

# Improving Customer Health and Reducing Payment Defaults with Meter Analytics

How Peoples Energy Analytics improves energy affordability for Peoples Natural Gas

#### The Problem: Defaulting on Payments

Peoples Natural Gas (PNG), an Essential Utilities company, is the largest natural gas utility in Pennsylvania—serving more than 740,000 homes and businesses in Western PA and KY. Committed to providing safe, affordable and reliable service, PNG is always seeking new ways to support customers experiencing financial hardship.

But identifying at-risk customers before they default on their utility payments has always been a challenge. Traditional prediction methods rely on late payment patterns, often leading to costly collection efforts, service disconnections, and unclaimed assistance program funds.

That's why PNG partnered with Peoples Energy Analytics (PEA), a Pittsburgh-based analytics company that uses proprietary, data-driven, predictive analytics to proactively identify customers in financial distress and connect them with assistance programs before they fall behind.



## The Solution: Targeted Outreach to 2,000 Identified Homes

The pilot leveraged PEA's Energy Limiting Behavior<sup>™</sup> Metrics to identify a target group of at-risk customers that are often overlooked in a sub-region of Peoples Natural Gas' Pennsylvania service territory. These invisible customers often limit their energy usage and do not self-identify as needing help. The results of the pilot within this target group speak for themselves:

80%

Assistance Program Applications Grew 80%. The number of at-risk customers identified for future aid also grew.

135%

Total Assistance Program
Enrollments Rose 135%. The number of customers in assistance programs more than doubled for the target area.

53%

Assistance Program Enrollment Improved 53%. The enrollment rate for identified customers rose from 45% to 69%.

#### Why The Pilot Worked: Proactive, Data-Driven Engagement

#### **Predictive Analytics for Early Intervention**

PEA's proprietary algorithm analyzes historic gas usage, billing data, and temperature fluctuations to precisely pinpoint the households most likely to default on outstanding energy bills. By identifying vulnerable customers beforehand, PNG is now able to intervene early and keep the heat on.

#### **Increased Enrollment in Assistance Programs**

Many eligible customers are unaware of the available bill assistance programs or may find the application process overwhelming. PEA helped PNG build a personalized, targeted outreach that boosted enrollment rates in their Customer Assistance Program (CAP) among the target group, ensuring more customers received financial relief before falling behind.

"We believe every person who is eligible to participate in our assistance programs should benefit from them. Collaborating with PEA has already helped us better identify individuals and areas in Allegheny County to target for additional outreach."



### What's Next for Peoples Natural Gas?

Following the success of the pilot program, PNG will be partnering again with PEA to cover more of the region and identify additional at-risk customers.

By continuing to improve and refine its data-driven outreach, PNG aims to drive even greater enrollment in existing assistance programs, reduce the risk of pipe freezes in the region, and continue lowering the financial strain households face in winter while strengthening customer relationships.

"This is an opportunity to utilize data in a really great way, and I hope more utilities will take advantage of the same kind of tactics to make sure that we're reaching underserved populations."

-Elizabeth Marx, Executive Director of the Pennsylvania Utility Law Project





#### A Win-Win Approach to Affordable Utility Bills

As more energy providers seek solutions to minimize bad debt in the utility sector and improve customer relationships, PEA offers a scalable, data-driven approach that delivers very measurable impacts for gas and electric utilities. PEA's analysis allows utilities to refine their marketing outreach to target the customers and regions most in need of assistance, improving efficiency and effectiveness of communications strategies and benefitting both utilities and the communities they serve.

Simply put, when utilities invest in predictive analytics and proactive engagement, they can create a more financially resilient customer base—and a more sustainable business model for many years to come.

If you're a utility looking to enhance customer engagement and financial stability, contact Peoples Energy Analytics to learn how predictive analytics can transform your approach to energy affordability.

#### Learn More

www.peoplesenergyanalytics.com



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