

Exhibit No.: _____
Issues: Customer Service
Witness: Ron Crow
Sponsoring Party: Missouri Gas Energy
Case No.: GR-2009-_____
Date Testimony Prepared: April 2, 2009

MISSOURI PUBLIC SERVICE COMMISSION

MISSOURI GAS ENERGY

CASE NO. GR-2009-

DIRECT TESTIMONY OF

RON CROW

Jefferson City, Missouri

April 2009

DIRECT TESTIMONY OF

RON CROW

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DIRECT TESTIMONY OF

RON CROW

CASE NO. GR-2009-

April 2009

1 **Q. WOULD YOU PLEASE STATE YOUR NAME AND BUSINESS ADDRESS?**

2 A. My name is Ron Crow, and my business address is 3420 Broadway, Kansas City,
3 Missouri 64111.

4

5 **Q. BY WHOM ARE YOU EMPLOYED AND IN WHAT CAPACITY?**

6 A. I am the Senior Director of Customer Service for Missouri Gas Energy ("MGE" or
7 "Company"), a division of Southern Union Company.

8

9 **Q. PLEASE DESCRIBE YOUR EDUCATIONAL BACKGROUND.**

10 A. I graduated from Friends University with a Bachelor's Degree in Business/Human
11 Resources Management.

12

13 **Q. PLEASE DESCRIBE YOUR PROFESSIONAL BACKGROUND.**

14 A. I have served as the Director of Customer Service for MGE since February 1997. I
15 was promoted to Senior Director of Customer Service in December 2008. My
16 responsibilities at MGE include overseeing all aspects of MGE's Contact Center,
17 Public Business Offices, Account Services, and Billing Services operations.

18

1 Prior to joining MGE, I was employed by Utilicorp United/Aquila for fourteen years.
2 I held numerous positions at Utilicorp United/Aquila, including Office Manager in
3 Harper Kansas (1983-1986), Regional Office Manager in Concordia Kansas (1986-
4 1993), Director of Customer Service for Kansas and Colorado (1993-1995), and
5 Corporate Reengineering of Customer Service in Kansas City, Missouri (1995-1997).

6

7

1. EXECUTIVE SUMMARY

8 **Q. WHAT IS THE PURPOSE OF THIS TESTIMONY?**

9 A. I will discuss the Company's efforts to provide quality customer service. I will
10 provide some background on measurements used to evaluate MGE's customer service
11 and how MGE met those standards. I will also provide information on the ongoing
12 efforts that MGE has made to continually improve the quality of its customer service

13

14

2. MEASUREMENTS OF CUSTOMER SERVICE QUALITY

15 **Q. WHAT ARE THE HISTORICAL MEASUREMENTS WHICH SHOW**
16 **SERVICE QUALITY?**

17 A. MGE tracks several performance measures to evaluate the quality of its customer
18 service. The measurements stem from stipulations entered into in 1999 (as
19 subsequently amended or modified) regarding a merger between Southern Union
20 Company and Pennsylvania Enterprises, Inc. These performance measures include
21 Abandoned Call Rate ("ACR") and Average Speed of Answer ("ASA"). The ACR
22 measures the percentage of calls that are abandoned before being answered by a
23 Company contact center representative. Under the stipulation, MGE agreed that the

1 ACR would not exceed a maximum annual allowable level of 8.5%. The ASA
2 measures the average speed with which the Company's contact center answers
3 customer calls. Under the stipulation, MGE agreed that the ASA would not exceed
4 75 seconds on an annual average. The Company's performance on these
5 measurement standards follow:

Abandoned Call and Average Speed of Answer History				
Year	2005	2006	2007	2008
ACR Maximum Allowable: 8.5%	8.06%	6.67%	6.98%	5.93%
ASA Maximum Allowable: 75 Seconds	71 sec.	62 sec.	67 sec.	69 sec.

6
7 MGE has fulfilled the merger commitments for ACR and ASA for the past four years
8 and continues to strive to find ways to improve its customer service.

