

**BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI**

In the Matter of a Working Case for)	
Commission Review and)	
Consideration of Utility Assistance)	<u>Case No. OW-2026-0085</u>
Programs and Special Alternative)	
Residential Customer Rates)	

EXCELERON'S RESPONSE
TO ORDER OPENING WORKING CASE AND DIRECTING RESPONSES

COMES NOW Exceleron, Inc. ("Exceleron"), and respectfully states as follows to the Missouri Public Service Commission ("Commission"):

1. On October 1, 2025, the Commission issued its Order Opening Working Case and Directing Responses ("Order"). The Order established a working case to serve "as a repository for documents and comments regarding the Commission's consideration of utility assistance programs."¹
2. Exceleron appreciates the opportunity to participate in this working docket and support the Commission's efforts to review new programs and achieve uniformity and simplification in utility assistance. Exceleron submits these comments to offer its perspective as a provider of prepay program solutions regarding the role of such programs in achieving affordability and arrearage reduction.
3. Prepay has previously been proposed by investor-owned utilities in Missouri.² However, as affordability concerns continue to escalate and utilities seek innovations in program design, it is worth refreshing consideration and stakeholder discussion around prepay programs, which have continued to evolve since they were last considered by stakeholders several years ago.
4. Prepay is directly relevant to the goals of this docket, namely: "(1) Efficiencies or changes to current programs and the consideration of additional programs designed to address the affordability of utility rates for low-income and senior residential customers; (2) Establishing uniformity and simplification of programs; ... and (4) Community outreach and customer education."³ Prepay's multiple benefits work synergistically to empower customers across all demographics to manage their energy expenses in a way that works for their unique circumstances.
5. Prepay mechanisms offer a streamlined approach to achieving multiple regulatory objectives, including affordability for low-income and senior demographics, arrearage

¹ Missouri Public Service Commission, Order Opening Working Case and Directing Responses, Case No. OW-2026-0085 (October 1, 2025), at 2

² Evergy Missouri Metro, Application Schedule KHW-1, Case No. ER-2022-0129 (January 7, 2022), at 1

³ Missouri Public Service Commission, Order Opening Working Case and Directing Responses, Case No. OW-2026-0085 (October 1, 2025), at 1

reduction to reduce the debt burden often faced by low-income and senior customers, and energy efficiency tools to aid conservation among all users.

6. With prepay, customers can elect to pay upfront to deposit a balance in their utility account, which is depleted daily as they consume electricity. Even without any other interventions, this billing structure alone places greater insight and control in the hands of the customers to manage their spending.
7. Prepay programs can be shaped to support arrearage reduction while making payments more manageable for participants. For customers who owe a balance and join a prepay program, each subsequent payment they make into their account is subdivided, with a small, utility- or regulator-determined percentage of the payment directed toward reducing the arrearage balance. In this way, customers can make manageable, right-sized payments while incrementally decreasing the balance they owe.
8. Prepay addresses affordability by providing a better, more regular strategy for customers to learn about their energy usage. Reports from utilities offering prepay, as well as independent studies, have shown that customers in these programs consistently lower their charges through conservation. A Department of Energy report stated:

“Overall, stakeholders report 10%–15% reductions in energy usage with prepay. This is high compared to behavioral efficiency programs that use energy usage reports alone, which result in a 1.5%–3% reduction.”⁴

9. Salt River Project in Phoenix, which offers the nation’s largest prepay program, notes that the 15% of its customers enrolled in their M-Power prepay program accounted for 26% of all residential usage reduction results in 2024.⁵
10. Integrations with effective user interfaces and disaggregation tools enhance customers’ ability to act on tailored energy-savings recommendations and budget for upcoming energy needs using forecasts based on historical usage patterns. By equipping customers with the tools and analysis to gain insight into how they use energy ahead of time, prepay empowers them to make more informed decisions and strategically shift usage for their own benefit.
11. Prepay programs are effective at helping customers reduce their debt. Utilities that offer prepay see an average 80% reduction in accounts receivable aged over 90 days.⁶
12. Prepay plans tend to produce high levels of customer satisfaction.⁷ Some 95% of customers were satisfied or very satisfied with the prepay program at Oklahoma Electric Cooperative, according to a U.S. Department of Energy study.⁸ Salt River Project finds that prepay customers consistently rank about 4 or 5 percentage points higher in

