

**MISSOURI PUBLIC SERVICE COMMISSION
STAFF REVIEW OF SPIRE'S STATUS REPORTS**

**STAFF INVESTIGATION REPORT
Spire Missouri, Inc.**

Case No. GO-2020-0182



PREPARED BY

MISSOURI PUBLIC SERVICE COMMISSION

CUSTOMER EXPERIENCE DEPARTMENT

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INTRODUCTION

On December 20, 2019, Staff filed a motion requesting that the Commission open an investigation into a number of Spire's business operations and practices. Staff began an investigation in response to the Commission's Order in Case No. GO-2020-0182. On October 30, 2020, Staff filed its Investigation Report ("Report") prepared by the Customer Experience Department (CXD). On November 16, 2020, the Commission issued an Order directing Spire to respond to ten specific recommendations that were included in the Staff Report by no later than December 18, 2020. In addition, Spire was to file a status report every six months thereafter describing its progress in addressing those recommendations. Spire filed its progress reports in a timely manner on December 18, 2020 and on June 18, 2021. Its next progress report will be due on December 18, 2021. In addition to these filed responses, Spire also held conference calls with Staff on March 4, 2021, May 5, 2021 and July 22, 2021 to discuss additional details on the implementation of the recommendations.

The following information will provide a brief synopsis of Spire's actions taken in response to Staff's Investigation Report and seek to update some of the data provided that appeared in that Report.

Staff's recommendations to Spire in the Report include the following specific recommendations, with a brief summary of the issues found that led to the recommendation. The information provided in Spire's Progress Reports is summarized and included in the Actions Taken section after each recommendation.

Responsiveness to the Commission

I.

Evaluate present methods of responding to Staff requests for information and determine alternative back-up measures when workload or other factors will delay responses.

In its Investigation, Staff cited concerns of timeliness, completeness and accuracy of Spire's responses to information requested in formal complaints. In some instances, these Staff questions are referred to Spire's legal team or higher management and responses are not made promptly.

Actions Taken

In its filed Progress Reports, Spire cited a number of actions it has taken since the Staff Investigation in Case No. GO-2020-0182 was completed. Spire reorganized its staffing structure with the goal of enhancing regulatory and legal personnel. This structure is designed to enable more consistent communication with Staff. The Legal and Regulatory Departments have combined weekly meetings to discuss matters such as data request (DR) responses. A dedicated data request matrix was designed to track due dates, prioritize workload and provide accountability for situations where employees may be absent.¹

Recordkeeping Systems

II.

Require additional training for all call center representatives in the importance and utilization of recording account notes when responding to customer calls.

Staff found numerous instances within both formal and informal complaints brought by customers where relevant information was not recorded on the account. This missing information included pertinent customer expressed concerns or important information. In some cases, what specific action Spire committed to take action on, and when, was also not documented.

Actions Taken

Spire's actions have included the utilization of refresher and quarterly training on the importance of call center notes. ** [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

² **

III.

Review the methods used to store and organize recorded customer calls to determine if improvements could be made to improve the ease of retrieval.

In a number of instances, Staff found that Spire was unable to readily access or provide all of the call recordings applicable to a particular customer's account inquiry. Spire utilizes two different

¹ Spire Progress Report in Case No. GO-2020-0182 filed June 18, 2021.

² Spire response to Staff DR Nos. 0065 and 0066 in Case No. GO-2020-0182.

systems, Verint and SAP Contact Center/Communication Desktop, to store its call recordings. The utilization and access to each may have caused delays in the retrieval of this information.

Actions Taken

Spire provided Staff with a live demonstration of the Verint software on April 6, 2021, to illustrate how searches for recorded calls can be conducted. Staff is currently unaware of any present situations involving Spire being unable to provide call recordings pertaining to customer complaints to the Commission Staff.³

IV.

Evaluate if there are alternatives available to record the screens of third-party call center representatives as a part of Spire's standard quality assurance procedures.

Call recording software is used as an industry practice by call centers to allow them to monitor the quality of their interactions with the customer while on a call. Most companies are able to record not just the audio, but also copies of the screens used by the representative in processing the call. These records are very helpful in determining the quality and effectiveness of the representative's handling of the call. However, Spire also utilizes two third-party contractors, Alorica and GC Services, and is not able to record the screens of these representatives due to security concerns.

