

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

Anthony R. Granillo)	
Complainant,)	
)	
vs.)	Case No: EC-2018-0113
)	
Union Electric Company, d/b/a)	
Ameren Missouri,)	
Respondent.)	

Ameren Missouri’s Response to Staff Report

COMES NOW Union Electric Company, d/b/a Ameren Missouri (“Ameren Missouri” or “the Company”) and for its response states as follows:

Procedural Background

1. On January 8, 2018, during a pre-hearing conference in this Complaint, the Company requested an opportunity to respond to the *Staff Report* filed in this case.
2. On January 8 2018, the Commission issued its *Order Granting Time to Respond to Staff Report*, in which it ordered the Company to file any response to the *Staff Report* no later than March 5, 2018.

Response

3. In the *Report of the Staff*, attached to the *Staff Report* (hereinafter “*Kremer Report*”), Staff addressed what the Company characterizes as four specific issues related to Company processes. Ameren Missouri has made an effort to alleviate the concerns raised by Staff to the extent possible. For convenience, the issues are referred to herein as: Preferred Payment Date, Customer Survey Options, Customer Service Training; and Timely Payment Posting. The Company will respond to each area individually.

Preferred Payment Date

4. In the Company’s *Answer, Affirmative Defenses and Motion to Dismiss*, filed December 1, 2017 (the “*Answer*”), the Company denied that 4 CSR 240-13.020(7) requires the Company to offer a preferred payment date to its customers. It acknowledged that it previously offered a *deferred* pay date program to qualified senior citizens, and advised that as of July 2016,

payment on all residential bills, not just those of qualifying senior citizens, is due 21 days after the date of the bill. *Answer*, ¶29.

5. In the *Kremer Report*, Staff noted that because the Company no longer offers the Deferred Pay Date Program, the Company's tariff language providing for that program is obsolete. *Kremer Report*, p. 1. Staff recommended that the tariff language should be removed, as the language of the tariff, "creates an impression that the Company does offer the ability to alter bill due dates for customers." *Kremer Report*, pp. 2-3.

6. The Company agreed with Staff that the tariff language at issue, found at the Company's Original Sheet 136, General Rules and Regulations, V. Billing Practices, J. Deferred Pay Date Program, is obsolete. On February 28, 2018, the Company filed Tariff Revision YE-2018-0106 in this Complaint. Through YE-2018-0106, the Company issued revised tariff sheets, to become effective on and after March 30, 2018, which removed the prior paragraph J from the Company's tariffs. The Company regrets any confusion that the lingering obsolete tariff provision may have caused, but believes the revised tariff will entirely resolve this issue.

Customer Service Survey Options

7. In the *Kremer Report*, Staff concluded that Company customers do have sufficient opportunity to participate in customer surveys. Nonetheless, Staff recommended that the Company, "[e]valuate whether another customer survey opportunity should cost-effectively be provided to customers after their use of "Speed Pay" to remit their payment." *Kremer Report*, p. 6.

8. The Company reiterates that when a customer wishes to be transferred to Western Union Speedpay to make a payment by telephone, the call leaves the Company's phone system, therefore, there is not an opportunity at the end of the Speedpay call for a customer to take a Company satisfaction survey. *Answer*, ¶20. The Company has not yet identified a mechanism to return calls to Ameren Missouri's phone system to complete such a survey, but will continue to examine the viability of this suggestion.

Customer Service Training

9. Staff listened to eight recorded phone calls occurring between Complainant and the Company, two of which related to posting/receipt of payment by the Company. *Kremer Report*, p. 5. Staff concluded that certain call center personnel remarks to Complainant, "included

information relayed to the customer that was inconsistent with Commission rule 4 CSR 240-13.020(7)” and “inconsistent with the requirements of Commission rules[.]” Staff recommended that the Company, “[e]ducate its call center personnel regarding the requirements of 4 CSR 240-13.020(7) as they relate to posting dates for mailed payments.” *Kremer Report*, p. 6.

10. The Company agrees that additional Call Center personnel training is warranted. The Company has begun working on a presentation for its Call Center personnel that will educate personnel that the applicable rule states, “the date of payment for remittance by mail is the date on which the utility receives the remittance.” The presentation will also make clear that while personnel should not state or otherwise imply that customers should expect an additional delay in processing or posting the customer’s payment once received, personnel may reasonably caution customers that sometimes delays in the mails result in payments not reaching the Company’s PO Box for as long as 5 to 7 days after deposit into the mails, such that mailing a payment well in advance of any pending due date or cut date is advisable.. The Company feels this is a reasonable compromise, since customers frequently inquire of Call Center personnel how long it will take for a mailed payment to reach the Company, especially when customers have received disconnection notices and are concerned about payments reaching the Company by the date stated in the notices. The Company believes that other cautions are appropriate as well, such as cautioning the customer to be sure to enclose their billing statement stub with their payment, since if a payment is received without account information or a billing statement stub, or if the remittance is illegible, etc., the Company may be unable to post the payment until Company personnel have researched and identified the account to which the payment should be applied.