9

10 **Q. WHAT PROCESS IMPROVEMENTS AND TECHNOLOGY DOES MGE USE**
11 **TO ENHANCE CUSTOMER SERVICE QUALITY?**

12 A. We continually seek ways to serve our customers more effectively and efficiently.
13 Examples of process improvements or technology deployment that have been
14 implemented include the following:

- 15 • Quality Performance Standards for Contact Center Consultants is key to our
16 ability to balance the anticipated work load with available staff. We use
17 average agent performance and historical call volumes to determine how
18 many consultants are needed to handle the anticipated call volumes. Quality
19 performance standards were implemented in the contact center in 2002 and
20 were established with input from our labor union.

- Enhancements to MGE's website and Interactive Voice Response System (IVR) have provided excellent options for our customers to pay their bills and obtain account information 24 hours a day.

History Of Customer IVR and Web Site Payments					
	2004	2005	2006	2007	2008
IVR Payments	73,912	117,184	130,883	162,563	191,085
Web Site	85,555	160,321	206,422	246,635	306,364
Combined Total	159,467	277,505	337,305	409,198	497,449

- April 2004, we implemented a technology called Virtual Hold. During periods of high call volumes, customers preferring not to hold for the next available Contact Center Consultant can elect to receive a call back from MGE at a number of their choice.

Virtual Hold (VH)Data					
	2004	2005	2006	2007	2008
Virtual Hold Calls Offered	162,752	436,069	288,913	399,749	422,969
Virtual Hold Calls Accepted	86,549	253,529	190,609	278,182	287,220
% of VH Calls Accepted	53.20%	58.10%	65.20%	65.60%	68.20%

1 Q. WHAT HAS MGE'S RECENT EXPERIENCE BEEN IN TERMS OF
2 COMPLAINTS/INQUIRIES MADE BY MGE CUSTOMERS TO THE
3 COMMISSION?

4 A. As shown below, Commission complaints/inquiries made by MGE customers from
5 2004-2008 range from a low of 232 (2007) to a high of 418 (2005). Although we
6 prefer to keep these numbers as low as possible, our experience is that collection
7 efforts drive a sizeable proportion of such complaints/inquiries and the number of
8 such complaints/inquiries typically increases when bills have been higher (due to
9 colder weather and higher gas costs) and falls when bills have been lower (due to
10 warmer weather and lower gas costs).

History of Customer Complaints to MPSC					
Year	2004	2005	2006	2007	2008
Total Complaints	401	418	312	232	348
Monthly Average	33	35	26	19	29

1 Q. DOES MGE MEASURE RESPONSE TIME TO COMMISSION-
2 FORWARDED COMPLAINTS/INQUIRIES?

3 A. MGE values its working relationship with the MPSC Staff and strives to be
4 responsive to Staff inquiries. MGE measures its average response time to
5 Commission-forwarded complaints/inquiries and strives to answer within two
6 business days. The following chart shows the percentage of times MGE responded to
7 Commission-forwarded complaints within 2 days:
8

Complaints Answered Within 2 Business Days				
Year	2005	2006	2007	2008
Percent Answered within 2 Days	84.45%	89.74%	90.95%	87.93%

9

10

11 Q. HOW DOES THE VOLUME OF CALLS IMPACT CUSTOMER SERVICE?

12 A. It is the large swings in daily, weekly and monthly call volumes and our ability to
13 predict the swings that create the greatest challenge. While certain peaks in call
14 volume can be anticipated, making certain all hours of the day (factoring in
15 absenteeism, breaks and lunches) are properly staffed for the anticipated number of
16 incoming customer calls are a significant challenge and an area in which we constantly
17 strive to improve. Incoming call history since CY 04 follows:

Incoming Customer Call History					
Year	2004	2005	2006	2007	2008
Incoming Calls	1,359,070	1,411,600	1,371,600	1,409,668	1,472,056

18

19 Q. DOES THIS CONCLUDE YOUR DIRECT TESTIMONY?

20 A. Yes, at this time.