Submitted By: Nancy Bardo

Strategy Name: Credit Policy for utility company

Purpose/Objectives: In groups, develop the “credit rules” for a utility company and present your credit policy to key personnel at Nicor Energy

Process:  
Students will need to develop the credit policy for a utility company. Often, utility customers may have no credit (i.e., an 18 year old moving out on their own for the first time). Students need to determine what information they want to know about the customer before they grant the credit. Keep in mind that since there is no competition, your utility company is the only option the customer has. Another thing to consider is local laws protecting the individual customer.  
1. Develop a list of questions you want to know about the customer before granting credit. Use the 3 C’s of Credit (Character, Capacity, Capital) to form your questions. Create an application form for the client to fill out that incorporates all the information you need.  
2. Research local government laws that may impact your credit policy. For example, in certain municipalities, it is illegal to cut off gas service during the winter months.  
3. Create credit rules for your company that incorporates your company needs with government laws and the needs your customers. Develop your policy if customers are late with their payments (late fees, etc.) or do not pay for several months (repayment plans, service cut-off policy).  
4. Prepare a PowerPoint presentation to present to Nicor Energy that describes your policy. Include the written application as well as a professionally written credit policy that would be given to all customers.  
5. Nicor Energy personnel will critique each presentation.

Additional Comments:  
This lesson will incorporate many of the skills that were stressed at the work places we visited as part of the DVR Teacher Work Experience:  
• Reading   
• Applied math   
• Team building  
• Problem solving  
• Getting along with others  
• Organization  
• Creativity  
• Using data  
• Research