

Exhibit No.:
Issue: Customer Service
Witness: Brent A. Baker
Type of Exhibit: Direct Testimony
Sponsoring Party: Liberty Utilities
(Midstates Natural Gas) Corp.
d/b/a Liberty Utilities
Case No.: GR-2018-0013
Date Prepared: September 20, 2017

**Before the Public Service Commission
of the State of Missouri**

Direct Testimony

of

Brent A. Baker

On Behalf Of

**Liberty Utilities (Midstates Natural Gas) Corp.
d/b/a Liberty Utilities**

September 2017



DIRECT TESTIMONY
OF
BRENT A. BAKER
LIBERTY UTILITIES
BEFORE THE
MISSOURI PUBLIC SERVICE COMMISSION
CASE NO. GR-2018-0013

1 **INTRODUCTION**

2 **Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.**

3 A. My name is Brent A. Baker, and my business address is 602 Joplin Avenue, Joplin,
4 Missouri.

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

6 A. I am employed by Liberty Utilities Services Corp. as the Vice President of Customer
7 Experience for Liberty Utilities Central Region, which includes Liberty Utilities
8 (Midstates Natural Gas) Corp. d/b/a Liberty Utilities, The Empire District Electric
9 Company, and Liberty Utilities (Missouri Water) LLC.

10 **Q. ON WHOSE BEHALF ARE YOU TESTIFYING IN THIS PROCEEDING?**

11 A. I am testifying on behalf of Liberty Utilities (Midstates Natural Gas) Corp. d/b/a
12 Liberty Utilities (“Liberty Utilities” or “Company”).

13 **Q. PLEASE SUMMARIZE YOUR EDUCATIONAL BACKGROUND.**

14 A. I graduated from Missouri University of Science and Technology (formerly,
15 University of Missouri – Rolla) in 2002 with a Bachelor of Science degree in Civil
16 Engineering.

17 **Q. PLEASE DESCRIBE YOUR PROFESSIONAL EXPERIENCE.**

18 A. I began my employment with The Empire District Electric Company (“Empire”) in
19 May 2002. I have held the positions of Structural Engineer in Line Engineering,

1 Manager of Distribution Design, Director of Customer Service, and Vice President of
2 Customer Service, Transmission and Engineering prior to assuming my present
3 position of Vice President of Customer Experience for the Central Region.

4 **Q. HAVE YOU PREVIOUSLY PRESENTED TESTIMONY BEFORE THE**
5 **MISSOURI PUBLIC SERVICE COMMISSION (“MPSC” OR**
6 **“COMMISSION”) OR BEFORE ANY OTHER UTILITY REGULATORY**
7 **AGENCY?**

8 A. Yes. I have previously testified before this Commission and other regulatory
9 commissions.

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

11 A. The purpose of my direct testimony is to discuss the Company’s Missouri service
12 area and continued focus on providing high quality customer service, as well as the
13 status of Liberty Utilities’ customer service department and its recent successes.

14 **Q. PLEASE DESCRIBE THE COMPANY’S MISSOURI SERVICE AREA?**

15 A. Liberty’s Utilities service area embraces 101 communities in 25 counties in Missouri.
16 Most of the communities in Liberty’s service area are small, with populations less
17 than 1,500 people. Only 8 communities have a population in excess of 5,000, and the
18 largest city Hannibal, Missouri, has a population of approximately 17,808 people.
19 The economy in the service area is diversified. The service area features small to
20 medium sized manufacturing operations, medical, agricultural and retail interests.

21 **Q. HOW MANY GAS CUSTOMERS DOES LIBERTY UTILITIES CURRENTLY**
22 **SERVE?**

1 A. At June 30, 2017, Liberty Utilities Missouri service area served approximately 46,000
2 residential customers, 6,600 commercial customers, 40 industrial customers and 245
3 transportation customers.

4 **Q. WHAT IS LIBERTY UTILITIES CUSTOMER SERVICE PHILOSOPHY?**

5 A. Liberty Utilities' business model emphasizes local presence and a local approach to
6 management, service and support. We measure our performance in terms of service
7 reliability, an enjoyable customer experience, and an unwavering dedication to public
8 and workplace safety. Our motto -- "Local Responsive Caring" is part of our
9 corporate culture.