⁴ “Bridging the Gaps on Prepaid Utility Service,” DOE, September 2015, <https://www.energy.gov/oe/articles/bridging-gaps-prepaid-utility-service>, at 7

⁵ Salt River Project 2024 Customer Programs Report, <https://www.srpnet.com/assets/srpnet/pdf/grid-water-management/sustainability-environment/2024-ENG-Customer-Programs-Report.pdf>

⁶ “Why Every Utility Should Offer Prepay,” E Source, https://www.esource.com/system/files/e_source_why_every_utility_should_offer_prepay.pdf, at 22.

⁷ See “Prepay and Customer Satisfaction,” <https://www.paygoutilities.com/wp-content/uploads/2024/08/Prepay-and-Customer-Satisfaction-White-Paper-2024.pdf>

⁸ “Bridging the Gaps,” at 2

customer satisfaction than other customers.⁹ Last year, information and research firm E Source released findings showing 91% of prepay customers reported satisfaction with the billing option.¹⁰

13. Utility participants in the docket, including Ameren Missouri, Evergy, and Liberty, have submitted comments in this docket indicating a willingness to work toward the objectives established by the Commission. Prepay is a tool that can drive progress toward these goals and which aligns with the positions established by docket participants.
14. Specifically, Ameren affirmed its engagement in the docket to review currently existing utility affordability programs.¹¹ The inclusion of prepay considerations would complement this review by offering a proven methodology for simplification and uniformity.
15. Evergy stated that its strategy "focuses on a layered approach that leverages billing/financial assistance and energy efficiency assistance." Evergy further noted that its work seeks to "braid in additional energy efficiency programs to help customers save energy... and manage their electric payments for the long-term."¹² Prepay is inherently a "layered" solution that combines payment management with energy efficiency incentives to achieve the exact long-term management Evergy describes.
16. Liberty emphasized that "it is critical to... continue to offer supportive programs that help customers manage and reduce arrearages responsibly." Liberty warned that without responsible management, balances can become "large" and "unmanageable," ultimately "undermining affordability."¹³ As detailed above, prepay programs are specifically designed to prevent unmanageable balances and facilitate responsible arrearage reduction, directly addressing the concerns raised by Liberty.
17. Prepay is therefore a match for the goals set forth by the Commission and the positions shared by key utility stakeholders in the state of Missouri.
18. Exceleron respectfully recommends that the Commission thoroughly consider the addition of prepay programs as a new affordability option in this docket. Inclusion of such programs may assist in streamlining utility offerings and enabling utilities to reach affordability goals alongside other tangible benefits.

WHEREFORE, Exceleron respectfully submits this response to the Commission's Order.

Respectfully,

/s/ David Conn

David Conn

VP, Business Development and Policy

⁹ "Utility-Vendor Success Stories," Salt River Project presentation at E Source Forum, October 2024, https://www.esource.com/system/files/6c_solutions_showcase_equity_edited.pdf

¹⁰ "Refreshing the Way We Bill: Prepay Energy Customer Survey", E Source, December 2024. https://www.esource.com/system/files/e_source_pewg_refreshing_the_way_we_bill_dec-2024_final.pdf

¹¹ Ameren Missouri, Ameren Missouri's Response To Order Opening Working Case And Directing Responses, Case No. OW-2026-0085 (November 14, 2025), at 1

¹² Evergy, Evergy's Response, Case No. OW-2026-0085 (November 14, 2025), at 1

¹³ Liberty, Liberty's Response To Order Opening Working Case And Directing Responses, Case No. OW-2026-0085 (November 14, 2025), at 2

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CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing have been emailed to Staff of the Missouri Public Service Commission at staffcounsel@psc.mo.gov and travis.pringle@psc.mo.gov, and the Office of the Public Counsel at opc@opc.mo.gov this 16th day of December 2025.

/s/ David Conn