11. Additionally, the Company notes that while its Call Center personnel will be educated about the rule excerpted above, merely reciting a rule to customers would rarely constitute good customer service, since calls between customers and call center personnel are naturally conversations that very frequently include questions from customers and answers from personnel, which can lead to a discussion. If a customer fails to understand what “the date of payment for remittance by mail is the date on which the utility receives the remittance” means, and personnel attempt to reframe the information, the explanation will necessarily be worded differently than the text of the rule.

12. Finally, as discussed in the next section, if the Company is granted a variance from the above-excerpted rule, the Company will educate its Call Center personnel about the variance.

Timely Payment Posting

13. In the *Kremer Report*, Staff concluded that:

Ameren Missouri is in violation of 4 CSR 240-13.020(7) as it pertains to the date of payment for remittance by mail as all Ameren Missouri payments are not posted on the date they are received as required by Commission rule. 4 CSR 240-13.020(7) requires that “the date of payment for remittance by mail is the date on which the utility receives the remittance.” *Kremer Report*, p. 3.

As a result, Staff recommended that the Company:

Comply with the provisions of 4 CSR 240-13.020(7) and require its vendor to post all mailed payments to customer accounts the day they are received or evaluate the filing of variance to the Commission rule.
Kremer Report, p. 5.

14. In its *Answer*, the Company denied that it is violating 4 CSR 240-13.020(7). This is because the rule does not expressly prohibit a lag between receipt and posting of payments. Rather, as provided in a subsequent portion of the rule, it prohibits:

...the assessment of a deposit or delinquent charge, or a discontinuance of service, on a payment that was made to a payment agent on or before the due date or delinquent date.

This prohibition, read together with the preceding portion of the rule, essentially tells a utility that a customer’s payment is timely if it is received on or before a due or delinquent date, so the utility must not jump the gun and assess late fees or cut on that date while a timely payment may still be received. The practical effect is that any lag between receipt and posting must be addressed by a utility in its processes. The Company does not assess late fees until three days after a bill’s due date. While this accounts for possible lag, the Company also has an automated process that reverses any late fees that may have been assessed to a customer as a result of a delay in payment processing and posting beyond the date the payment was received. Likewise, the Company does not disconnect until well after a bill’s due/delinquent date—disconnections do not occur until an even later date, stated in a disconnection notice, which is not even issued until after a bill’s

due/delinquent date has already passed. For these reasons, the Company disagrees with Staff's conclusion that the Company is in violation of the rule simply by virtue of the fact that not every payment is posted the date it is received.

15. Nonetheless, as a result of Staff's recommendation, and in view of Staff's interpretation of the rule, the Company began an examination of its and its vendor's payment processing activities. Based on this examination, the Company determined it was advisable to request a variance from the rule, and has proceeded with that request. That variance request is being submitted to the Commission the same day as this response.

SMITH LEWIS, LLP

/s/ Sarah E. Giboney

Sarah E. Giboney, #50299
111 South Ninth Street, Suite 200
P.O. Box 918
Columbia, MO 65205-0918
(573) 443-3141
(573) 442-6686 (Facsimile)
giboney@smithlewis.com

/s/ Paula N. Johnson

Paula N. Johnson, #68963
Senior Corporate Counsel
1901 Chouteau Avenue, MC 1310
P.O. Box 66149
St. Louis, MO 63166-6149 (314) 554-3533
(phone) (314) 554-4014 (facsimile)
amerenmoservice@ameren.com

Attorneys for Union Electric Company d/b/a
Ameren Missouri

CERTIFICATE OF SERVICE

The undersigned hereby certifies that a true and correct copy of the foregoing Ameren Missouri's Response to Staff Report was served on all of the following parties via electronic mail (e-mail), and also served on Complainant via U.S. Mail, on this 5th day of March, 2018.

Missouri Public Service Commission
Casi Aslin
200 Madison Street, Suite 800
P.O. Box 360
Jefferson City, MO 65102
staffcounsel@psc.mo.gov
Casi.aslin@psc.mo.gov

Office Of Public Counsel
Hampton Williams
200 Madison Street, Suite 650
P.O. Box 2230
Jefferson City, MO 65102
opcservice@ded.mo.gov

Anthony R. Granillo
7404 Carleton Ave.
St. Louis, MO 63130
Granillo327@gmail.com

/s/ Sarah E. Giboney
Sarah E. Giboney