10 **Q. HOW IS THIS PHILOSOPHY DIFFERENT THAN OTHER UTILITIES?**

11 A. While most other utilities have moved to a completely centralized customer service
12 strategy, Liberty Utilities' approach to customer service is guided by the following
13 principles:

- 14 • Our model is to deliver service to customers primarily through customer service
15 representatives located in and dedicated to the local utility service territory. We
16 believe it is important for our customer service representatives to be from and part
17 of the communities they serve so the representatives share the same experiences as
18 those of our customers.
- 19 • We strive to continuously improve our customer service. We continually measure
20 our performance in customer satisfaction surveys and "best in class" surveys where
21 we seek to understand our performance relative to other utilities in the areas we
22 serve.
- 23 • Liberty Utilities provides its local management team with significant authority and
24 autonomy to determine how best to meet customers' needs. We believe that

1 managers and employees who are empowered are more inclined to take initiative
2 and are more resourceful in resolving customer problems.

3 • As a regulated business, we are committed to satisfying all legal regulatory
4 obligations, and we believe local management and satisfied customers help us to
5 achieve that objective.

6 **Q. HOW HAS THE COMPANY IMPLEMENTED THIS PHILOSOPHY?**

7 A. An important aspect of Liberty Utilities' customer service is providing walk-in
8 customer service centers. The Company believes walk-in customer service centers
9 are important because they provide employment opportunities to local residents,
10 allow customers to make payments, initiate service, and have questions answered in
11 person with a Liberty Utilities representative. We believe Liberty Utilities' local
12 presence is a key to maintaining quality customer service.

13 **Q. HOW MANY LOCAL WALK-IN CUSTOMER SERVICE CENTERS DOES**
14 **THE COMPANY HAVE IN MISSOURI?**

15 A. In Missouri Liberty Utilities has six local walk-in offices located in Caruthersville,
16 MO, Sikeston, MO, Jackson, MO, Hannibal, MO, Kirksville, MO, and Butler, MO.

17 **Q. HOW MANY CUSTOMERS UTILIZE THESE WALK-IN OFFICES?**

18 A. In 2016, the combined office traffic averaged 3,400 customers per month, with each
19 office serving a similar proportionate share of customers per month. However, the
20 Sikeston office experienced the most office walk-in traffic, averaging approximately
21 800 customers per month in 2016.

22 **Q. HOW MANY CUSTOMER SERVICE REPRESENTATIVES DOES THE**
23 **COMPANY HAVE?**

1 A. Liberty Utilities currently employs 18 customer service representatives who provide
2 support to the Company's approximately 80,000 customers in Missouri, Illinois and
3 Iowa service territories.

4 **Q. HOW DOES THE COMPANY MEASURE CUSTOMER SATISFACTION?**

5 A. As noted in the Company's prior general rate case proceeding, the Company annually
6 conducts a Customer Satisfaction Tracking Survey utilizing the third-party research
7 firm Luth Research. Approximately 800 Company customers (randomly selected
8 from a representative survey sample) are surveyed by telephone or online. These
9 annual surveys reflect that overall customer satisfaction with Liberty Utilities
10 continues to remain very positive among our customers. Surveys performed in 2014,
11 2015, and 2016 have all reflected customer satisfaction above 80 percent.

12 **Q. IN ADDITION TO THE SURVEYS, ARE THERE SPECIFIC METRICS**
13 **THAT THE COMPANY USES TO MEASURE CUSTOMER SERVICE**
14 **QUALITY?**

15 A. Yes, our monthly service quality reporting includes the following call center metrics:
16 the Number of Calls Offered, the Average Speed of Answer (ASA), the Abandoned
17 Call Rate (ACR) and Number of Call Center Staff.

18 **Q. WHAT WERE THE REFERENCED SERVICE LEVEL RESULTS DURING**
19 **THE TEST YEAR?**

20 A. During the test year, Liberty Utilities maintained a service level of 95% by answering
21 95% of incoming calls within 60 seconds or less.

22 **Q. HAS LIBERTY UTILITIES' PHILOSOPHY AND CUSTOMER SERVICE**
23 **RESULTS BEEN SUCCESSFUL?**

1 A. Yes. In addition to the positive results discussed above, in 2016, the Liberty Utilities’
2 customer service team was recognized as “Best in Class” at the 2016 Call Center
3 Week Excellence Awards for its local approach to service and commitment, low
4 turnover rate, commitment to learning, and successful use of customer data to
5 improve service.

6 **Q. DOES THIS CONCLUDE YOUR DIRECT TESTIMONY?**

7 A. Yes.

AFFIDAVIT OF BRENT A BAKER

STATE OF MISSOURI)
) ss
COUNTY OF JASPER)

On the 20 day of September, 2017, before me appeared Brent A. Baker, to me personally known, who, being by me first duly sworn, states that he is the Vice President - Customer Experience of Liberty Utilities - Central Region and acknowledges that he has read the above and foregoing document and believes that the statements therein are true and correct to the best of his information, knowledge and belief.



Brent A. Baker

Subscribed and sworn to before me this 20th day of September, 2017.



Notary Public

My commission expires: Nov. 16, 2018.

