

Public Version

Exhibit:

Issues: Overview of COVID
Response and Customer
Service Initiatives

Witness: Charles A. Caisley

Type of Exhibit: Direct Testimony

Sponsoring Party: Evergy Missouri Metro

Case No. ER-2022-0129

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MISSOURI PUBLIC SERVICE COMMISSION

CASE NO.: ER-2022-0129

DIRECT TESTIMONY

OF

CHARLES A. CAISLEY

ON BEHALF OF

EVERGY MISSOURI METRO

**Kansas City, Missouri
January 2022**

DIRECT TESTIMONY

OF

CHARLES A. CAISLEY

Case No. ER-2022-0129

I. INTRODUCTION

1

2 **Q: Please state your name and business address.**

3 A: My name is Charles A. Caisley. My business address is 1200 Main, Kansas City, Missouri
4 64105.

5 **Q: By whom and in what capacity are you employed?**

6 A: I am employed by Evergy Metro, Inc. I serve as Senior Vice President, Public Affairs, as
7 well as Chief Customer Officer for Evergy, Inc., Evergy Metro, Inc. d/b/a as Evergy
8 Missouri Metro (“Evergy Missouri Metro”), Evergy Missouri West, Inc. d/b/a Evergy
9 Missouri West (“Evergy Missouri West”), Evergy Metro, Inc. d/b/a Evergy Kansas Metro
10 (“Evergy Kansas Metro”), and Evergy Kansas Central, Inc. and Evergy South, Inc.,
11 collectively d/b/a as Evergy Kansas Central (“Evergy Kansas Central”) the operating
12 utilities of Evergy, Inc.

13 **Q: On whose behalf are you testifying?**

14 A: I am testifying on behalf of Evergy Missouri Metro and Evergy Missouri West
15 (collectively, “Evergy” or “Company”).

16 **Q: What are your responsibilities?**

17 I am the executive responsible for leading the Customer and Community Solutions
18 Division at Evergy. That division is focused on everything that directly interacts with and
19 serves customers and communities within Evergy’s service territories. Within that

1 division, I am responsible for small-scale distributed and renewable generation projects,
2 energy products and services platforms, energy efficiency and demand response portfolio,
3 community and customer strategy and communications, marketing, economic
4 development, regulatory affairs, governmental affairs, and public relations functions.
5 Many of these areas are responsible for direct interaction with Evergy customers and
6 stakeholders. These areas of direct customer interaction include; online/electronic
7 transactions and portals, social media, community affairs, business customers, customer
8 complaints, city franchises and regulated and non-regulated products and services. In
9 addition, the Company's customer service operations, including our contact centers as well
10 as our billing and metering operations are also part of the Customer and Community
11 Solutions Division. I am also responsible for leading a cross-functional team of individuals
12 with responsibility for our overall customer experience strategy and delivery. This includes
13 support teams, project delivery and data analytics teams that drive customer solutions,
14 change management and customer experience enhancements.

15 **Q: Please describe your education, experience and employment history.**

16 A: I graduated from the University of Illinois in Urbana-Champaign with a bachelor's degree
17 in political science. I earned a Juris Doctorate degree from St. Louis University School of
18 Law and a Master of Business Administration from Washington University in St. Louis. I
19 joined KCP&L (now Evergy Metro) in 2007 as Director of Government Affairs. Prior to
20 joining Evergy, I was employed by the Missouri Energy Development Association
21 ("MEDA"), the Missouri Industry Association for Missouri investor-owned utilities, as
22 President. Prior to that I was employed as the Chief of Staff to the Speaker of the Missouri
23 House. In both positions, I dealt extensively with Missouri utility law and energy policy.

1 **Q: Have you previously testified in a proceeding at the Missouri Public Service**
2 **Commission (“Commission” or “MPSC”) or before any other utility regulatory**
3 **agency?**

4 A: Yes, I have testified before both the MPSC and State Corporation Commission for the State
5 of Kansas (“KCC”).

6 **Q: Please provide a brief overview of this rate case as it relates to customer service and**
7 **customer experiences with Evergy.**

8 A: Investments focused on automation and system reliability, including in new billing systems
9 and advanced metering infrastructure (“AMI”) technology, along with and other rate base
10 investments enhance Evergy’s customers’ experience with the utility. As our witnesses
11 discuss, effective investment coupled with the Company’s disciplined cost management
12 and abundant merger savings and efficiencies achieved to-date enables Evergy to continue
13 to drive down operating costs while maintaining and improving quality of customer service
14 and reliability.

15 Proposals made in this rate case also continue our efforts in satisfying customer
16 needs by expanding customer choice in rates for service. Building on its 3-period, opt-in
17 time-of-use (“TOU”) rate that Evergy began offering to its customers in October 2019,
18 Evergy now proposes additional TOU rates, a fixed bill (subscription pricing) pilot option,
19 a pre-pay pilot option and other sustainable rate options for its customers. We also present
20 revised business transportation electrification initiatives that include rebate programs and
21 a business TOU rate for EV charging. The proposals in this case address customers’ desires
22 for rates for service, payment options or programs that reflect their individual lifestyle and

1 needs. The system investments that we have presented in prior cases and in this case
2 continue to unlock opportunities for optional rates to meet customers' needs and desires.

3 This rate case filing also provides for consistency in rate design across Evergy's
4 customer base (even though separate rate jurisdictions) aiding in ease of customer
5 communication and understanding of Evergy offerings across our customer base. These
6 proposals and investments will increase customer satisfaction and customer experience for
7 our customers.

8 **Q: What is the purpose of of your testimony?**

9 A: My testimony will discuss Evergy's customer initiatives to offer more customer choice to
10 our customers in how they receive electric service from the Company. In particular, my
11 testimony will discuss Evergy's customer experience strategy, Evergy's Rate
12 Modernization Plan ("Rate Plan"), previously filed business transportation electrification
13 initiatives from Docket Nos. ET-2021-0151 and -0269 that the Commission advised that
14 Evergy readdress in this rate case, and Evergy's response to the COVID-19 pandemic to
15 assist our customers during this difficult time.

16 **Q: How is the remainder of your testimony organized?**

17 A: The remainder of my testimony is organized in the following sections:

- 18 • Section II discusses Evergy's customer initiatives to bring more customer choice to
19 our customers in how they receive electric service from the Company, including
20 Evergy's Rate Plan, TOU rates, a fixed bill offer, a pre-pay offer, sustainable rate
21 offers, and business transportation electrification ("TE") rates, as well are revisions
22 to existing programs.

- 1 • Section III discusses the Company’s Rate Modernization Plan and customer choice
2 initiatives.
- 3 • Section IV discusses the importance of the revised business transportation
4 electrification pilot initiatives that include the Commercial Electric Vehicle (“EV”)
5 Charger Rebate Program, Business EV Charging Service Rate and Customer
6 Education and Program Administration program to support the Commercial EV
7 Charger Rebate Program and Business EV Charging Service Rate.
- 8 • Section V discusses Evergy’s response to the ongoing COVID-19 pandemic and
9 efforts to assist our customers.

10 **II. CUSTOMER SERVICE, CUSTOMER EXPERIENCE AND COMMUNITY**
11 **INVOLVEMENT**

12 **Q: How would you describe Evergy’s approach to customer satisfaction or customer**
13 **experience strategy?**

14 **A:** Evergy takes customer experience very seriously, and we continually strive to improve our
15 customer satisfaction. We look at five key areas when it comes to our customer experience:

16 1. **Steady Improvement in Customer Service and Experience:** This means creating
17 true omni-channel customer service and interaction. It means an increasing focus on digital
18 self-service to enable value-added human interactions. By handling routine, repeatable
19 service digitally and through self-service, we will be able to leave more time for Evergy
20 employees to advise customers on the best outcomes for them—which could be renewable
21 energy, rate choice or energy efficiency programs that might help the customer. This means
22 a five-year roadmap with executable increments. It also means looking at industry and non-
23 industry benchmarking with outcome-based KPI’s and metrics. We will continue to utilize
24 standard industry metrics to measure and benchmark how we interact and transact business

1 with customers. This includes measuring and working to see improvements in our billing,
2 contact center, electronic portals, communications, and social media. Our goal is to be top
3 quartile among utilities nationwide and to see continual improvement in these metrics as
4 well as continual streamlining in our customer processes. We will also look beyond
5 standard utility benchmarks to see what defines superior customer service in other retail-
6 oriented industries to glean what we can and apply it to our customer experience strategy
7 where it makes prudent financial and service sense to do so.

8 And, it means collaboratively working with a broad range of stakeholders to modernize the
9 regulatory construct around customer service and advocate for needed policy changes.

10 **2. Continuing Focus on O&M Efficiency and Cost Competitiveness:** It is
11 imperative that we don't just look at improving customer experience, but that we also
12 prioritize cost-effectiveness and cost reductions. In addition to cost efficiencies targeted
13 in the merger of KCP&L and Westar, we are looking to find incremental hard cost
14 reductions over the coming years to improve our per customer interaction cost and to
15 prioritize regional rate competitiveness. Some of the areas we will be focusing on include,
16 but are not limited to: increasing automation; increasing digital external and internal
17 functionality; universal customer service (meaning that customer service employees
18 located in Wichita, Topeka, Raytown or Kansas City can handle any Evergy customer issue
19 regardless of rate jurisdiction or state); and streamlining cross-functional customer service
20 processes. These savings, in turn, we will use to fund or offset rate impacts of investment
21 in our customer experience improvement strategy

22 **3. Focusing on Customer Optionality and Moments that Matter:** Evergy has done
23 considerable research into what customers expect from their electric utility, what they

1 expect from any retail service provider and also the transactions and aspects of customer
2 service that matter most to our residential and business customers. Increasingly, customers
3 expect to have service that is more tailored and customized to their needs. Both residential
4 and business customers increasingly have different needs and want to know that their
5 electric provider is willing to and capable of addressing those needs. For example,
6 depending on your household make-up, age and location, residential customers expect
7 optionality to have a variety of different rate plans, energy efficiency programs, renewable
8 energy options, billing plans, electric vehicle support and value-added services beyond
9 what are available today of historically considered standard electric utility service. This is
10 only going to increase over the next decade with the advance of technology. In addition,
11 electric customers expect reliability and a focus on affordability. Customers expect basic
12 utility functions are done in a timely and efficient manner—for example that bills will be
13 accurate and on time. However, there are a variety of transactions that create incremental
14 value and a much better overall experience for customers. Evergy has identified these key
15 moments and is working on improving in each of these areas.

16 **4. Infrastructure Utilization, Coupled with Rapid and Flexible Deployment of**
17 **Customer Service Enhancements:** Evergy has invested hundreds of millions of dollars
18 over the last decade in advanced metering technology and customer information and
19 services platforms. A key priority over the next five years is to fully utilize the capabilities
20 and utilization of core platform investments like AMI and customer information systems.
21 For the last four years, Evergy has completely converted and upgraded its customer
22 information system. That was a multi-year project that kept us from being able to pursue
23 many needed customer enhancements. Now, that the conversion and upgrade of those

1 systems are complete and operating in a stable fashion, we are looking to being rapidly
2 deploying customer service enhancements, like better customer notifications, an online
3 marketplace, enhanced and modernized rates and rate modeling and a host of other
4 capabilities. To facilitate this we are completing an IT and capex roadmap that reduces and
5 have created an agile implementation team and process to enable our ability to continuously
6 update our customer interface enhancements on a 4-to-8-week cycle.

7 **5. Community Commitment and Involvement:** When the communities that Evergy
8 serves succeed, so does Evergy. We are a leader in our community efforts in our service
9 territory. We take community involvement very seriously.

