thought that you could have a positive environmental impact by using prepaid energy, how much more likely or less likely would you be to elect to use prepaid energy?

Impact of environmental impact on using prepaid energy (cont'd.)



© E Source (2025 Q3 Prepay Consumer Pulse Survey) Base: Total Respondents (n = 1,012) M17. Prepaid energy can help customers not only manage their energy bill but may have significant environmental benefits by changing your behavior and reducing energy consumption. If you thought that you could have a positive environmental impact by using prepaid energy, how much more likely or less likely would you be to elect to use prepaid energy?

Next steps

Summary of survey findings

- Prepay is part of a megatrend in customer finance. Most customers have used prepay in one form or another and like the option.
- Utility bill pay = customer experience in the utility sector. Growing generational shift.
- Customers are feeling the pain of rising utility bills and feeling that their utility bill is “expensive” and “high.”
- Interest in a voluntary prepay option offered by the utility is at an all-time high. Half of customers surveyed would like their utility to proactively tell them about a prepay option when they contact the utility.
- Customers are clearly looking for alternative bill pay options and terms to manage their utility bills. Even if prepay isn't the right option for them, two-thirds of customers think it's a good idea for their utility to offer a prepay option.

Summary of survey findings (continued)

- Most customers weren't aware that a security deposit wasn't usually required when going on prepay energy.
- Prepay energy value proposition: eliminating surprises and customer control.
- Half of customers surveyed would prefer to receive an alert from their utility to replenish their prepay account.

Thank you

Jamie Wimberly

Senior Vice President, Utility Customer Strategy

jamie_wimberly@esource.com