

A woman with long dark hair is sitting at a desk, looking at a computer monitor. The monitor displays a grid of small images. Her hands are on a keyboard. The background is blurred, showing other people in an office setting.

**Ameren Missouri**  
**ER-2019-0335 Settlement**  
*Stakeholder Meeting #3 5/27/2020*

# Ameren Missouri – ER-2019-0335 Settlement

## Agenda

**Meeting #3 Purpose:** *Present an overview of our customer research on TOU rates and early qualitative findings. Review the project plan for our systems implementations.*

- Opening Remarks
  - Ameren Missouri – Tom Byrne / Tara Oglesby
- Time of Use Rates – Customer Insights
  - Research Overview
  - Early Findings – Online focus groups
- TOU Rate Deployment – System Implementation
  - Project update
  - Scope / Schedule / Budget review
- Final Thoughts / Meeting 4 Plan



A man with short dark hair and a light beard, wearing a dark blue V-neck sweater over a grey shirt, is looking down at a white smartphone he is holding in his right hand. The background is a bright window with a grid pattern, suggesting an indoor setting with natural light.

## Customer Insights

# Ameren Missouri – ER-2019-0335 Settlement

## Communications Process Update



### Customer Research

Provide the best possible customer experience amid the transition by helping customers understand what time of use is and what each of the plans means, and ultimately, feel empowered to choose a plan that's right for their needs.



### Strategy Development

The language strategy will help identify precise ways to educate customers and drive action. This includes:

- **Insights into the customer mindset** – what matters most to them in this situation – so we can develop communications that makes sense to customers.
- **High-level communication principles and guardrails** - including recommendations on how and when to roll out communication.
- Recommended **key element messaging** that helps customers choose a plan that works with their lifestyle.



### Execution

We plan to optimize our customer communication strategy through:

- Direct Mail Pieces & Energy Statement Messaging
- Online Education & Assistance
- Alerts & Notifications
- Specialized Customer Care

# Ameren Missouri – Rate Options Research



## Qualitative Research

- + **Qualitative survey:** Conducted 4 x 90-minute online listening sessions with customers to understand their mindset, concerns, questions, and where there's confusion.
  - n=5-6 customers per session
  - Tested a range of language to see what works and what's less effective.
  - This will enable us to optimize messaging before we test with a larger sample in the survey.
  - Sessions segmented by lifestyle (for example: working people, retirees, environmentally-conscious) so we can focus in on specific rate plans with each and gauge how readily they're able to self-identify with the appropriate plan.

### + **Sample questions:**

- + Who here knows how much their bill was last month?
- + Does anyone know how their bill is calculated today?
- + Do you have any choices when it comes to how you pay for the energy you use today?
- + Ameren Missouri could also share an image (show Lifestyle Visual) to help you understand the different rate plans. What do you think about this? Is it clear/unclear? Helpful? Would you want to see this too, or is it fine without it?

*Customers were also shown a number of rate option visuals and asked a series of questions based on what they saw and asked their comfort level with understanding and picking a rate that would work for them.*



# Ameren Missouri – Rate Options Research



## Quantitative Research

- + **Quantitative survey:** Conducted a 12-15 minute survey with n=600 customers. Questions were asked to validate what we learned about the audience mindset, and we tested optimized messages (how to introduce and explain TOU, how to describe the rate plans, how to name the rate plans).

### + **Sample questions:**

- + Rates are used to calculate your electric bill each month. Today, most Ameren Missouri customers have the same rate. In the future, you'll be able to select different rate options based on your electric usage and the time of day you use it.
  - + Based on what you read, do you think the expanded rate plans will be: Very good for me, Pretty good for me, Probably won't change things for me, Pretty bad for me or Very bad for me.
- + Ameren could let you know about the change in different way. You might pay more attention to some ways more than others. Where would you be most likely to actually pay attention to the message? *A series of options provided.*
- + Assuming you changed some of your energy behaviors, how do you think your new rate would compare to the rate you currently pay? The new rate would be: Much lower, Somewhat lower, About the same, Somewhat higher, Much higher.