10 **Q: Has Evergy adopted a plan for moving forward to enhance customer experience and**
11 **increase customer satisfaction?**

12 **A:** Yes. Evergy has adopted a five-year strategic plan known as the Sustainability
13 Transformation Plan (“STP”) that accelerates our work to create a forward-thinking,
14 customer-centric, and sustainable energy company. The STP focuses on (1) grid
15 modernization, which promotes improved resiliency and grid capabilities, (2) cost
16 efficiencies by achieving operations and maintenance (“O&M”) savings through well-
17 documented and robust plans to improve efficiency, (3) deploying technology and
18 programs to enhance customer experience, reduce cost and increase consumer options and
19 (4) decarbonization of our portfolio of generation facilities. Collectively, these initiatives
20 are designed to improve customer experience and cost competitiveness, increase
21 operational efficiencies, optimize capital allocation and deliver attractive investment
22 opportunities. The Rate Plan is described in detail in the testimony of Company witness
23 Kimberly Winslow.

1 **Q: Has Evergy explained the STP to the Commission Staff, Office of the Public Counsel**
2 **and other stakeholders?**

3 A: Yes, it has. The STP was filed with the Commission on August 26,2020. The Company
4 has made several presentations on the STP, and I presented to these stakeholders on the
5 STP goals and objectives as it pertains specifically to customer experience and our Rate
6 Modernization Plan in February, 2021. (Schedule CAC-1) ¹.

7 **Q: How has Evergy set the stage for improved customer experience over the last few**
8 **years?**

9 A: From 2016 through 2021, Evergy replaced and/or consolidated more than a dozen core
10 computer and information systems. A large part of the STP is rapid execution and
11 deployment of projects designed to enhance customer satisfaction and customer experience
12 from the deployment of these improved systems. Historically, customers have expected
13 basics like reliable service and fair pricing, but modern customers have much higher
14 expectations such as proactive notifications, personalized interactions, and connected
15 experiences across channels. Transforming Evergy’s customer experience to reflect the
16 needs of today’s customer is key to achieving our strategic goals.

17 **Q: How has the replacement and consolidation of core computer and information**
18 **systems benefited Evergy’s customers?**

19 A: Customers have benefited from these efforts since it is now easier to do business with
20 Evergy. Over the last five years, Evergy focused on investing in modernizing major
21 foundational customer service platforms. AMI meters are a fundamental technology that
22 has unlocked automation, self-service, and cost savings for customers. As investments in

¹ *Evergy’s Sustainability Transformation Plan Customer Experience Presentation* by Charles A: Caisley, February 4, 2021.

1 AMI metering and standardized, modern customer information systems are completed,
2 there are immediate customer experience opportunities to address. These opportunities
3 include: (1) remote connect and disconnect²; (2) improved and proactive outage
4 communication and expanded billing and usage notifications; (3) enhanced online portal
5 self-service for customers; and (4) data analytics that can be used to enhance or develop
6 rates and programs to better understand the needs of customers and help drive value-added
7 customer solutions.

8 **Q: Please explain how the widespread deployment of AMI meters throughout Evergy’s**
9 **Missouri service area has benefited Evergy’s customers.**

10 A: As I mentioned, the widespread deployment of AMI meters allows for more efficiencies to
11 be incorporated into Evergy’s contacts with its residential and business customers. These
12 efficiencies include allowing remote connection and disconnection at much lower costs
13 than the old practice of rolling a truck to accomplish a connection or disconnection. The
14 Company also has the ability to implement expanded TOU rates and other “modern” offers
15 that have a potential to benefit many of Evergy’s customers. There are also more self-
16 service options available including outage notifications and customer usage alerts.

17 In addition, there will be future opportunities for expanded automation processes
18 and we will be filing waivers for some Chapter 13 rules to fully take advantage of that
19 automation and improved experience for the customer. In this case, we are filing for
20 Chapter 13 waivers for Subscription Pricing Pilot Program and Advance Easy Pay
21 Program, as referred to in Ms. Winslow’s testimony. Finally, AMI deployment has the

² Evergy will be requesting approval to implement remote connect and disconnect procedures in its Application, Re Application of Evergy Metro, Inc. d/b/a Evergy Missouri Metro and Evergy Missouri West, Inc. d/b/a Evergy Missouri West Request For a Waiver for Various Tariffs and Regulations Related to Automated Metering Infrastructure, File No. EE-2022-0071.

1 potential for significant customer service enhancements. Customers with AMI meters have
2 access to expanded digital tools to manage their energy usage including energy saving tips,
3 weekly energy reports and rate comparison to determine if TOU rates are a good fit for
4 their home. Additional benefits include improved billing accuracy and reduced manual
5 effort in reading meters monthly. This drives down costs and reduces safety risk to Evergy
6 employees. Customers experience reduced wait time when turning on service with the
7 automated turn-on/reconnect/disconnect capabilities of the meter. As noted above,
8 customers in Missouri can now enroll in outage notification and enjoy an enhanced
9 customer experience during outages. In addition to these visual benefits to customers,
10 Evergy is also providing safety benefits to the customer through AMI meters via the
11 temperature alarms, line and load side voltage checks and real time data analytics that can
12 detect issues occurring at the meter. A fully deployed AMI network sets the stage for future
13 benefits including new customer programs such as prepay programs, other advanced rate
14 design options and home energy insights. It can also provide operational data to potentially
15 identify immediate or future system issues that will help Evergy improve system reliability
16 for our customers.

17 **Q: Can you describe Evergy's efforts around its online presence, including social media**
18 **and electronic transactions? How does this impact customer experience?**

19 A: Evergy was an early adopter of electronic portals and has seen the importance of a strong
20 digital platform for more than a decade. All customers are different. Some customers
21 prefer talking to a representative on the telephone and paying their bill through the mail.
22 However, a growing segment of customers prefers to find information on the internet and
23 to conduct business online. To accommodate those customers, Evergy has had a robust

1 digital and online strategy for more than a decade. Our focus here is to provide online and
2 mobile solutions that work for our customers.

3 Currently, Evergy has a mobile-optimized website as well as highly utilized
4 authenticated electronic transaction portal called MyAccount. As of the end of 2021, more
5 than 64% of Evergy’s Missouri customers have online account profiles and can interact
6 with our self-service tools. This promotes customer satisfaction and overall customer
7 experience with the Company.

8 Evergy has also developed multiple social media platforms. Currently, Evergy has
9 YouTube, Facebook and Twitter feeds. Evergy uses these platforms to engage customers
10 in a variety of ways. They convey real-time information that is not sought on Evergy’s
11 website. They also are used as a customer service platform, responding to customer service
12 inquiries or complaints. Finally, these platforms are more dynamic than the corporate
13 website or authenticated portals and allow for real time discussions and information
14 dissemination to Evergy customers. For example, during a recent weather event due to
15 extremely high winds in December 2021, Evergy had nearly 200k customers company-
16 wide without power. Evergy took to each of these social media platforms, in addition to
17 its traditional website outage map, to inform customers of our progress to restore power.
18 Customers engaged with Evergy through various channels and junctures of the outage
19 restoration that met their need, their availability, or their preference to engage.

20 **Q: Please describe efforts to improve customer experience at your Customer Contact**
21 **Center.**

22 A: Most recently as part of the technology upgrades and consolidations, Evergy Missouri
23 customers benefited from an update to the automated telephone system (“ATS”). The new

1 Interactive Voice Assistance (“IVA”) offers increased self-service functionality including
2 both English and Spanish options.

3 To support the new IVA technology, Evergy also upgraded the telephony
4 infrastructure and consolidated it to place both our Kansas and Missouri contact centers on
5 a single call platform. This prepares Evergy for a future contact center workforce that can
6 support all customers regardless of location.

7 Like other customer contact platforms, we measure customer satisfaction with our
8 contact center. To measure the effectiveness of the contact center, we survey customers
9 who have interacted with our contact center and customer service representatives. We
10 measure the effectiveness and customer satisfaction of those customers through our “Voice
11 of the Customer” survey. The survey measures the overall satisfaction with the call
12 experience, the ease of completing the task with Evergy and the satisfaction with the CSR.
13 The results of these surveys continue to reflect high satisfaction with our CSRs and the
14 overall call experience.

15 **Q: Do you track customer complaints to the bodies that regulate you?**

16 A: Absolutely. In fact, we have a team of employees to resolve elevated customer complaints.
17 These complaints include formal and informal complaints to regulatory staff, complaints
18 that are elevated to an executive inside the company, Better Business Bureau (“BBB”) complaints
19 as well as media inquiries on behalf of customers. We take all customer
20 complaints seriously. Any complaint that is elevated either to the Missouri or Kansas
21 Commissions or within the Company is tracked to evaluate if the situation was handled
22 correctly and to identify process improvements to potentially avoid the issue in the future.

1 Over the last ten years, we have worked diligently to mitigate and decrease the
2 number of formal and informal complaints. We have worked even harder to make sure
3 that any complaint that is lodged is fully investigated and resolved. Since 2011, Evergy
4 has reduced formal and informal complaints by over 50%. In addition, in the past Evergy
5 did not respond to complaints that came through the BBB, instead referring those issues to
6 the Commission. In recent years, we have reviewed and resolved all BBB complaints and
7 have the top rating given by the BBB.

8 **Q: How does Evergy approach customer service with its business customers?**

9 A: Evergy has a separate team of employees that work with its business customers. Typically,
10 business customers have more complex requirements than residential customers and their
11 bills are generally more difficult to understand with the various charges, such as a demand
12 charge or facilities charge. Business customers often have higher voltage service, more
13 complex bills with multiple accounts associated with one customer as well as various
14 adjustments to their tariffed rates, such as an economic development rider.

15 Several groups at Evergy work together to advise and serve our business customers.
16 Our goal is to be a trusted energy advisor to the businesses in our service territory. Evergy
17 strives to accomplish this in several ways, which specifically includes its Business
18 Solutions Center, Customer Solutions teams, and an economic development team.

19 The Business Solutions Center team is a resource for businesses that have annual
20 electric usage below 1.5 million kilowatt hours (kwh). These customers have a specialized
21 team trained in handling more complex business customer accounts. Evergy also has
22 established a team of Customer Solutions Managers or key account representatives. This
23 group works with Evergy's largest customers (annual usage of over 1.5 million kwh) and

1 with critical infrastructure customers that may not necessarily be Evergy's largest
2 customers from a usage or revenue perspective. Lastly, the Evergy Economic
3 Development team works with existing and potential new customers to help their
4 businesses expand within and attract to the Evergy service territory. The Evergy Economic
5 Development team is one of two utilities in the nation that are accredited by the
6 International Economic Development Council. All these groups work hand-in-glove with
7 our team in Delivery to ensure reliability issues are quickly addressed, that the customers
8 are fully informed of their bill and that the customers know about Evergy's programs so
9 that they may choose to participate in programs such as energy efficiency, demand
10 response, sustainability, or electrification. Evergy has a strong relationship with its
11 business customers, and we continue to improve those relationships through understanding
12 what is important for these customers to thrive.

13 **Q: How does Evergy seek to improve customer experience in the future?**

14 A: Customer expectations, both residential and business, continue to evolve and to increase.
15 Customers do not judge our customer service relative to other utilities, but by what is
16 commonplace in the market. For example, if a credit card company can send an email alert
17 when a person's credit card is used to make a high dollar purchase or is outside the
18 geographic area that the card is typically used, they do not understand why a utility cannot
19 send a high bill alert or notify a person via text message when their power is out and when
20 it is expected to be back on. We will continue to use customer research and data to expand
21 how we interact with customers and to meet their growing expectations—whether on the
22 phone with a customer service representative, in field operations, online or on a customer's

1 smartphone. We have made substantial progress over the last five years, and we will
2 continue to work diligently towards the best customer experience possible.