Actions Taken

In March 2021, a technical concept was developed that would enable Spire to record screens for its third-party representatives. Testing was conducted in late May 2021, and as of June 18, 2021, Spire has been able to successfully record screens for its third-party representatives at GC Services. In its June 18, 2021, status report, Spire anticipated being able to implement screen recordings for most of its Alorica representatives by September 30, 2021. However, Spire experienced port communication issues with Alorica and initiated a helpdesk ticket with Verint in response. No issues were found on the Spire side and on October 5, 2021, Alorica was advised that Spire was still unable to record screens. Spire hopes to obtain screen recordings for Alorica representatives by the end of December 2021.⁴

³ Spire Progress Report filed June 18, 2021 in Case No. GO-2020-0182.

⁴ Spire response to Staff DR No. 0067 in Case No. GO-2020-0182.

Business Operations

Call Center Operations

V.

Continue to develop additional methods and procedures to monitor the performance of third-party call center representatives.

Spire utilizes both its own in-house call center representatives at its St. Louis, MO headquarters and third-party resources located in other states. After the merger of Laclede Gas and Missouri Gas Energy (Case No. GM-2013-0254), Staff had concerns regarding the effectiveness and quality of the third-party call centers. The utilization of third-party call centers can present a number of challenges such as adequate oversight, high turnover and less employee loyalty to the Company. Any of these factors can influence the effectiveness of the call center representatives. Since year 2015, Spire has gradually replaced its internal call center representatives with third-party ones.

Actions Taken

Starting in year 2020, Spire's Quality team began monthly meetings with third-party supervisors to review quality scores and provide guidance over expectations. Spire has taken over responsibility for training third-party representatives.⁵ Third-party oversight is split up under several managers now who all report to a central manager. The ratio of supervisors to representatives was initially lowered from 1:18 to 1:10, which is closer to the Spire internal levels. At this time, the supervisor to representative ratios are as follows:⁶

Spire internal:	1:11
Alorica:	1:9.6
GC Services	1:13.8

These levels should assist Spire in achieving closer supervision and quality scores more reflective of what is achieved from the internal call center representatives.

In addition, in late 2019, Spire introduced a new method of scoring for determining quality assurance being provided by call center representatives. A number of competencies carry equal weight in the development of the overall score. The top score possible is 5 and representatives are given a target level of 4.5 to attain. Scores for year 2020 showed improvement during the course of the year. The scores for January-September 2021, as shown below, for the internal

⁵ Spire Progress Report filed June 18, 2021 in Case No. GO-2020-0182.

⁶ Spire response to Staff DR No. 0068 in Case No. GO-2020-0182.

representatives, as well as the third-party representatives, continue to show increasing scores for quality⁷:

Call Center Representatives
Quality Monitoring Scores 2021

<u>Scores</u>	<u>January</u>	<u>February</u>	<u>March</u>	<u>April</u>	<u>May</u>	<u>June</u>	<u>July</u>	<u>August</u>	<u>September</u>
<u>Internal-STL</u>	<u>4.5</u>	<u>4.6</u>	<u>4.6</u>	<u>4.6</u>	<u>4.7</u>	<u>4.8</u>	<u>4.6</u>	<u>4.7</u>	<u>4.7</u>
<u>Alorica</u>	<u>4.5</u>	<u>4.6</u>	<u>4.6</u>	<u>4.6</u>	<u>4.6</u>	<u>4.6</u>	<u>4.7</u>	<u>4.7</u>	<u>4.7</u>
<u>GC Services</u>	<u>4.4</u>	<u>4.5</u>	<u>4.4</u>	<u>4.5</u>	<u>4.4</u>	<u>4.5</u>	<u>4.4</u>	<u>4.5</u>	<u>4.4</u>

While Spire has set a target level of 4.5 for all of its call representatives, it encourages its third-party providers to maintain the highest levels possible.

VI.

Develop enhanced training methods to improve the performance of third-party call center representatives.

The Staff Report in Case No. GO-2020-0182 noted that in spite of some efforts Spire had conducted to train and supervise all of its call center representatives, a number of situations occurred that indicated a misunderstanding or an error made by a representative in responding to a customer's inquiry. There are obviously detrimental and far-reaching effects associated with not providing a customer with accurate information.

Actions Taken

In addition to the training programs discussed in the Actions Taken section of Recommendation II, Spire introduced a number of other training programs. The 12-month training program is also in-progress and Spire expects its new hire group from October 18, 2021, to progress through it once their new-hire training is completed. Spire is presently working with its IT group to finalize tracking of it.⁸

⁷ Spire response to Staff DR No. 0060 in Case No. GO-2020-0182.

⁸ Spire Progress Report filed June 18, 2021 in Case No. GO-2020-0182.

Five online training courses have been developed to focus on the following topics:

Customer Contact (March 2021)
Advance Deposit (April 2021)
SharePoint (April 2021)
CCB Navigation (October 2021)
Cold Weather Rule (October 2021)
High Bill (December 2021)

Spire has also developed individual courses to focus on the new hire's first day, as well as agendas of additional available topics for refresher courses.⁹

Call Center Resource Utilization

VII.