# Ameren Missouri – Rate Options Research

## Initial Learnings

1	<ul style="list-style-type: none"><li>+ <b><u>Educate customers about the expanded rate options</u></b></li><li>+ Introduce the expanded rate options with a message that explains<ul style="list-style-type: none"><li>+ 1) the opportunities presented by expanded rate options</li><li>+ 2) which rate customers would be placed in at the 6 month mark, and</li><li>+ 3) how to think about changing usage behaviors in order to be successful on a new rate</li></ul></li></ul>
2	<ul style="list-style-type: none"><li>+ <b><u>Behavior changes require clear and consistent communications</u></b></li><li>+ The biggest challenge is not the change itself, but how to communicate it to customers in a way they can understand in a short period of time.</li><li>+ Customers feel the onus is on Ameren to over-communicate so the message comes through.</li></ul>
3	<ul style="list-style-type: none"><li>+ <b><u>Lifestyle framing makes the choice easier</u></b></li><li>+ Helps customers pick a rate more easily—and feel more confident that it's the right one for them.</li><li>+ Avoids shaming customers who are resistant/unable to change their energy habits, while still nudging them towards conserving energy.</li></ul>
4	<ul style="list-style-type: none"><li>+ <b><u>Interim rate selections present an opportunity</u></b></li><li>+ We can motivate customers to select rates early (before the 6 month mark).</li><li>+ Customers like knowing that the choice is available — even though they may not make it.</li></ul>

# Ameren Missouri – Rate Options Research

## Customer Verbatims

1	<ul style="list-style-type: none"><li>+ <u>Educate customers about the expanded rate options</u></li><li>+ “The only thing I care about as a customer is dollars &amp; cents” – Customer</li><li>+ “I don’t think we’ll use less, so I think my bill could be higher” – Customer</li></ul>
2	<ul style="list-style-type: none"><li>+ <u>Behavior changes require clear and consistent communications</u></li><li>+ “Give me advance notice of the [rate] change. I want to know ahead of time and be prepared” – Customer</li><li>+ “Tell me at least monthly with the bill or over email--something. For those who don’t read everything, there’s a greater chance you’ll see it coming.” – Customer</li></ul>
3	<ul style="list-style-type: none"><li>+ <u>Lifestyle framing makes the choice easier</u></li><li>+ “[In the lifestyle chart] I fell into a category that seemed to fit me well. Seeing the description and the times of day really fits my situation” – Customer</li><li>+ “I like how they changed it to have profiles you could fit into” – Customer</li></ul>
4	<ul style="list-style-type: none"><li>+ <u>Interim rate selections present an opportunity</u></li><li>+ “If they’re going to select a plan for me at a certain time, I’d rather sit down and think about what would save me the most and just do it then. I’d rather do it myself” – Customer</li><li>+ “I like being able to see my own usage and I might use the online calculator [in those interim 6 months] to make a better-informed decision.” – Customer</li></ul>



# Ameren Missouri – Rate Options Research

## Communication Objectives

- ✓ Turn the change into an opportunity
- ✓ Communicate early and often
- ✓ Highlight the benefits of expanded rate options
- ✓ Help customers match their lifestyle to the right rate for them
- ✓ Empower customers to exercise *their* power to choose

## What's next?

Presentation of language strategy, initial customer communication plan, and direct customer mailer example.