3 **Q: How is Evergy's community involvement important to the success of its customers
4 and the Company?**

5 A: Evergy is a regulated monopoly and has 100 percent marketshare within tariffed service
6 territory. This creates complete alignment between Evergy as a business and the customers
7 and communities we serve. We only succeed and grow, if the communities we serve thrive
8 and grow. This means we should prioritize customer service. This means we need to
9 always prioritize regional and national rate competitiveness. And, this means that issues
10 which impact our community necessarily impact Evergy. That is why we are significantly
11 involved in the community and prioritize positively impacting the communities we serve.³

12 In addition to community involvement at a civic participation and policy formation
13 level, Evergy remains committed to and aggressively involved in economic development
14 in the communities we serve. This is important for several reasons. First, retaining,
15 expanding and attracting businesses are important sources of jobs and tax revenue for the
16 communities we serve. Energy is one of the key determinants on whether a company
17 locates in Missouri, so our partnership and participation is an important part of successful
18 economic development. In addition, by attracting large energy users to our service
19 territory, it spread the fixed cost of our business over more kilowatt hours and puts
20 downward pressure on rates through greater asset utilization. Despite headwinds caused
21 primarily by the economic upheaval caused by the Covid pandemic, Evergy has been
22 successful in our economic development efforts.⁴

³ Evergy's 2020 and 2021 Community Involvement Reports are attached as **Confidential Schedule CAC-2**.

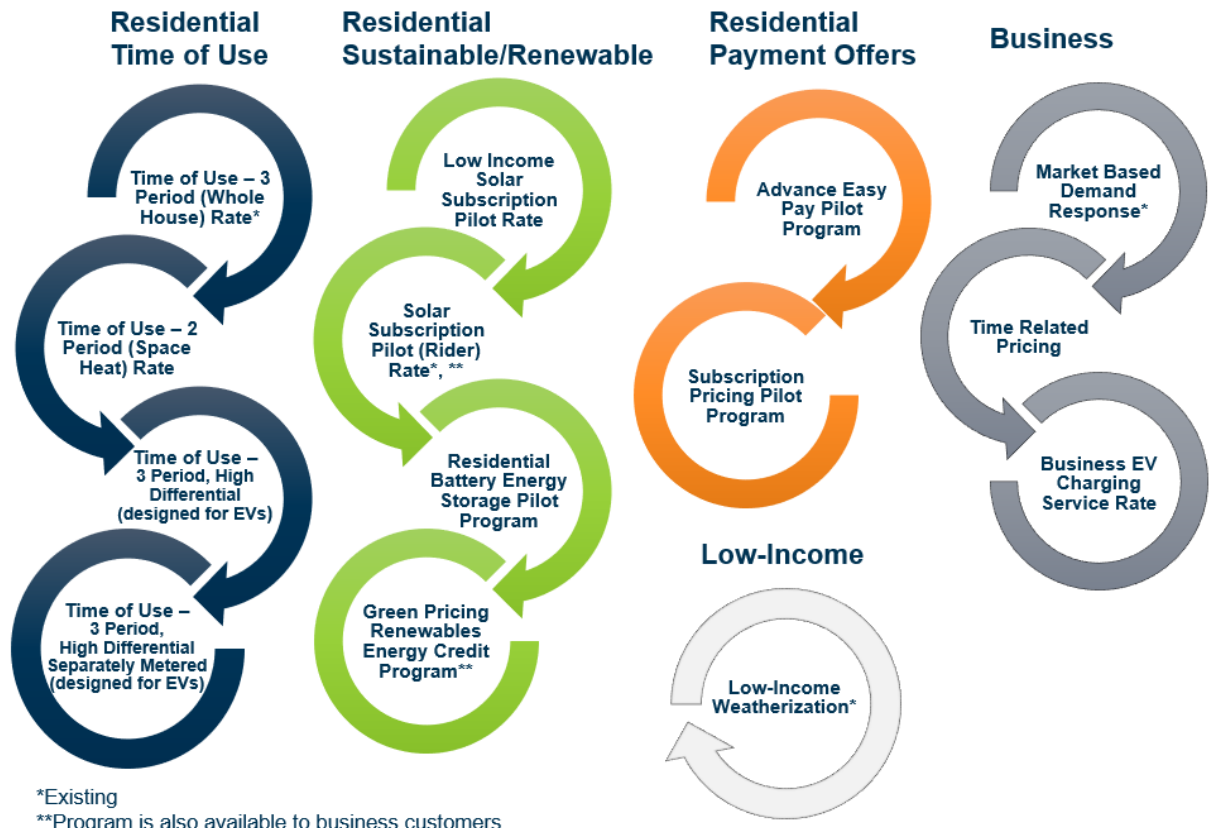
⁴ Evergy's 2019-2021 economic development reports are attached as **Schedule CAC-3**.

1 **III. CUSTOMER CHOICE INITIATIVES AND RATE MODERNIZATION PLAN**

2 **Q: How is Evergy proposing to increase the program or rate choices for its customers in**
3 **Missouri?**

4 A: Evergy is focusing on several new tariffs, offerings, and programs for increasing customer
5 choice for its electric service. In 2020, Evergy developed a Rate Modernization Plan
6 (“Rate Plan”) to guide the Company on several identified rate objectives over a period of
7 time. The Rate Plan provides a framework for Evergy that is both responsive to its
8 historical regulatory obligations in Missouri and Kansas, but also provides a framework
9 for the Company’s future general rate case filings. The rates, programs and offers that
10 Evergy is proposing within this rate case was borne from the Rate Plan. The Rate Plan has
11 continued to evolve based on customer needs and outcomes of recent filings.

12 Below is a graphic of those new or existing programs that will be addressed in this
13 filing by Evergy’s witnesses. Evergy is proposing 10 new programs and revisions to four
14 programs. The details for these proposals will be addressed in the direct testimonies of
15 Evergy witnesses Kimberly Winslow, Brad Lutz, Marisol Miller and Ryan Hledik. I will
16 briefly discuss our Rate Plan and summarize our proposed offers within this rate case
17 below.



1

2 **Q: Before you discuss the specific proposals, would you explain why Evergy believes that**
 3 **it is in the public interest to provide its customers with more choices in the way they**
 4 **receive and pay for their electric service.**

5 **A:** First and foremost, customer surveys and our daily interactions with our customers indicate
 6 that higher customer satisfaction is directly related to customer choice. Customers expect
 7 to have choices as they make their purchasing decisions in most areas of the marketplace,
 8 and this is no different in their purchasing of electric services from Evergy. Customers are
 9 no longer satisfied with one option, based upon a single rate in a tariff. Customers want
 10 the ability to choose for themselves the service option that makes most sense in their
 11 individual situations. As I have already explained, customers do not judge our customer
 12 service relative to other utilities, but by what is commonplace in the market—and customer

1 choice is an important factor in their evaluation of the services of the Company and others
2 in the marketplace.

3 **Q. What are the primary goals of Evergy's Rate Plan?**

4 A: The Rate Plan is intended to guide the Company on several identified rate objectives over
5 a period of time. The Rate Plan provides a framework for Evergy that is both responsive to
6 its historical regulatory obligations in Missouri and Kansas, but also provides a framework
7 for updating the Company's rate plans and guiding future general rate case filings. Evergy
8 has a long history of listening to our customers and working to best understand what they
9 want concerning energy and believes that any approach taken for establishing new,
10 innovative rate structures should be measured and reviewed in order to maximize results
11 and customer engagement. We have previously shared our Rate Plan with the
12 Commission.⁵

13 **Q: What are the primary objectives of the Rate Plan?**

14 A: As explained in detail by Ms. Winslow, the primary objectives of the Rate Plan are to:

- 15 • Create rates that are independent of end use requirements
- 16 • Bring rate structures closer together across jurisdictions
- 17 • Enable business growth
- 18 • Simplify rates and increase pricing transparency
- 19 • Provide greater customer choice
- 20 • Increase customer satisfaction
- 21 • Leverage CIS and AMI investments
- 22 • Develop price signals to increase grid efficiency

⁵ *Evergy's Sustainability Transformation Plan Customer Experience Presentation* by Charles A. Caisley, February 4, 2021; *Rate Design Time of Use Case Report*, June 15, 2021; *Time of Use Case Rate Design Plan On the Record Presentation* by Brad Lutz and Kimberly H. Winslow on September 28, 2021.

1 **Q: What are the new or revised programs that Evergy is proposing in this case?**

2 A: As shown in the above graphic, Evergy is proposing several new (and revised) programs
3 in this rate case, which are largely borne out of Evergy’s thought leadership in its Rate
4 Plan, including:

- 5 • TOU Programs – including the existing (revised) 3-period; a 2-period (new); two
6 high priced differential TOU programs designed with the EV driver in mind (new)
- 7 • Innovative Payment Offers
 - 8 ○ Subscription Pricing Pilot (fixed bill offer) (new)
 - 9 ○ Advanced Easy Pay Pilot (prepay offer) (new)
- 10 • Distributed Energy Resources (“DER”) Programs and Tariffs
 - 11 ○ Low Income (“LI”) Solar Subscription Pilot Program (new)
 - 12 ○ Residential Battery Energy Storage Pilot (“RBES”) Program (new)
 - 13 ○ Green Pricing Renewables Energy Credit (“REC”) Program (new)
 - 14 ○ Solar Subscription Rider (existing/revised)
- 15 • Business
 - 16 ○ Market Based Demand Response (existing/ revised)
 - 17 ○ Time Related Pricing (new)
 - 18 ○ Business EV Charging Service (TOU) (new)
- 19 • Low-Income
 - 20 ○ Low-Income Weatherization (existing/ revised)

21 These programs and rates are described in detail in the direct testimonies of Company
22 witnesses Kimberly Winslow, Brad Lutz, Marisol Miller and Ryan Hledik.

1 **Q: Other stakeholders have indicated that mandatory, or opt-out, TOU rates are a**
2 **preferred rate design option for residential customers. Do you agree?**

3 A: No, I do not agree. Evergy and parties were able to come to an agreement in 2018⁶ (“Rate
4 Design S&A”) that Evergy would offer an opt-in TOU rate. The rate has a significant
5 pricing differential (6 times) between super off peak and off peak to affect participant
6 behavior change. The offer has been very successful from many perspectives. As
7 discussed in Ms. Winslow’s direct testimony, Evergy exceeded the Rate Design S&A
8 enrollment target of 3,500 customers by 70% with over 6,000 active enrollments as of
9 December 31, 2021⁷. In addition, Evergy executed on all of its commitments from the
10 Rate Design S&A as it pertains to TOU and completed both an interim and final evaluation,
11 measurement and verification (“EM&V”) reports through an independent third-party. The
12 EM&V findings further reinforced that the TOU offer fulfilled the objectives of offering
13 choice and increasing customer satisfaction, reducing system coincident peak demand, and
14 aligning pricing structure with cost causation. Our research has also indicated that
15 customers are averse to mandatory TOU rates – 50% TOU participants in research that we
16 conducted indicated that they would be less satisfied with Evergy if TOU was a mandatory
17 rate.

18 While one could argue that only 2% of Evergy’s customers chose the TOU offer, I
19 would argue that it is a step in the right direction to provide choice to customers. These
20 customers are highly engaged and satisfied. Evergy believes that TOU opt-in rates for
21 residential customers are an important choice for utilities to offer its customers and this

⁶ *Non-Unanimous Partial Stipulation and Agreement Concerning Rate Design Issues*. Case No. ER-2018-0145 and ER-208-0146, filed September 25, 2018, Section 2

⁷ On 12/31/2021, Evergy had 3,172 active TOU enrollments in Missouri West; 2,908 active TOU enrollments in Missouri Metro; for a total of 6,080 active TOU enrollments.

