


Policy Area	Billing Operation		
Title of Policy	POLICY ON MIGRATION OF ARREARS ON CUSTOMERS ACCOUNT FROM POSTPAID TO PREPAID		
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Policy Owners	All Staff of BEDC		
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Approve By	Role	Name	Signature/Date
	MD/CEO	Mr. Deolu Ijose	 30/08/2024
	Board of Directors		

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1.0 INTRODUCTION/PURPOSE

Customer metering is an essential and inseparable aspect of the electricity distribution business, and as such, it is one of BEDC's primary areas of focus. If properly managed and monitored, this activity will ensure proper energy accountability and facilitate significant reductions in revenue losses resulting from energy theft and other vices.

Given the continuous nature of the metering exercise, postpaid customers are mostly metered within the month before the next billing cycle. However, in the absence of a clear policy that mitigates any form of billing gap, it is inherently possible that customers will not be billed for the period of consumption within the month prior to prepaid metering, which apparently constitutes financial losses to BEDC as an organization. Even though the customers have been migrated from postpaid to prepaid, this category of customers will still be liable to pay for energy consumed in the intervening period. This is imperative for energy accountability and revenue assurance purposes.

2.0 OBJECTIVES

To address weaknesses in the current process of migrating customers from postpaid to prepaid.

3.0 SCOPE

The policy covers postpaid customers who have been metered with prepaid meters.

4.0 POLICY

Policy on Migration of customers from Postpaid to Prepaid Accounts

4.1 Procedure

1. In view of the foregoing, management has approved the following procedure to address weaknesses in the current process of migrating customers from postpaid to prepaid after they have consumed energy in the days preceding their migration.
2. The Metering Department supplies the details of postpaid customers metered and the dates of their installation to the billing department via the Billing Suite for the Integrated Meter Management System (IMMS). IMMS changes the customer type from postpaid to prepaid.
3. The commercial department supplies the billing department with the customers' last postpaid bill before migration. The commercial department uses the following criteria to calculate the last postpaid bill:
 - i. The commercial department calculates the customers' last bill on postpaid for read customers by reading off the postpaid meter and adding the amount billed to the initial outstanding to get the last outstanding to be migrated to the prepaid meter.
 - ii. The commercial department calculates the customers' last bill on postpaid for estimated customers by using the one-year average CAP unit of the feeder the customer belongs to and prorating the amount billed based on the number of days in a month before the prepaid meter installation; then the amount billed is added up to the initial outstanding to get the last outstanding to be migrated to the prepaid meter.
3. The billing department charges the last bill on the postpaid based on the above information and updates the customer's record on Smartpower.

4.2 Arrears Migration Guideline

Moving forward, the following guidelines must be strictly followed when migrating arrears from postpaid to prepaid:

- i. Arrears and all other debt incidences should be migrated to the parent account at the point of meter programming in a single-dwelling building.

- ii. Arrears should be migrated using the following criteria for instances where a single postpaid account exists for multi-building and requires account separation:
 - a. The landlord is one of the residents of the apartments, and he or she desires to retain the parent account and clear off the arrears. The landlord prepaid meter holds all the arrears on the postpaid account.
 - b. The landlord is one of the residents of the apartments but is disposed to sharing the arrears amongst all occupants of the apartments. All the occupants of the building share the arrears on the postpaid account.
 - c. A multi-dwelling building with only tenants as occupants. Arrears sharing will be required in this case.
- iii. The billing department should ensure that the arrears migration information and report are available monthly for use by the Regional Head, Regional Auditor, and Regional RPD for vending compliance and other monitoring.

Customers who have officially contested their arrears prior to migration should still have their balances migrated to the parent account at the time of prepaid meter programming, while account reconciliation in accordance with the existing CAAD process is followed for necessary adjustments within a period of 30 days.

Following the completion of the CAAD reconciliation, the necessary adjustments will be implemented on the parent account where the arrears are warehoused. The agreed-upon account sharing proposal can then be implemented.

All adjustments, depending on the threshold, must have adequate approvals (refer to the CAAD Policy).
- iv. The Head RPD will monitor debt servicing and vending patterns among migrated prepaid meter customers to prevent and detect revenue loss due to meter bypass and account abandonment.

5.0 CONSEQUENCES MANAGEMENT

All Internal Control/Audit Officers, Head Metering, Head Billing, Head RPD, Feeder Managers, DSSO, Regional Heads and all staff members are expected to ensure full compliance and escalate noted violations for Management's action.

6.0 REVIEW

6.1 Policy Changes

The latest version is available from the Human Resources department and should be referred to directly.

6.2 Responsible Officer

All Internal Control/Audit Officers, DSSOs, RPD Personnel, Feeder Managers, Head, Metering, Head Billing, Regional Heads, Head, RPD, Head, Internal Audit, Chief Commercial Officer and all staff members are responsible for the execution of this policy.

COMPLIANCE

All staff members are expected to ensure full compliance and escalate noted violations for management's action.

INITIATOR(S) RATIFICATION

S/N	Name	Designation	Signature	Date
1	Akintunde Akinlabi	HBO		10/07/2024

PPRC MEMBERS RATIFICATION

S/N	Name	Designation	Position	Signature	Date
1	Akinleye Ogunleye	CCO	Chairman		10/7/24
2	Evwienure Agama	CFO	Member		10/July/2024
3	Collins Igwe	CRCM	Member		10/7/24
4	Gilbert Owoupele	CIA	Member		11/7/24
5	Jonathan Lawani	CTO	Member		10.07.24
6	Opeoluwa Afolabi	Head, TS&CP	Member		10/07/2024
7	Felix Ndidi Nkeki	Head, GIS	Secretary		10/07/2024