Time of Use Rates  
Project Plan Update

# Ameren Missouri – Smart Meter Program

## Rate Case Deliverables - TOU Rate Options: Release Plan



### DECEMBER 2020 RELEASE

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#### New TOU Rates

- New 2 tier w/ declining block and 3 tier + KW rate in addition to core SMP rates: EV (2 tier) and Smart Savers (3 tier)
- Default customers who receive an AMI meter onto new TOU rate

#### Bill Redesign

- Bill redesign to accommodate the new TOU Rates

#### Shadow Billing for Bill Compare

- Calculate and store bills across 6 rate options using 6 months of historical interval data

#### Rate Choice Platform

- New online channel for rate change request

#### Customer Engagement

- Preference Center for customer channel choice
- Customer Letters (pre-AMI meter and 6 month after AMI meter)
- Marketing and customer engagement strategy

### APRIL 2021 RELEASE

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#### Web Presentment Solution

- Enable new web presentment solution (██████████)

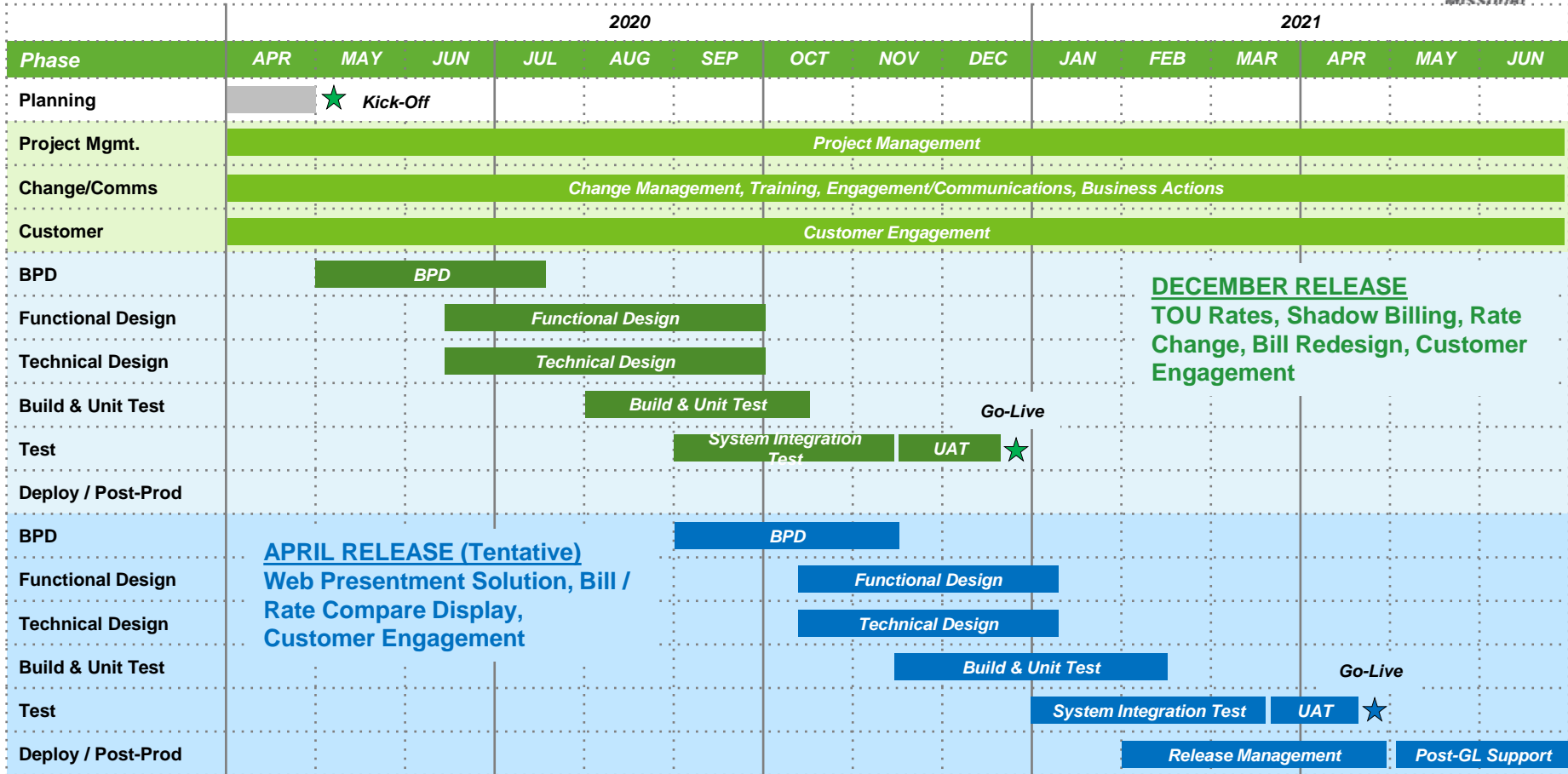
#### Rate / Bill Compare Display

- Part of web presentment solution
- Display bill comparison data (“Shadow Billing” results across 6 rate options with 6 months of historical interval data)
- Display projected indicative rate comparisons across 6 rate options (rate comparison)
- Display scenario-based (e.g. EV) projection comparisons (projection compare)

#### Customer Engagement

- Marketing and customer engagement strategy for new web presentment and online rate / bill compare launch

# Ameren Missouri – Smart Meter Program – TOU Timeline



**DECEMBER RELEASE**  
 TOU Rates, Shadow Billing, Rate Change, Bill Redesign, Customer Engagement



# Ameren Missouri – Smart Meter Program



## Rate Case Deliverables - TOU Rate Options: Budget Estimates

### Estimates Include

- Planning and initiation
- Business process design
- Change management
- Training activities
- Functional and technical design
- Development and testing
- [REDACTED] implementation
- Missouri/Digital labor

### Incremental Systems / Software Costs

Item	Description	Cost Estimate
System Integration	Technology partner costs for SI work on CSS / Billing / Data Presentment	\$7.8M
Software	New platform to provide customers with usage and rate comparison insights	\$3.8M

### Internal Labor Estimates

Item	Description	Cost Estimate
Digital	Internal Digital team members assigned to systems / billing / web	\$4.1M
Business	Internal business labor for process design, change management, training, etc.	\$2.1M