1 rate offer was foundational and cogent to Evergy's development of tools and education that
2 customers need to understand pricing and cost-causation. Using this knowledge, Evergy
3 is proposing to expand from its existing, singular 3-period time-based rate to the addition
4 of a 2-period TOU rate and two options that include the same 3-period high differential
5 TOU rate that is designed with the EV driver in mind. However, one option provides for
6 the EV driver/customer to install a separate meter to measure EV charging so that they may
7 choose a different program that is more suitable for their whole-house usage. Evergy's
8 proposed TOU rates are designed with a price differential to incent behavior change and
9 are designed for various customer lifestyles and/or technology choices that the customer
10 has invested, such as all-electric systems or EVs.

11 In addition, the Commission recently indicated approval of Evergy's TOU rate for
12 transit bus electrification in its agenda session on December 22, 2021. In this rate case, we
13 are also presenting the TOU rate for business (fleet) EV customers, which I will further
14 address below.

15 **Q. In addition to the TOU rates that you describe above, what other program choices is**
16 **Evergy proposing in this case?**

17 A. Evergy is proposing two customer payment pilots, which include a Subscription Pricing
18 Pilot Program and Advance Easy Pay Pilot Program. The Subscription Pricing Pilot
19 Program offer will provide residential customers with an entirely fixed monthly electricity
20 bill. Evergy's proposed design also provides for two additional add-ons for the customer
21 to choose, including a smart thermostat and clean energy. Company witness Ryan Hledik
22 of Brattle provides detailed testimony on the proposed framework of the subscription
23 pricing program. The Advance Easy Pay Program is a payment plan similar to other

1 industry commission-approved prepay programs. Both of these programs provide
2 customers an opportunity to choose what works best for their household, which is
3 dependent on number of family members, household income and other factors. Evergy is
4 proposing these as pilots so that both Evergy and the Commission learn on how customers
5 want to interact with its utility and what customers expect from its utility now and in the
6 future. One size does not fit all.

7 **Q. What renewable rate or program choices is Evergy proposing in this case that aid**
8 **customer’s sustainability goals?**

9 A. Evergy has been a leader in working with its customers on their sustainability goals – both
10 residential and commercial. In Evergy’s 2018 rate case, the MPSC approved a Solar
11 Subscription Pilot Rider (“Schedule SSP”). Evergy has enrolled approximately 1100
12 customers in the pilot and is seeking approval from the MPSC on its Certificate of
13 Convenience and Necessity to construct. It is proposing revised changes to the program to
14 move it from a pilot to a permanent program in this filing.

15 Evergy understands from its customer research that customers want sustainable
16 options.⁸ Evergy is driving towards a more renewable generation portfolio; however, in
17 the meantime, it must be innovative and creative to meet customer needs. Evergy also
18 needs to understand the behind-the-meter (“BTM”) technologies that customers are
19 adopting that impact the grid. We cannot bury our head in the sand; we need to take the
20 opportunity to learn and work with our customers on understanding the drivers of this BTM
21 adoption, grid impact and how BTM technologies can be used for the benefit of the grid.

⁸ *Evergy’s Sustainability Transformation Plan Presentation to KCC*, May 24, 2021 is attached as **Confidential Schedule CAC-4**

1 **Q. What rate or program choices is Evergy proposing or revising for business customers**
2 **in this case?**

3 A. I will later discuss Evergy’s proposal for its TOU Business EV Charging Service Rate and
4 the importance of the approval of this rate by the Commission in light of the burgeoning
5 EV opportunities for customers. We are also submitting a revision to the Market Based
6 Demand Response tariff to better facilitate participation and market opportunities. Mr.
7 Lutz and Ms. Miller also present the Time-Related Pricing tariff, which is a new program
8 that offers business customers energy pricing that is time differentiated and based on
9 historical locational marginal prices from the market.

10 **Q. What program choices is Evergy proposing or revising for low-income customers in**
11 **this case?**

12 A. In addition to the new low-income solar subscription program, Evergy is requesting a
13 change to its Low-Income Weatherization tariff to allow for unspent annual funding to be
14 moved to Dollar-Aide. Dollar-Aide helps eligible individuals and families by assisting
15 with their utility bills to avoid loss of service. The program has helped thousands of
16 families in our community and this change will positively impact our customers in need.

17 **Q. What customer research has the Company performed to support that its customers**
18 **prefer choice in the offering of rates by Evergy?**

19 A. Over the years, Evergy has performed customer research to support its approach in
20 providing its customers choice when selecting a rate. Evergy has performed customer
21 research on customer choice in earnest since 2019, and details of this customer research
22 supporting customer choice was shared in the Company’s Rate Design TOU Report and

1 Evergy’s TOU On the Record Presentation⁹. Even most recently, quantitative research
2 performed in November 2021 further reiterates that their customer satisfaction would
3 increase if more options were available – over 75% affirmed that satisfaction with Evergy
4 would increase from a little to a lot. Nearly half of the respondents affirmed that Evergy
5 should offer more optional rate plans. The research supports that all customers are different
6 and providing choice enables the customer to evaluate options that are best for their
7 lifestyle, their income level, and use.

8 IV. ELECTRIFICATION TRANSPORTATION INITIATIVES

9 **Q: Has Evergy proposed transportation electrification initiatives in another case that is**
10 **pending before the Commission?**

11 A: Yes. The Commission advised in an agenda meeting on December 22, 2021, that while it
12 would approve several elements of Evergy’s proposed filing in Docket Nos. ET-2021-0151
13 and -0269, it advised that it would not approve the Commercial Electric Vehicle (“EV”)
14 Charger Rebate Program, Business EV Charging Service Rate and Customer Education
15 and Program Administration program to support the Commercial EV Charger Rebate
16 Program and the Business EV Charging Service Rate. The MPSC suggested that Evergy
17 revise and readdress these three areas in a future filing.

18 **Q: Why are these three TE initiatives important to Evergy?**

19 A: Consistent with our STP, Evergy wants to grow our business but do so in a beneficial way
20 with our communities and customers. The last non-electrified segment of the world
21 economy is transportation. It is an important time for utilities to be proactively and
22 strategically planning for this impact given the avalanche of preemptive carbon

⁹ *Rate Design Time of Use Case Report*, June 15, 2021; *Time of Use Case Rate Design Plan On the Record Presentation* by Brad Lutz and Kimberly H. Winslow on September 28, 2021

1 announcements by auto manufacturers¹⁰. These announcements will have an enormous
2 impact on the electric industry. Utilities cannot take a wait and see approach. We need to
3 be planning for this change and working with our customers now.

4 **Q: How has Evergy revised these initiatives?**

5 A: Evergy appreciates the feedback that the Commission provided in its agenda session.
6 Evergy understands the concerns presented and revised the initiatives with greater detail.
7 The overall budget of the Commercial Rebate Program (“CRP”) has been reduced by
8 approximately 30% (from \$10.0M as filed to in February 2021 to \$6.9M). This reduction
9 is the result of the following changes:

- 10 • Elimination of the Highway Corridor use case
- 11 • Elimination of the Public Level 2 use case
- 12 • Reduction of the budget for Workplace/Fleet Level 2 installations
- 13 • Reduction of the budget for Fleet DCFC installations
- 14 • Reduction of the budget for Public DCFC stations (non-highway corridor)

15 Evergy is also proposing a \$1.03M customer education and program administration
16 budget, commensurate with the CRP budget reduction, or 15% of the overall CRP budget.

17 Mr. Lutz addresses Staff and the MPSC’s feedback on the Business EV Charging Service
18 Rate and has adjusted the pricing to reflect the revenue increase proposed in this case.

¹⁰ Ford announced that it will invest \$29 billion in autonomous vehicles and EVs through 2025, a dramatic ramp-up of its spending in those areas. In addition, the Alliance for Automotive Innovation, a group representing auto makers producing 99% of the cars and trucks sold in the United States, announced that its members will invest \$250 billion in vehicle electrification by 2023.

1 **V. EVERGY’S RESPONSE TO COVIDPANDEMIC**

2 **Q: What effect has the COVID pandemic had on EMM’s customers and communities**
3 **and how has the Company responded?**

4 A: The COVID pandemic and resulting economic crisis has created an urgent and
5 unprecedented need for assistance. In 2020, Evergy donated \$1.8 million for COVID relief
6 efforts. These donations were directed to 120 local agencies to help with emergency efforts,
7 economic development programs, workforce training, and customer payment assistance.
8 Evergy’s COVID relief effort was in addition to its annual \$6.5 million in community
9 support to hundreds of agencies throughout Evergy’s Missouri and Kansas service areas.
10 Evergy’s community support donations are not included in customer rates.

11 With new COVID federal dollars available for rental and utility assistance, Evergy
12 conducted approximately 500 outreach and social media events in 2020 and 2021 to
13 connect and advise customers with bill assistance applications. Additionally, Evergy
14 launched a one-stop location on its website with all assistance programs, links, helpful
15 hints, and videos. Since 2020, these efforts have helped secure more than \$67 million in
16 utility bill payment assistance for Evergy customers.

17 **Q: How would you describe Evergy’s customer responsiveness to COVID and its impact**
18 **on customers and Evergy?**

19 A: Evergy has been an industry leader in our response to customers’ needs during the COVID
20 pandemic. Evergy was one of the first U.S. utilities to announce a voluntary moratorium
21 on disconnection of service for non-payment. That moratorium included waving all
22 charges, fees and deposits typically associated with non-payment or late payment of bills.
23 The Company has also implemented a number of other programs and modifications. EMM

1 witness Kimberly Winslow provides a comprehensive list of customer assistance
2 programs, which include Economic Relief Pilot Program, Dollar Aide, Income Eligible
3 Weatherization (“IEW”), Energy Savings Kit, Income-Eligible Multi-Family program,
4 Low Income Home Energy Assistance Program, Emergency Rental Assistance Program
5 and Pay As You Save.

6 **Q: What financial impact has the COVID pandemic had on the Company?**

7 A: Evergy and our customers continue to face uncertainty as to the longer-term customer and
8 economic impact of COVID. The economy has improved, and the vaccines have been very
9 helpful in reducing hospitalizations and death from COVID. However, Evergy faces an
10 unknown, and as yet indeterminable risk, of collection due to the substantial number of
11 customers that continue to be in a past due status and are not facing disconnection. Evergy
12 is seeing continued growth in unpaid balances due to weather moratoriums and significant
13 periods of disconnect moratoriums due to the pandemic. While we have been very
14 successful in giving customers multiple options to get on payment arrangements, collecting
15 millions of dollars sooner than would likely have occurred without those programs and
16 helped customers maintain electric service during this challenging time, the length of time
17 to completely pay off those receivables has continued to climb and is an increased risk
18 significantly above what we would consider normal levels. In fact, the Missouri customer
19 arrears balances are 30% higher from the beginning of our tracking in April 2020 to the
20 same time period one year later in April 2021. As a result of these impacts of increasing
21 receivables and period of lower write offs, we are requesting a bad debt expense tracker
22 that is discussed in more detail in the testimonies of Darrin Ives and Ron Klote.