After discussion with Staff, improve the information provided to Staff regarding the staffing and quality performance of call center representatives at each location. This information should be submitted as a part of the monthly reporting to Staff ordered in Case No. GM-2013-0254.

Spire provides a number of call center metrics within its monthly reporting of customer service data that was ordered by the Commission in Case No. GM-2013-0254 (The Laclede Gas-MGE merger application). These metrics include staffing levels of various positions within the customer service functions at Spire. However, at the time this reporting was developed, Spire was not utilizing a large number of third-party personnel for call center staffing. After the merger, actions were taken to increase the amount of third-party call center representatives to the level where it comprised the majority of the representatives. The reporting did not provide clear and detailed information on staffing and performance at each of the locations utilized by Spire.

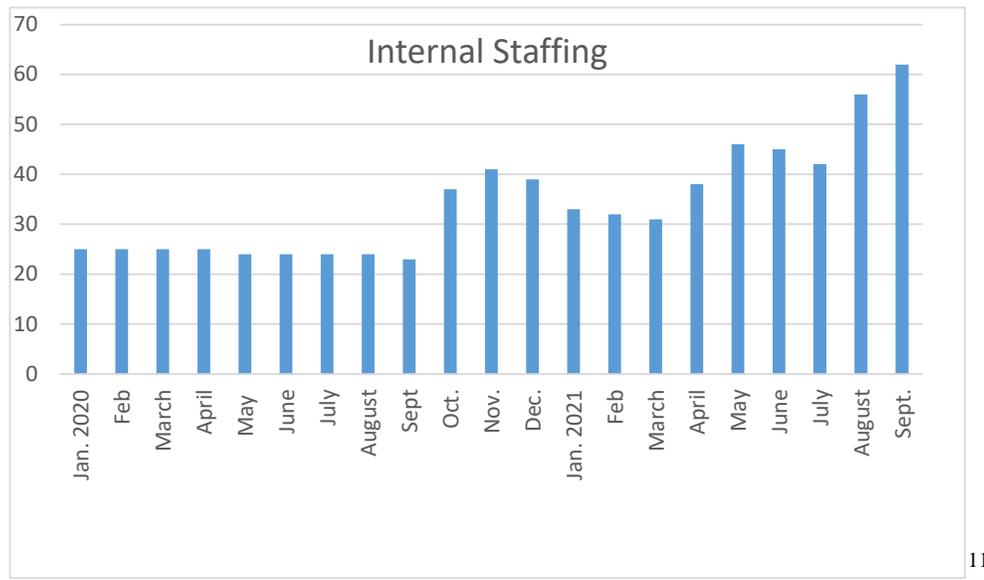
Actions Taken

Spire began reporting on more specific staffing and quality metrics on January 2021 within its monthly meeting with the CXD Staff. Spire has indicated a willingness to continue work with Staff to present the metrics in the format desired by Staff. A clear reporting of the call center representatives staffing levels becomes more important as Spire assesses its resource needs and the best way to provide these resources

At the present time, Spire has continued actions, begun in year 2020, to increase its internal call center representatives over time and become more dependent on internal resources. Spire has encountered some of the same issues as other companies with difficulty in retaining and hiring

⁹ Spire response to Staff DR Nos. 0069 and 0070.

personnel and as a result is not as far along in its process as originally anticipated.¹⁰ The chart illustrates the number of internal call center representatives at this time.



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Metering Operations

VIII.

Continue to evaluate the effective utilization of AMR alarms to identify metering problems and take actions to resolve the confusion over the necessary assignment of responsibility for the actions taken in response to the alarms.

The predecessor companies to Spire (former MGE and Laclede Gas) utilized different metering technology. The Missouri East division of Spire (former Laclede Gas) employed Automated Meter Reading (AMR) with alarm capabilities, which resulted in a large number of alarm events. Spire and its contractors had been unable to respond in an expedient manner to the number of alarms being triggered in its meter alarm system for AMR meters. The volume of data generated by the alarms and the difficulty associated with differentiating real alarms warranting an investigation from others not requiring an action has made it difficult to keep up with a timely response to these alarms. At the time of the Staff's initial investigation, Spire's contractor Landis & Gyr was responsible for responding to the alarms.

¹⁰ Spire Progress Report filed June 18, 2021 in Case No. GO-2020-0182.

¹¹ Spire response to Staff DR No. 0062.