### Communications

Item	Description	Cost Estimate
Mailers / Messaging	Cost for printed materials, postage, statement messaging, etc. (5 years)	\$2.25M

# Ameren Missouri – Smart Meter Program

## Rate Case Deliverables - TOU Rate Options: Key Risks



Key Risk Area	Initial Assessment	Mitigation
<b>Scaling our existing systems</b> – A full TOU deployment to customers will require significant system enhancements to implement interval billing and shadow billing for all rate options and across all customers.	MEDIUM	A plan has been developed to execute our requirements through our existing CSS billing processes and supports the optimal path to expedited success. A robust System Integration plan to develop, execute and test our changes has been developed.
<b>Customer education / customer satisfaction</b> – Ensuring that customers are well informed with the appropriate amount of information and insights to be able to make appropriate rate choices that are best for their energy needs.	MEDIUM	Customer Research is being conducted to understand the optimal messaging and education path for customers. A robust plan has been developed to ensure we have online tools and mailers throughout the project that align with our regulatory communication requirements.
<b>Minimizing incremental operating costs</b> – Ensuring that our operating teams including Customer Care, Customer Accounts, etc. can deploy these new options while minimizing costs and incremental work.	MEDIUM	Business Process Design sessions have been integrated in the plan to ensure that all key Ameren Missouri stakeholders have a voice in the rollout. Process design sessions will be focused on optimal customer outcomes while managing internal costs effectively.
<b>Delivery timeline</b> - Completing all requirements within the timeframe allowed will pose some pressures and challenges to our team / capabilities.	HIGH	Our existing AMI resources had significant plans in place to begin execution this summer and will need to align a robust work plan to meet an aggressive timeline.
<b>COVID 19</b> – Existing work plans are evolving and there could be risks to our TOU rate initiative.	MEDIUM	The SMP team will continue to monitor and adjust based on environmental conditions. This project is heavily weighted on systems development, back office processes, and communications.

# Ameren Missouri – ER-2019-0335 Settlement

## TOU Rate Options: Future Stakeholder Meetings



### June Meeting:

- Customer experience approach (BPD findings)
- Update on research findings / communications
- Review final requirements and move forward plan