1 On January 13, 2021, the Commission approved Evergy’s application for an AAO
2 to accumulate and defer to a regulatory asset for consideration of recovery in future rate
3 case proceedings extraordinary costs and financial impacts incurred as a result of the
4 COVID-19 pandemic.¹¹

5 **Q: Does this conclude your testimony?**

6 **A: Yes.**

¹¹ Report and Order, p. 46, Re Application of Evergy Metro, Inc. d/b/a Evergy Missouri Metro and Evergy Missouri West, Inc. d/b/a Evergy Missouri West for an Accounting Authority Order Allowing the Companies to Record and Preserve Costs Related to COVID-19 Expenses, File No. EU-2020-0350 (January 13, 2021)

**BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI**

In the Matter of Evergy Metro, Inc. d/b/a Evergy)
Missouri Metro’s Request for Authority to) Case No. ER-2022-0129
Implement A General Rate Increase for Electric)
Service)

AFFIDAVIT OF CHARLES A. CAISLEY

STATE OF MISSOURI)
) ss
COUNTY OF JACKSON)

Charles A. Caisley, being first duly sworn on his oath, states:

1. My name is Charles A. Caisley. I work in Kansas City, Missouri, and I am employed by Evergy Metro, Inc. as Senior Vice President – Public Affairs and Chief Customer Officer.

2. Attached hereto and made a part hereof for all purposes is my Direct Testimony on behalf of Evergy Missouri Metro consisting of thirty (30) pages, having been prepared in written form for introduction into evidence in the above-captioned docket.

3. I have knowledge of the matters set forth therein. I hereby swear and affirm that my answers contained in the attached testimony to the questions therein propounded, including any attachments thereto, are true and accurate to the best of my knowledge, information and belief.

CA Caisley

Charles A. Caisley

Subscribed and sworn before me this 7th day of January 2022.

Anthony R. Westenkirchner

Notary Public

My commission expires: 4/26/2025





Sustainability Transformation Plan (STP)

Enhanced Customer Experience
Chuck Caisley





Discussion Topics

STP and Related Benefits Overview

STP Customer Strategy & Near-Term Priorities

STP Vision of Customer Experience

Continuous Delivery Model

Summary



What is Evergy's Sustainability Transformation Plan?





Stakeholder Benefits from the STP

CUSTOMERS

- ✓ **Maintains Affordability**
 - Capital investments targeted to enable long-term and sustainable cost savings of an expected ~25% non-fuel O&M reduction by 2024
 - Significant fuel and purchase power savings of ~\$145M from 2019 through 2024
- ✓ **Improves Customer Experience**
 - Enables automated outage communications
 - Expands digital communications, transactions and customer self-service options
 - Modernizes rate structures to offer additional rate options tailored to different types of residential customers
- ✓ **Improves Reliability & Resiliency**
 - Capital investments in grid automation, data handling and analytics capabilities and communications infrastructure to improve grid reliability, reduce restoration times and increase overall grid resiliency

COMMUNITY

- ✓ **Provides Regionally Competitive Rates**
 - Cost savings minimize rate increases over the period of the plan and is expected to improve regional rate competitiveness
- ✓ **Enhances Economic Development**
 - Job creation as a result of investments in grid modernization projects and renewable generation
 - Investments in renewable energy and grid modernization will help attract companies by improving cost competitiveness, reliability and overall sustainability
- ✓ **Honors Community Commitments**
 - Maintains Evergy's 'People First' culture
 - No merger-related involuntary layoffs
 - Maintains local control and current community involvement and investments
 - Honors existing regulatory agreements while providing a safe work environment for employees and meeting the needs of customers

Schedule CAC-1
Page 4 of 22

ENVIRONMENT

- ✓ **Delivers Cleaner Energy**
 - An Integrated Resource Plan that builds on Evergy's focus on sustainability with increased investment in renewable energy, including solar energy, and battery storage and expanded energy efficiency programs
 - Pursues legislative and regulatory policy changes that would allow for more rapid decarbonization through accelerating retirement of coal plants
 - Investments in grid modernization will enable easier access to and development of distributed generation and customer facing grid-edge technology
- ✓ **Engages Stakeholders**
 - A robust process to engage our customers, regulators, employees and shareholders in Evergy's transformation to a low-carbon, resilient utility

STP Workshop - February 2021
Public



Key Areas of STP

1 **Grid Modernization:** Create detailed plans to execute on grid modernization which promotes improved resiliency and grid capabilities

2 **Cost Efficiencies:** Achieve O&M savings through well-documented and robust plans to improve efficiency

3 **Customer Experience:** Deploy technology and programs to enhance customer experience, reduce cost and increase consumer options

4 **Decarbonization:** Develop an Integrated Resource Plan (IRP) which balances the needs of various stakeholders

Decarbonization will be discussed through IRP Stakeholder meetings

STP Customer Strategy and Near-term Priorities

STP Customer Strategy Guideposts



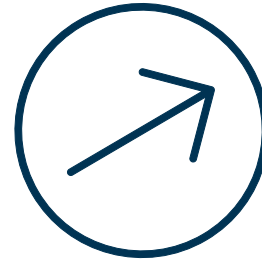
STEADY IMPROVEMENT IN CUSTOMER EXPERIENCE

- Create a true omni-channel customer service and interaction
- An increasing focus on both digital self-service and value-added human interactions
- A five-year roadmap with one-year executable increments.
- Non-industry benchmarking with outcome-based KPI's and metrics
- A collaborative roadmap for needed policy changes



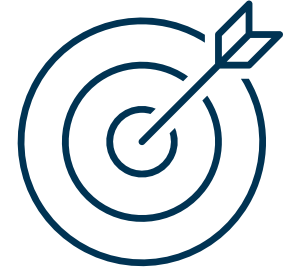
O&M REDUCTIONS BEYOND EXISTING SYNERGIES

- Hard cost reductions over a five-year period achieved through:
 - Increasing automation
 - Increasing digital external and internal functionality
 - Universal customer service
 - Streamlining dependent processes
- Using a portion of the incremental O&M savings to fund or offset rate impacts of investment in customer experience improvement strategy



BENEFICIAL REVENUE GROWTH

- Increasing traditional regulated revenue through:
 - Expanded economic development efforts
 - Beneficial electrification
 - Modernized rate structure
- Increasing non-traditional or performance-based revenue, such as energy efficiency programs



TARGETED CAPITAL INVESTMENT

- Maximize utilization of core platform investments like AMI and customer information systems
- Create an IT and capex roadmap that reduces bolt-on projects
- Create an agile project team to work on continuously updating customer interface enhancements on a 4-to-8-week cycle
- Fund and improve data analytics and digital process automation



2021 Strategic Priorities

Customer Forward: Successful implementation in January of Customer Forward project, on budget and on time.

Customer and Community Solutions (CCS) Reorganization: realignment of CCS organization to achieve STP cost savings, agile project management and omni-channel customer interaction. Bring focus and significant improvement to Billing department. Enabling increased automation in Metering and Customer Contact areas. Streamline support areas.

Customer Experience Enhancements: Automation and self-service across key customer-related functions, including outage management and notifications; billing and bill inquiry; usage management; account opening/change; and other customer channels.

Rate Design and Modernization: Work with stakeholders to develop more advanced/modern rate structures. Areas of focus include time of use rates, distributed generation rates, pre-pay programs, beneficial electrification rates and subscription rates.

Electrification: Build stakeholder support for continued investment in and advancement of beneficial load building through electrification. Areas of focus include continued investment in retail charging particularly in areas at-risk or underserved areas, fleet electrification, logistics electrification and home charging.

MEEIA/KEEIA: Continue MEEIA Phase 3 in Missouri. In Kansas advance energy efficiency programs, or if necessary, enabling legislation.



Customer Forward Benefits to Customer Experience

Consistent and enhanced levels of customer service

- Enhanced customer alerts and notifications to include new outage notifications and improved messaging for start/stop service.
- Small business customers will have the ability to pay by credit card.
- Customers payments through real-time channels will automatically initiate reconnect
- Evergy Missouri customers will move to consolidated Automated Telephone system (ATS) in 2021 – Intelligent Voice Assistance self-serve functionality in both English and Spanish available in Q2 2021



Near-Term Customer Experience Initiatives

Optimize Use of AMI capability

Proactive outage communication and expanded billing and usage notifications

Enhanced online portal self-service for customers

Data analytics programs to better understand the needs of customers and help drive value-added customer solutions

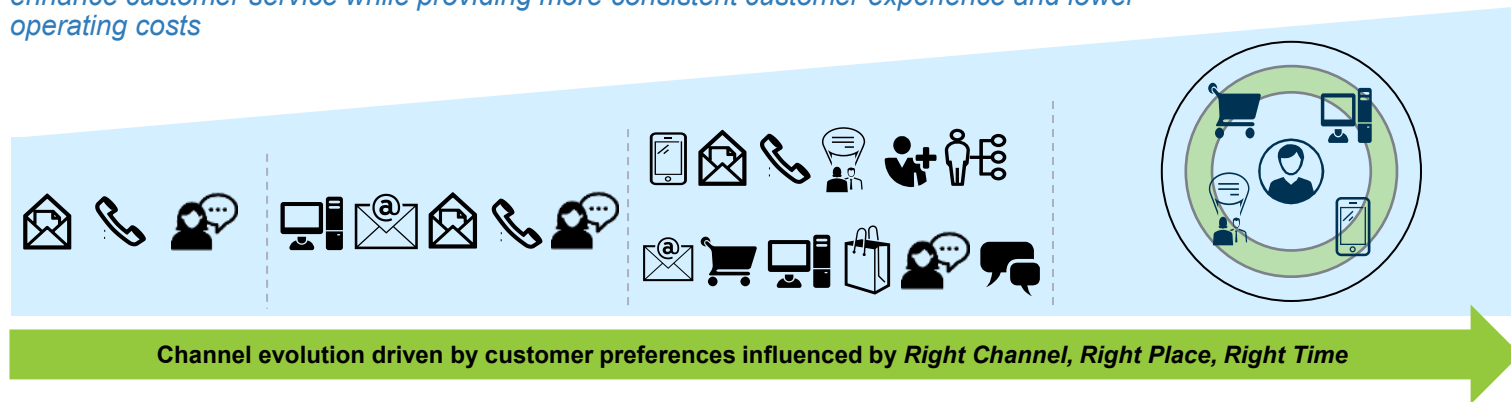
Consolidated bill design focused on simplifying the customer experience

STP Vision of Customer Experience Enhancement



Future Customer Experience Channel Mix

Optimizing channel mix based on consumer needs and accelerating digital transformation will enhance customer service while providing more consistent customer experience and lower operating costs



Single Channel

Traditional

Phone, direct mail and/or face-to-face interactions

Blended Channel

Transactional

Physical and digital channels working independently for customer interactions

Multi-Channel

Combination

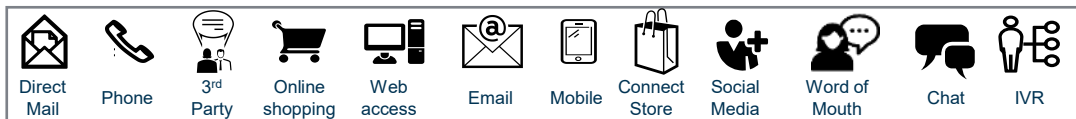
Single view of customer, with multiple touchpoints seen as part of the same brand, but functions operating in silos

Omnichannel

Experiential

Consistent and united customer experience with a brand across complementary channels within the purchase journey

