Texas Prepay Policy

Excerpt from:
Texas Department of Housing and Community Affairs'
Comprehensive Energy Assistance Program Frequently Asked Questions

(Starting on Page 12)

6. If the client does not have a complete twelve (12) month consumption history, what options do Subrecipients have for making UA pledges?

For clients with incomplete consumption histories, Subrecipients must note the reason for the incomplete consumption history (recently moved, changed utility companies, etc) in the client file, and then utilize one of the following two options to make UA pledges, according to the updated (effective 11/7/13) TAC Rule §5.424(c):
1. Subrecipients may base payments on current program year's bill. Subrecipient would obtain the monthly bill from the client, and make the payment based on that month's bill, in accordance with TAC Rule §5.422(h).

2. Subrecipients can utilize a Department-approved alternative method to determine the UA pledges. The alternative method needs to be provided to Community Affairs Program Administrators for review and approval, annually, prior to implementation of the alternative method.

7. If the client has an incomplete billing history, what guidance can the Department give the network about the requirements for the "Department-approved alternative method" to be used if there is an incomplete billing history?

For clients with incomplete consumption histories, Subrecipients must refer to TAC Rule §5.424(c). In order to utilize the "Department-approved alternative method," Subrecipients must submit the alternative method, both the final data as well as the process used to get to that final data, to Department CA Program Administrators for review. Subrecipients must receive written approval of the alternative method from the Department prior to utilizing any alternative method.

The most used option for the alternative method option has one where the Subrecipient determines the average consumption amount (kWh, therms, MCF, gallons, etc), per month, for each household size and type. **A separate calculation must be made for single family site built homes, multifamily units, and mobile homes.** Parameters for using this method:

- The sample size must be at least 30 files with complete billing histories, per household size: ○ 30 files for 1 person households;
    - 30 files for 2 or 3 person households;
    - 30 files for 4 or 5 person households;
    - 30 files for 6 or 7 person households;
    - 30 files for 8 or 9 person households
    - 30 files for 10+ person households;
        - If Subrecipients do not have at least 30 files per household size to pull to create an average consumption amount, use all the applicable files to determine the

average consumption; make documentation of the lack of files for that household size.

- The data collected from these files must be averaged, per household size, to determine the average consumption amount (kWh, therms, MCF, gallons, etc) per household size.
- From that average consumption amount, Subrecipients can then apply the appropriate charge per kWh, therms, MCF, gallons, etc, for the applicable utility vendor to the average consumption usage to get the most accurate billing amount for the client. These are the billing amounts that the Subrecipient must use to select the appropriate UA pledges for the remainder of the program year for those clients that do not have a complete billing history.
- These amounts should also be used to compute the energy burden for the household.
- Subrecipients may use this data to determine payments for pre-paid meter clients who do not have a billing history.
- Subrecipients must keep in mind the benefit amount, as outlined in TAC Rule §5.422(d), and the number of potential payments, as outlined in TAC Rule §5.424(d)(e).
- To ensure that the most up-to-date billing and usage information is used, Subrecipients must update the data used (pull new files, use current utility rates, etc) to calculate the average prior to the beginning of each program year.