Actions Taken

Spire reported in its June 18, 2021 Progress Report that since the beginning of October 2020, it had begun meeting regularly with its contractor Landis & Gyr to map out the metering issues (including alarms) and how they were presently handled. This was to assist them in prioritizing and responding to these issues. Spire states it is focusing its efforts at making the meter documentation, meter reading and usage capabilities consistent across the state of Missouri.¹²

Beginning in July 2021, Spire began a program of changing out inside meters and scheduling a customer appointment to replace the meter with an Intelis meter. As of October 20, 2021, Spire replaced 731 meters that triggered alarms due to some deviation through the Landis & Gyr system.¹³

All alarms reported on the Landis & Gyr system will also be transitioned to the Advanced Data Decisioning Platform (ADDP) being developed by Spire to store all meter reads and information concerning conditions and alarms. This enhancement is expected to be completed by December 31, 2021. Future refinements will enable Spire to have access to accurate data in a timely manner and respond more quickly to the data it receives.¹⁴

Business Practices

Balance Transfers

IX.

Review the policies regarding the establishing of new service for a customer and develop guidelines relative to the determination and communication of prior balances that may be transferred to this account.

Staff has found inconsistency in the process utilized by service representatives in determining whether a new account has any prior balance associated with it. In some instances, customers receive their first bill with a large balance transferred from a prior account. In addition, Spire service representatives do not have consistent guidelines on whether to advise the customer of the existence of such balance.

Actions Taken

Automation of the start service function, completed in 2018, included a check of customer past debt. With this, Spire call center representatives will be able to see if debt is outstanding on a prior

¹² Spire Progress Report filed on June 18, 2021 in Case No. GO-2020-0182.

¹³ Spire response to Staff DR Nos. 0071, 0072 and 0073.

¹⁴ Spire response to Staff DR No. 0072.

address without having to do an additional check. Spire has also developed an automated lettering process to inform customers if there is a debt that is being transferred. The lettering process was to be tested the summer of 2021 and implemented by September 30, 2021.¹⁵ The letter informing customers of past debt was put into production on October 1, 2021, and, as of October 27, 2021, 795 letters related to these situations have been sent.¹⁶

Dispute Service Agreements

X.

Continue to adhere to the procedures developed regarding Dispute Service Agreements to conduct a weekly review of these accounts and to place further extensions on collections when necessary.

When a customer has a pending complaint with the Commission, the account balances are placed in a Dispute Service Agreement that will ensure that accounts in dispute not go into collections. Staff observed instances of customers being disconnected or being placed under threat of disconnection when the customer has a pending complaint with the Commission still unresolved.

Actions Taken

In September 2019, a new process implemented by the Community Services (CS) Team was to ensure the cancellation of collection and severance activity during the informal and formal complaint process. The credit review date is originally set for 30 days, which stops the disconnection, but the review date can be changed if the dispute is taking additional time to investigate. Weekly reminders are set by the CS Team to review the account until some resolution is reached and the dispute is closed. The process is typically resolved within 30 days.¹⁷

Formal and Informal Complaints

Formal Complaints

In its investigation, Staff reviewed formal complaints from 2017-2020 to determine if recurring issues were being experienced by customers which could indicate a potential deficiency in an operating practice at the Company. Staff found a number of such recurring issues, which led to recommendations in the Staff Report. Staff reviewed the number of complaints for Years 2020 and 2021 YTD October 1. The number of formal complaints have not increased from prior years and did not exhibit similar issues to those found during the investigation.

¹⁵ Spire response to Staff DR No. 0074.

¹⁶ Spire Progress Report filed June 18, 2021 in Case No. GO-2020-0182.

¹⁷ Spire response to Staff DR Nos. 0075 and 0076 in Case No. GO-2020-0182.

Informal Complaints

Staff also reviewed recent data regarding the number and types of informal complaints entered into the Commission's EFIS system. Informal complaints are normally accepted and processed by the Commission's Consumer Services Department (CSD). An informal complaint may involve a number of customer service issues that require Staff to contact the utility for mediation or resolution. The number of Spire informal complaints received by the MO PSC has continued to decrease over the last several years. This same trend has occurred for most of the regulated utilities in Missouri.

Recommendation for Future Actions

The Commission's Order in this case issued on January 19, 2021 established a time for Spire to file bi-annual progress reports with the first to be due on June 18, 2021. The Commission also directed Spire to file additional progress reports on December 18 and June 18 of subsequent years until otherwise ordered by the Commission.

The Staff believes that while progress has been made towards implementation of the recommendations, there continues to be a need for a continuation of reporting of progress. Staff recommends that Spire hold a bi-annual meeting with Staff to discuss recommendation progress. In addition, Staff also recommends that Spire files a progress report on an annual basis.