Legend





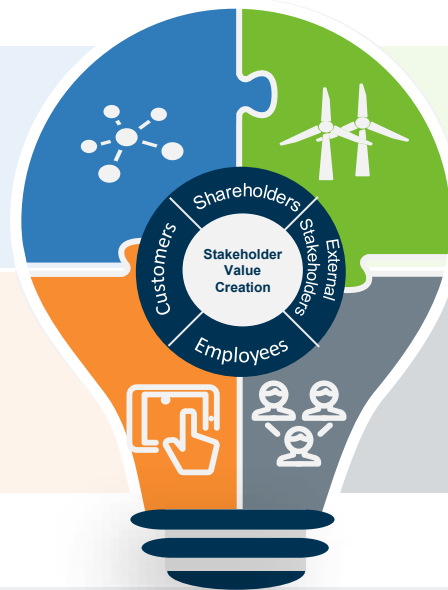
Customer & Community Solutions (CCS) Vision Blueprint

KNOW YOUR CUSTOMERS

- Enhanced customer engagement (CRM)
- Personalized and differentiated experiences
- Providing customer choice

EASY TO DO BUSINESS

- Improved digital interactions
- Proactive customer engagement (360 view)
- Omnichannel (3-5 key channels)
- Nextgen contact center technologies






GROWING THE BUSINESS




- Economic development
- Beneficial electrification (customer, utility)
- Flexible rate choices
- Unlock customer benefit through value added solutions

MASTERING THE BASICS

- Data-driven operations (KPIs, Analytics)
- Continuous process improvement (Automation)
- Employee enablement (Knowledge mgmt. tools)
- Outcome-based culture

Align our core strengths – people and capabilities for providing energy – with new products/services and digital enablement to improve our stakeholder experience

-  Increased O&M efficiency
-  Increased regulated revenue
-  Partner enablement

-  Increased non-regulated revenue
-  Customer & employee engagement
-  Shareholder value

The CCS Vision Blueprint and STP Alignment

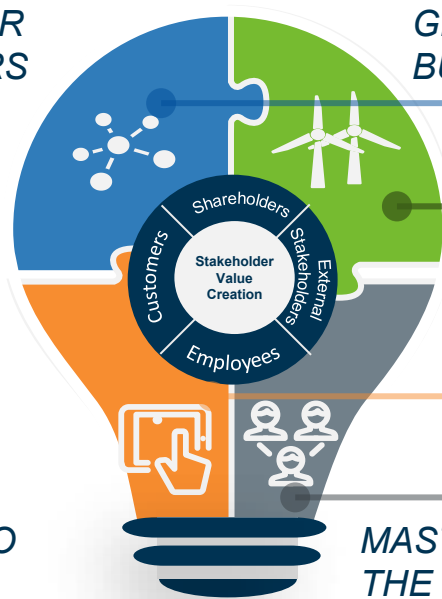
2025 Vision Blueprint

KNOW YOUR CUSTOMERS

GROWING THE BUSINESS

EASY TO DO BUSINESS

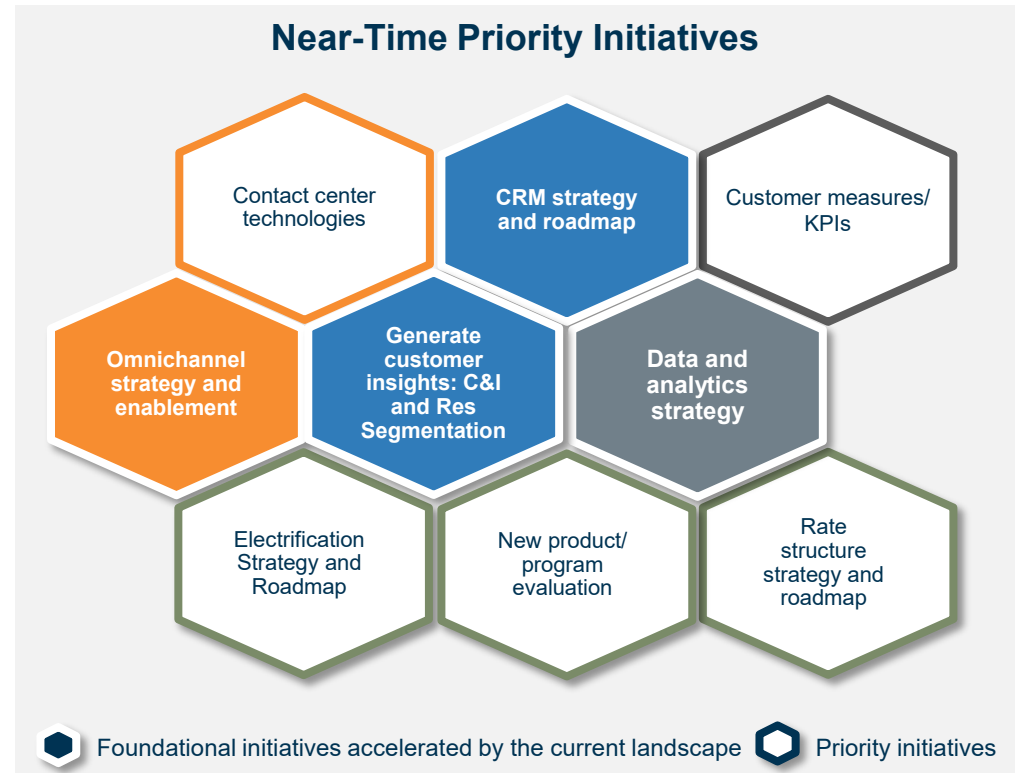
MASTERING THE BASICS



Roadmap Themes

- Build core sales, service and marketing capabilities*
- Drive regulated value-added customer solutions*
- Drive product development and value-added customer solutions*
- Build digital experience and self-service capabilities*
- Establish organizational efficiencies*

Setting the Foundation



Rate Modernization

Drivers

Multiple service territories in MO and KS

Customers want choice

Implicitly promote beneficial electrification and grid benefits

Proper price signals that enable adoption of emerging energy technologies that are most beneficial to the grid

More equitable rates across diverging customer classes and subclasses

Commission interest around time-of-use and distributed generation rates

Objectives

Create rates independent of end use requirements

Bring rate structures closer together across jurisdictions

Enable business growth

Simplify rates and increase pricing transparency

Provide greater customer choice

Increase customer satisfaction

Leverage CIS and AMI infrastructure

Develop price signals to increase grid efficiency

Agile Project Management: Continuous Delivery Model



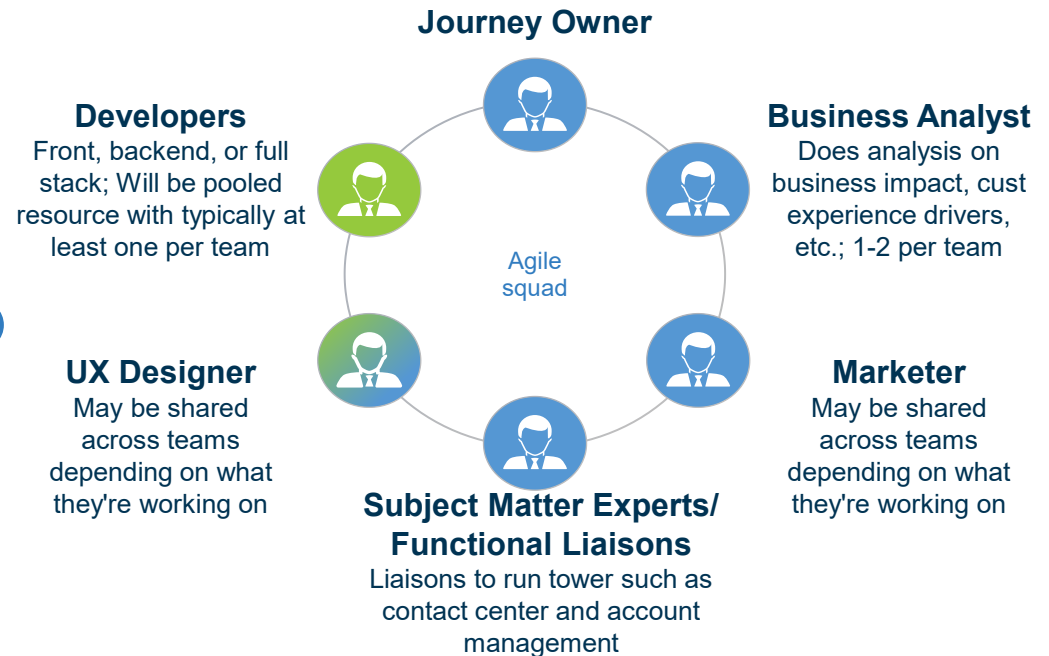
Continuous Delivery Model Structure

Principles for design

- 6-8 members in each squad
- Members from all key functions based on specific journey / outcome
- >80% time commitment to squad
- Strong performers that are highly respected within organization
- Each squad member has a specific role, but also has a collective squad objective to work towards
- Shared support resources are leveraged part time based on team needs



Example of design



Note: some roles may be dotted line to other functions (inside CCS team or outside the division)

Sample Journeys and Features to be Deployed for Improved Customer Experience

SAMPLE FUNCTIONALITY NOT EXHAUSTIVE



Online enrollment expedition (SWIFT) to provide error messages and automatically funnel exceptions to reps for support

Adjusted incentives to reward reps for accurate collection of email addresses

★ **Smart dispatch tool** creates dense, high utilization schedules for field force and determines most efficient routes for travel

Digital welcome packet with opt-in to push comms tools

eBill and online pay campaign to advertise online payment tools through primarily owned marketing channels

Smart bill redesign to apply human-centric design principles and rigorous user testing; convey using easy-to-understand terms

Continued site optimization to improve speed, load time, and page responsiveness

Fast authentication via "voiceprint" to verify identity, reduce call times ~20-40 seconds

★ **Chatbot → Intelligent agent** for basic questions, escalating queries when necessary

★ **Robotic process automation (RPA)** allows for "zero touch" processes by replicating human actions across business flows

Standardized payment plans (e.g., cold weather, short term) available through self-service

Proactive education on financial resources when payments are missed

Personalized video bill tailored to customer's account and rates

Adjustable due date for all customers, not just those in federal income programs

★ **Service order tracker** provides real-time updates (e.g., dispatch, est. completion)

Campaign to increase outage notification opt-in for outage alerts via SMS

Detailed outage notifications, with estimated time-to-restore, link to outage map, and time to next update

Full deployment of AMI capabilities to detect outages across all service areas

High bill notifications alert customers of abnormal electricity usage before end of billing period

★ **Improved site search functionality** helps customers find the right information

Sentiment analysis uses NLP to help determine which customers to escalate

Agent AI support 'listens' to calls to generate transcription events and provides timely, relevant info to agents

★ Exemplar featured

Continuous feedback collected from customers (e.g., time on page, error rates, number of hand-offs) to measure sentiment in real-time, enable dynamic interventions, and redesign touchpoints

Integration across currently siloed data sources and platforms

Summary



Summary

STP Continues Progress Toward Enhanced Customer Experience

Delivers omnichannel customer experience driven by customer preferences

Grows performance-based revenue

Investments in core systems maximizes benefit to customers

Builds processes that help us meet customers' needs



Important Information

- *The Sustainability Transformation Plan consists of a number of forward-looking elements, including but not limited to capital investment plans, expense reduction charters, revenue generation plans and earnings estimates. These forward-looking elements are intended to be accurate when made but involve risks and uncertainties that could cause actual results to differ materially from forward-looking information comprising the Sustainability Transformation Plan. Consequently, such forward-looking elements of the Sustainability Transformation Plan are not known or measurable at this time.*

**SCHEDULE CAC-2
CONTAINS CONFIDENTIAL
INFORMATION
NOT AVAILABLE TO THE PUBLIC.

ORIGINALS FILED UNDER SEAL.**


2020 SCORE CARD




economic
development

✓ **\$1,250,053,689** in NEW Capital Investment from **17 PROJECTS**


✓ **3,875** new jobs 

✓ **\$20,620,204**
New Annual Revenue to Evergy 

✓ **\$40,165,384**
Economic Impact to Evergy 

✓ **45+ MW** in New Demand Growth 

✓ **Site Selection Magazine** Names
Evergy a **Top U.S. Utility in
Economic Development.** 

- ✓ **COVID-19 Relief Programs and Grants** 
- Hometown Recovery Grants to **44** economic development organizations totaling **\$800,140**
 - Partnered with Blane Canada to conduct **territory-wide business impact survey** and access to the Response Network webinars

OUR MISSION

As a leading and trusted energy partner, the mission of the Economic Development team is to **attract new companies, retain and expand existing customers while making strategic partner investments that result in the creation of new load growth.** We strive to increase shareholder value and improve the quality of life in the communities we serve.

