

Case Study

Nevada Power

Betting on the advantages of EBP, Nevada Power hits it big with software and services from CheckFree i-Solutions



Nevada Power has been providing electricity to southern Nevada since 1906, long before the first casino opened in Las Vegas in 1941. Today, Nevada Power serves more than 620,000 electric customers in Clark County and the surrounding area. A subsidiary of Sierra Pacific Resources, the more than 1,700 employees of Nevada Power proudly keep the electrons flowing to the brightest few miles of road in the world — the Las Vegas strip. Even though other electric utility companies cover a larger footprint, the strong success of the gaming industry and the glamorous resorts that support it, keep Nevada Power challenged with a phenomenal six percent annual growth rate — the highest of any electric utility in the United States.

In addition to keeping up with the unrivaled growth in real estate within its coverage area, Nevada Power has also had to keep pace with changing technology — after all, much has changed since 1906! But keeping up with the times, it has. As a matter of fact, Nevada Power was one of the early entrants into electronic billing and payment (EBP), having offered this convenient Internet-based service to its customers since 1998.

Entering the game

With its initial entry into EBP, Nevada Power created and processed its customers' bills using an in-house, "home-grown" e-billing application. This enabled the utility consumers to view their electric bills over the Internet directly on the Nevada Power Web site. In addition, by incorporating CheckFree i-ProcessingSM Services, Nevada Power electronically distributed its bills for viewing and payment through the more than 400 CheckFree Consumer Service Providers (CSPs). These Internet bill consolidation sites include e-locations such as Bank of America, the United States Postal Service and Bank One, as well as other portals and financial institutions.

With CheckFree i-Processing, Nevada Power customers have the convenience of paying not only their electronic Nevada Power bill at the CSP site

of their choice, but all the other electronic bills they receive as well. From the CSP site, a customer can also link back to the Nevada Power Web site where the bill detail is housed to review specific information. In addition, Nevada Power has the ability to place general text or teaser messaging on the bill summary page at the CSP user interface.

Nevada Power also incorporated CheckFree's customer care tool into its EBP program to give its customer service department the ability to quickly locate an e-payment and determine exactly where in the process it stands. "Providing the highest level of customer service has always been a priority for Nevada Power. EBP contributes to two components of our overall e-commerce objective — to move in progression with today's technology, and to provide our customers with comprehensive Internet access," says Janet Gloyd, consultant, customer programs and services for Nevada Power.

The odds are in their favor

In addition to the added customer convenience, Nevada Power quickly realized the potential of its electronic billing program to contribute to the bottom line. By suppressing the paper bills of the customers that receive an electronic bill, Nevada Power estimates that it saves approximately \$2.60 per bill over paper-bill distribution. This will eventually add up to significant savings, as Nevada Power continues to experience substantial increases in e-bill enrollment. Gloyd explains, "It seems that as more and more companies enter into the EBP arena and begin to advertise, the more it helps every company that has entered into electronic billing and payment. We have seen exponential enrollment growth in recent months."

What's more, Nevada Power reports that EBP customers typically incur less late payment penalties and delinquency issues. Gloyd contributes this to the inability to "play" with the payment, "Even the most conscientious customers can inadvertently make a late payment simply because they forgot to mail the

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**Janet Gloyd, Consultant,
Customer Programs
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Nevada Power**

Your single source for e-billing and payment and e-statement delivery solutions

Industry-specific solutions include:

- i-Banker
- i-Broker
- i-Insurance
- i-Telco
- i-Utility

CheckFree i-Processing Services include:

- Distribution Services
- Payment Services
- Customer Care

Nevada Power

payment on time. With electronic payment, a customer can schedule a payment for the future and forget it. The payment is on time — not forgotten in some 'to be paid' file."

Gambling on technology

The "home-grown" application served Nevada Power as a great entry into EBP for more than a year, but as the popularity of the new option began to take hold, Nevada Power needed more functionality. "Our customers were asking for more versatility in

what the application could provide. Primarily, they wanted access to their usage history," says Gloyd. Nevada Power's e-billing application provided no account information or payment history.

"We knew we had struck on something strong with electronic billing so we decided it would be best to discard our old system and leave the EBP application to the people who know it best. We reviewed the applications of some other providers in the EBP space but no others had the feature capabilities of CheckFree's product. Plus, we already had a great working relationship," says Gloyd. Nevada Power purchased CheckFree i-Utility™ software from CheckFree i-Solutions as well as several add-on modules to round out its EBP offering.

Upping the stakes

With the new i-Utility application in place, Nevada Power will have the ability to not only offer its customers the comprehensive billing data they are looking for, but also reap additional benefits for its business operations. With i-Utility software, Nevada Power houses its billing data in-house; this gives them the ability to conduct extensive data and trend analyses. What's more, Nevada Power also plans on implementing CheckFree Market Direct™, a powerful software module that will enable them to place one-to-one messaging on customer bills for up-sell opportunities.

And with customers returning on a monthly basis, having this targeted messaging to attract a customer to other offers, has potential to really cash in.

"When all the CheckFree i-Solutions products are implemented, we will have turned our ordinary bill into an interactive engagement with our customers. We can then use it as a persuasive marketing channel and personalized customer service vehicle," anticipates Gloyd.

Hitting the jackpot!

"Our experiences with CheckFree have really been outstanding. It is an extensive project to get a system like this up and running and it is important to have an application provider that responds immediately and thoroughly to any issues that arise. Our interaction with CheckFree has always been met positively and we look forward to continuing the relationship in the future," says Gloyd.

As a matter of fact, Nevada Power is already discussing future plans to use CheckFree i-Series to provide more extensive electronic bill delivery and payment to its business customers. "We serve approximately 75,000 small-to-medium sized businesses, as well as a similar number of large businesses within our Las Vegas demographics. With the B2B offering from CheckFree, we will be able to extend the services we currently offer these customers to include interactive bill detail and drill-down capability for analysis. Moreover, with this customer base we will be able to do much more one-on-one direct marketing. Market Direct is so easy to use, the account representatives can actually apply the customized messaging themselves," says Gloyd.

"We are very excited about offering CheckFree EBP as part of our overall e-commerce strategy. What was primarily driven by customer service has turned into cost savings for Nevada Power. It gives us a way to provide our customers with choice and convenience, as more and more frequently they turn to online banking. All the while it gives us more interaction than we could ever achieve with the paper-billing process. EBP has turned out to be a solution that provides value for everyone," says Gloyd.

To learn more about how CheckFree i-Solutions can improve your services offering, visit our Web site at www.checkfreeisolutions.com. Or, call 1-800-964-4552.



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