ECONOMIC DEVELOPMENT IS A TEAM SPORT

Shout out to our internal Evergy friends and colleagues who made 2020 a success. Thank you!

- Government Affairs
- Distribution Planning
- Transmission Planning
- Transmission and Substation Engineering
- Business Center
- Regulatory
- Central Design
- Customer Service Managers
- Energy Efficiency
- Clean Energy/Renewables

✓ TARGETED INDUSTRIES OUTREACH



AEROSPACE



AUTOMOTIVE



MANUFACTURING



DATA CENTERS

✓ **Launched LinkedIn**

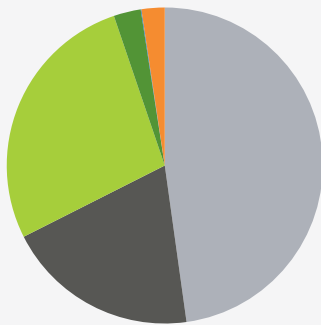
to promote announcements and programs



✓ LOCAL PARTNER PROGRAM INVESTMENTS



✓ DEMAND BY INDUSTRY TYPE

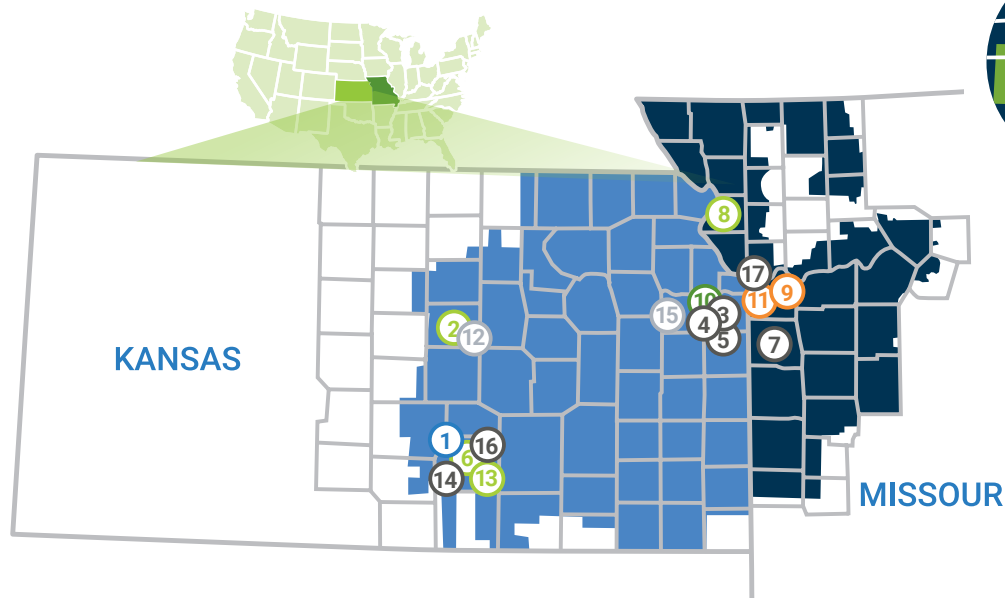


Total: 45,316 kW

- Food Processing: 20,450 kW
- Logistics: 11,799 kW
- Manufacturing: 10,966 kW
- Advanced Energy: 1,119 kW
- Office: 30 kW
- Data Centers: 952 kW

✓ PROJECT WINS

- Logistics: 7**
- Manufacturing: 4**
- Data Center: 2**
- Office: 1**
- Food Processing: 2**
- Advanced Energy: 1**



CENTRAL LOCATION TO REACH 99% OF U.S. IN 3 DAYS OR LESS

- ① **Deloitte** / Wichita, KS
NEW JOBS: 5 / INVESTMENT: \$20,000,000
- ② **Great Plains – Kubota** / Salina, KS
NEW JOBS: 250 / INVESTMENT: \$53,000,000
- ③ **Lineage Logistics** / Olathe, KS
NEW JOBS: 127 / INVESTMENT: \$118,000,000
- ④ **Cold Point** / Edgerton, KS
NEW JOBS: 30 / INVESTMENT: \$25,500,000
- ⑤ **Accelerate 360** / Olathe, KS
NEW JOBS: 120 / INVESTMENT: \$17,000,000
- ⑥ **Ag Eagle** / Wichita, KS
NEW JOBS: 68 / INVESTMENT: \$1,610,000
- ⑦ **Chewy Inc.** / Belton, MO
NEW JOBS: 1,600 / INVESTMENT: \$109,000,000
- ⑧ **Lifeline Foods** / Saint Joseph, MO
NEW JOBS: 13 / INVESTMENT: \$12,000,000
- ⑨ **Vail Technology** / Blue Springs, MO
NEW JOBS: 4 / INVESTMENT: \$1,200,000
- ⑩ **BE Aerospace/Raytheon Technologies** / Lenexa, KS
NEW JOBS: 200 / INVESTMENT: \$37,500,000
- ⑪ **Vail Technology** / Kansas City, MO
NEW JOBS: 4 / INVESTMENT: \$1,385,000
- ⑫ **Tony's Pizza – Schwans** / Salina, KS
NEW JOBS: 225 / INVESTMENT: \$700,000,000
- ⑬ **Open Road Brands** / Wichita, KS
NEW JOBS: 24 / INVESTMENT: \$15,358,689
- ⑭ **Plains Cotton Cooperative Assoc.** / Clearwater, KS
NEW JOBS: 22 / INVESTMENT: \$12,500,000
- ⑮ **Pretzel Inc.** / Lawrence, KS
NEW JOBS: 281 / INVESTMENT: \$88,000,000
- ⑯ **Amazon** / Park City, KS
NEW JOBS: 700 / INVESTMENT: \$25,000,000
- ⑰ **Melaleuca, Inc.** / Kansas City, MO
NEW JOBS: 2020 / INVESTMENT: \$33,000,000

Kansas Department of Commerce launches the **Kansas Certified Sites Program** based on the program created by the **Evergy Economic Development Team**.



AEDO Recertification – originally accredited in 2016, Evergy is one of two utilities to achieve AEDO status in the nation.



Size Up Online Platform: SizeUp is big data for small businesses that gives business intelligence and market research to companies so they can make smarter decisions through data. Use this tool to analyze competitive benchmarks, find customers, suppliers, competitors and where to target your message.



LocationOne Information System (LOIS) is Now Available to All Kansas Communities through the Kansas Department of Commerce



Helped pass the new state of Kansas EDR – Special Electric Rate for Economic Development (SEED) Bill – in partnership with the Government Affairs team.

LOCAL PARTNER RESULTS: USING EVERGY RESOURCES TO WIN PROJECTS

Chewy Fetches Fulfillment Center in Belton, MO

Chewy, Inc. an online retailer of pet supplies will build a 796,000 square-foot fulfillment center with the ability to add up to 215,000 additional square-feet at the Southview Commerce Center in Belton.

Chewy's \$143 million capital investment at NorthPoint Development's 148-acre industrial site along Interstate 49, will yield 800 new jobs the first year of operation and will grow to 1,600 jobs by 2023. The new facility is the only one located in Missouri.

The Evergy Economic Development team supported this project through the Economic Development Rider (EDR) and Energy Efficiency programs.

To prepare the community for a project like Chewy, The City of Belton's Economic Development Team regularly utilized a variety of Local Partner Programs, including:

- Site Preparedness Studies – Phases 1 and 2
- Marketing Tool Box
- OU EDI Scholarship
- MO Partnership Community Assessment
- Economic Development Strategic Plan

LOCAL PARTNER RESULTS: PARTNERSHIPS AND NEW KANSAS EDR

Dot's Pretzels, LLC selects Logistics Park Kansas City in Edgerton for its new manufacturing facility.

The premiere pretzel brand in North America plans to begin operations later this year in the new facility that will increase Dot's production capacity to meet the ever-increasing national demand for their snacks. Yum!

The company purchased a 186,107 square-foot building at LPKC and is investing \$15 million. Dot's will create 22 new jobs.

- Partnership between developer and the City of Edgerton
- Cost-savings Economic Development Rider Tariff

LOCAL PARTNER RESULTS: EDR AND RENEWABLES DIRECT PROGRAM

Schwan's Takes a Bigger Slice in Salina, KS

Schwan's Company, the producer of Tony's® and Red Baron® pizza for grocery stores and schools nationwide, announced plans to build a new 400,000 square-foot production facility and distribution center.


A strong relationship with local Schwan's leadership at the current facility coupled with a strong economic development offering was a key component to this win. The EDR and the Renewables Direct Program was a game changer because it helps the company with their environmental improvement efforts.



2021 SCORE CARD

✓ **\$1,199,159,060**
in *NEW Capital Investment* from
19 PROJECTS ranging from Logistics to
Manufacturing to Data Centers.

✓ **2,296** new jobs 

✓ **53,682 KW** in New Demand Growth 

✓ *Site Selection Magazine* Names
Evergy a **Top U.S. Utility in
Economic Development.** 



OUR MISSION

As a leading and trusted energy partner, the mission of the Economic Development team is to *attract new companies, retain and expand existing customers while making strategic partner investments that result in the creation of new load growth.* We strive to increase shareholder value and improve the quality of life in the communities we serve.

✓ TARGETED INDUSTRIES OUTREACH



AEROSPACE



AUTOMOTIVE



MANUFACTURING



DATA CENTERS

✓ **Continued LinkedIn**

to promote announcements and programs

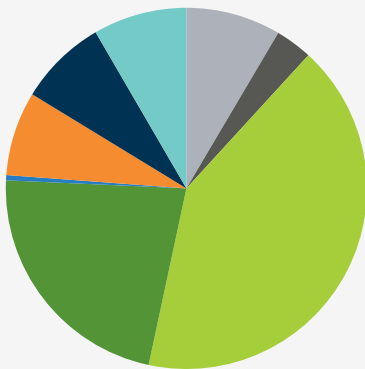


Follow us on LinkedIn.

✓ LOCAL PARTNER PROGRAM INVESTMENTS



✓ DEMAND BY INDUSTRY TYPE

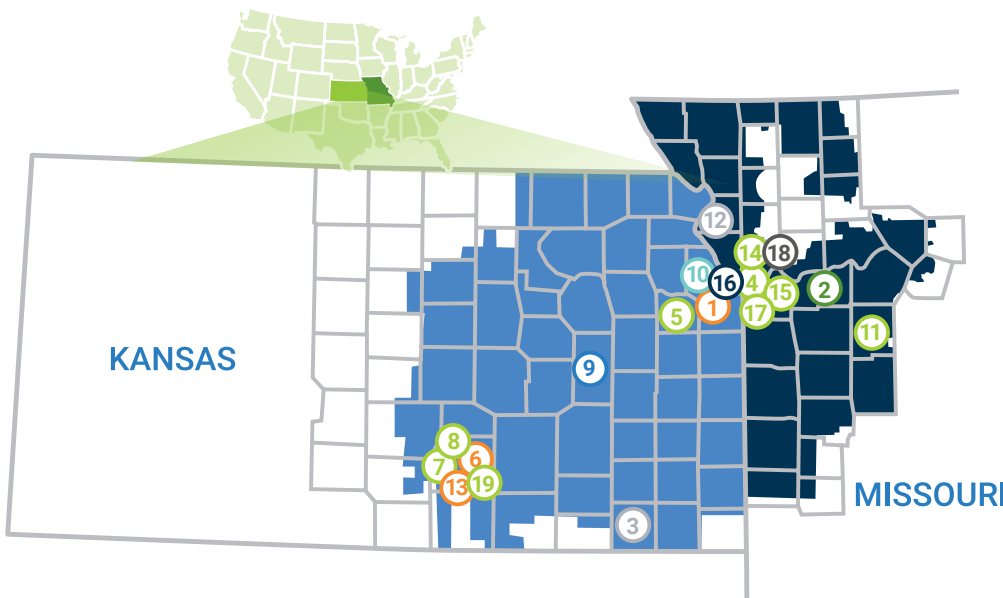


Total: 53,682 KW

- Food Processing: 4,560 KW
- Logistics: 1,775 KW
- Manufacturing: 22,309 KW
- Advanced Energy: 12,000 KW
- Office: 250 KW
- Data Centers: 4,048 KW
- Healthcare: 4,240 KW
- Life Science: 4,500 KW

✓ PROJECT WINS

- Logistics: 1**
- Manufacturing: 9**
- Data Center: 3**
- Office: 1**
- Food Processing: 2**
- Advanced Energy: 1**
- Healthcare: 1**
- Life Science: 1**



- 10 **Hills Pet Nutrition** / Tonganoxie, KS
NEW JOBS: 31 / INVESTMENT: \$250,000,000
- 11 **Prysmian Group** / Sedalia, MO
NEW JOBS: 31 / INVESTMENT: \$3,500,000
- 12 **Cereal Ingredients** / St. Joseph, MO
NEW JOBS: 60 / INVESTMENT: \$25,104,500
- 13 **Novacoast, Inc.** / Wichita, KS
NEW JOBS: 62 / INVESTMENT: \$1,250,000
- 14 **Walgreens** / Liberty, MO
NEW JOBS: 200 / INVESTMENT: \$12,500,000
- 15 **Honeywell Federal Mfg. & Tech.** / Kansas City, MO
NEW JOBS: 100 / INVESTMENT: \$63,500,000
- 16 **Medline, Inc.** / Bonner Springs, KS
NEW JOBS: 141 / INVESTMENT: \$75,000,000
- 17 **Alpha, Inc.** / Kansas City, MO
NEW JOBS: 75 / INVESTMENT: \$24,000,000
- 18 **Hallmark Cards** / Liberty, MO
NEW JOBS: 398 / INVESTMENT: \$22,300,000
- 19 **Kansas Mod Center** / Wichita, KS
NEW JOBS: 400 / INVESTMENT: \$23,400,060

- 1 **Netrality** / Shawnee, KS
NEW JOBS: 7 / INVESTMENT: \$22,750,000
- 2 **Enbridge Pipeline** / Concordia, MO
NEW JOBS: 3 / INVESTMENT: \$55,000,000
- 3 **Bartlett Grain Company** / Charryvale, KS
NEW JOBS: 50 / INVESTMENT: \$322,750,000
- 4 **Niagara Bottling** / Kansas City, MO
NEW JOBS: 100 / INVESTMENT: \$200,000,000
- 5 **Berry Global** / Lawrence, KS
NEW JOBS: 99 / INVESTMENT: \$61,000,000
- 6 **Millennium Corp./K-54** / Wichita, KS
NEW JOBS: 15 / INVESTMENT: \$740,000
- 7 **Airxcel** / Wichita, KS
NEW JOBS: 160 / INVESTMENT: \$12,500,000
- 8 **Brek Manufacturing Co.** / Wichita, KS
NEW JOBS: 65 / INVESTMENT: \$5,514,560
- 9 **Communications Solutions, LLC** / Emporia, KS
NEW JOBS: 250 / INVESTMENT: \$225,000

Schedule CAC-3

Energy Food and Beverage Industry Attraction: Sustainability

Did you know that Evergy is creating a lower carbon future for food and beverage companies?



Increasing generation of renewables by **more than 1,250%** in the past decade



One of the **top renewable energy provider in the region**



Working to **Reduce CO₂ emissions by 85%** by 2030



Nearly **\$1.8 Billion** invested in **environmental improvements**



We now produce **50%** of our customers' power annually from **renewable sources**

Economic Development Organizations and communities can benefit from using Evergy's SizeUp's platform, a business intelligence tool.

SizeUp invented the online strategy, process, and technology to help small businesses make smarter decisions based on data.



Use this tool to analyze competitive benchmarks, find customers, suppliers, competitors and where to target your message.

Building a Sustainable Future

Evergy's Sustainability Transformation Plan (STP) is focused on these areas:

1. Grid Modernization
2. Cost Efficiencies
3. Customer Experience
4. Generation Transition

Other key themes:

- Reliability – We're listening, learning and taking action
- Investing in strengthening the grid
- Continuing to balance the different types of power plants we use to make your power, so we're not overly dependent on any one source of fuel
- Evaluating our digital customer service options to develop better ways to stay connected with our customers

LOIS: Seamless Integration to Lasso

LOIS and Global Location Strategies have partnered to develop a data collection tool called Lasso.



Lasso standardizes property data collection and accelerates the data assembly process to help efficiently distribute RFIs to its stakeholders. This is the first of its kind property data collection application that fully automates the data collection process.



**ACCREDITED
ECONOMIC
DEVELOPMENT
ORGANIZATION**
International Economic Development Council

AEDO 2021 Recertification

Originally accredited in 2016, Evergy is one of two utilities to achieve AEDO status in the nation.

**LOCAL PARTNER RESULTS: USING
EVERGY RESOURCES TO WIN
PROJECTS**

**Specialty Ingredients Manufacturer
Adds Location in St. Joseph.**

Cereal Ingredients,
Inc. announced
the investment



of \$24 million for the construction
and equipment of a 85,860 square-
foot manufacturing facility in the
Eastowne Business Park in St.
Joseph, Mo. Anticipated to be
complete in the first quarter of 2022,
the company will eventually employ
60 at the new facility.

Cereal Ingredients has qualified for
the Evergy Missouri Standard EDR
providing a reduced rate for five years.

St. Joseph Economic Development
Partnership has utilized several
Local Partner Programs to help
build capacity to increase economic
development success.

- Future Land Development Study
- Drone Video
- 2018 Strategic Plan
- Place Making Study
- LOIS Real Estate Data Verification Project

**LOCAL PARTNER RESULTS:
UNPRECEDENTED CAPITAL
INVESTMENT PLANNED IN
LEAVENWORTH COUNTY, KANSAS**

**Hill's Pet Nutrition will build a
300,000-square-foot manufacturing
facility in the Tonganoxie Business
Park.**

Hill's expects to
create 80 high-wage
jobs at its new \$325
million facility. This
capital investment is
unprecedented for a manufacturer in
Leavenworth County.



Leavenworth County Development
Corporation (LCDC) utilized the
following Evergy Local Partner
Programs to promote economic
development:

- Marketing, Branding and Website Development
- Drone Videos
- Workforce Study
- Virtual Site Tours

**LOCAL PARTNER RESULTS:
TAKING ADVANTAGE OF LOCAL
PARTNERSHIPS**

**De Soto, Kansas Conducts Due
Diligence Study on Large Tract**

Evergy Economic
Development
facilitated the



connection with
Burns & McDonnell and the De Soto
Economic Development Council
to conduct a Due Diligence Study
for a 319-acre tract of land known
as the Gabriel Property. The site is
privately owned and located on K-10
with access to two interchanges.
The Study outlines details of
environmental and utility factors for
the site.

The Study has been able to answer
nearly every question potential
developers have including zoning,
setback restrictions, local roadway
infrastructure, offsite improvements,
rail access commercial air service,
topography, suitable soils and
emergency services.

In addition to this site study, De Soto
has utilized these Evergy Economic
Development Local Partner Programs:

- Due Diligence and Master Plan for the Gabriel Site
- Economic Development Facilitation Training
- Community Housing Assessment
- Downtown Revitalization
- Branding



*Evergy Economic Development Team: (LtoR)
John Engelmann, Joe Fangman,
Ebony Clemons-Ajibolade and Lisa Franklin*

2019 SCORE CARD

✓ **87** NEW PROJECTS

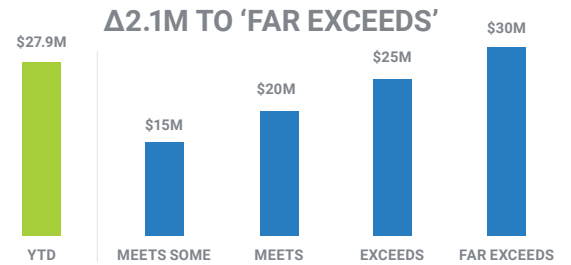
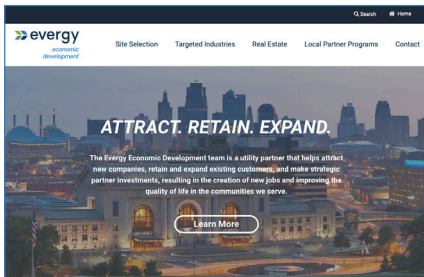
✓ **\$27,930,698**
ECONOMIC IMPACT

✓ **3,496** NEW JOBS

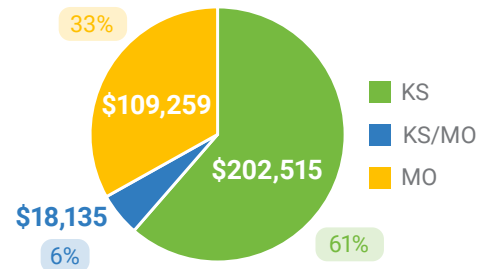
✓ **\$376M** NEW CAPITAL INVESTMENT BY 18 COMPANIES

✓ **60%** of Local Partners Surveyed Rate the Economic Development Team's Performance as **EXCELLENT**

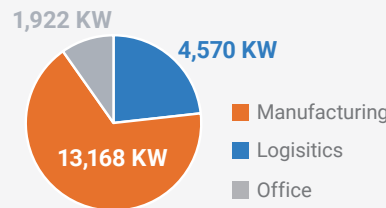
✓ **LAUNCHED AND REBRANDED evergyED.com WEBSITE**



✓ **INVESTMENTS BY STATE**



✓ **NEW DEMAND BY INDUSTRY TYPE**



PROJECT WINS

- 10** Manufacturing
- 5** Logistics
- 3** Office

"Without the assistance and guidance from Evergy through the Local Partner Program, our community would not have been able to develop both an Economic Development and Master Plan. These plans are a key component to advancing continued economic development success for the City of Belton."

– Carolyn Yatsook, Economic Development Director

ECONOMIC DEVELOPMENT IS A TEAM SPORT

Shout out to our internal Evergy friends and colleagues who made 2019 a success. **Thank you!**

- ▶ Distribution and Transmission Planning
- ▶ Transmission and Substation Engineering
- ▶ Business Center
- ▶ Regulatory
- ▶ Central Design
- ▶ Customer Service Managers
- ▶ Energy Efficiency



**SCHEDULE CAC-4
CONTAINS CONFIDENTIAL
INFORMATION
NOT AVAILABLE TO THE PUBLIC.

ORIGINALS FILED UNDER SEAL.**