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Witness: Lisa A. Kremer
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Case No.: EM-2000-369

**MISSOURI PUBLIC SERVICE COMMISSION
UTILITY SERVICES DIVISION**

REBUTTAL TESTIMONY

OF

LISA A. KREMER

UTILICORP UNITED INC.

AND

EMPIRE DISTRICT ELECTRIC COMPANY

CASE NO. EM-2000-369

Jefferson City, Missouri
June 2000

****Denotes Highly Confidential Information****

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Service Commission

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LISA A. KREMER
UTILICORP UNITED INC.
AND
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1 and Management Services. I assumed the Manager position of the combined departments
2 in February 2000. Prior to working for the Commission, I was employed by Lincoln
3 University for approximately two and one-half years as an Institutional Researcher.

4 Q. What is the purpose of your testimony?

5 A. The purpose of my testimony is to ensure that the proposed merger does
6 not result in a diminished or reduced level of customer service for any Missouri customer
7 currently served by either UtiliCorp United Inc. (UtiliCorp), or by The Empire District
8 Electric Company (Empire) in Case No. EM-2000-369. My testimony will also address
9 the significance of customer service measurements (also referred to as "indicators") in
10 determining potential deterioration of customer service in Missouri-regulated utilities,
11 particularly when such properties are purchased by or merged with another utility.
12 4 CSR 240-2.060 (8) states: "In addition to the requirements of section (1) applications
13 for authority to merge or consolidate shall include: (D) The reasons the proposed merger
14 is not detrimental to the public interest." Maintaining quality customer service is a
15 critical component in determining the "not detrimental to the public interest" criteria.

16 My testimony will address how measurements or indicators can be utilized to
17 determine both the present level of service currently provided by UtiliCorp and Empire
18 and to determine future performance and possible deterioration of customer service in the
19 merged company. My testimony will specifically address customer service
20 measurements unique to Call Center (Center) operations and found at both UtiliCorp and
21 Empire.

22 Q. Will other Staff witnesses file testimony regarding quality of service in
23 Case No. EM-2000-369?

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1 A. Yes. Quality of service issues and customer service measurements will
2 also be addressed by Staff witness John M. Kiebel II of the Engineering and Management
3 Services Department. Staff witness James L. Ketter of the Electric Department will
4 address the retention of reliability indices to monitor the electric service distribution
5 system.

6 Q. How does your testimony filed in this merger application compare to the
7 testimony filed earlier concerning the same issues in the UtiliCorp/St. Joseph Light &
8 Power Company (St. Joseph) merger application, Case No. EM-2000-292?

9 A. I did not file testimony in Case No. EM-2000-292. However, this
10 testimony is similar to that filed by Staff witness J. Kay Niemeier on the same issues in
11 the UtiliCorp/St. Joseph merger application. There are unique aspects of the
12 UtiliCorp/Empire merger as it relates to customer service concerns that I am addressing
13 in this testimony that Ms. Niemeier did not discuss in her earlier testimony, specifically,
14 the planned business office closings addressed on pages 18-19 herein.

15 **Customer Service Measurements**

16 Q. What is the purpose of customer service measurements?

17 A. Customer service measurements are established and used by utilities to
18 determine and monitor the level of customer service the utility is providing their
19 customers in a variety of areas. Customer service measurements can also provide
20 assurance to utility customers and to utility commissions that a certain level of customer
21 service is being provided by the utility.

22 Q. Why are customer service measurements significant in Missouri regulated
23 utility sale or merger cases?

1 A. Customer service measurements are important in such cases because they
2 provide some assurance that proposed sales or mergers involving utilities with Missouri
3 service territory do not result in a detriment to an established level of customer service.
4 Maintaining or improving existing customer service is important to the customers of the
5 company being sold or making the purchases. It is also important to the Missouri
6 customers of the involved utilities that they not experience a decline in service because of
7 the purchase or merger. The customer service measurements or indicators as presented in
8 this testimony will be specific to Call Center operations.

9 **Call Center Operations**

10 Q. Describe the purpose of a utility Call Center.

11 A. Call Centers perform a critical function in that they provide the primary
12 means for customers to contact their utility. Customers require contact with their utility
13 regarding a wide range of issues including: reporting of emergencies and service outages;
14 desires to begin, discontinue, transfer or restore service; questions about bills regarding
15 usage; delinquent accounts; and the ability to make payment arrangements.

16 During the winter months, when the Commission's Cold Weather Rule¹ is in
17 effect, Call Centers may actually be a "life line" for some customers who are nearing
18 service disconnection and need to make payment arrangements. It is always imperative,
19 but particularly so during emergencies and in times of unusually cold and hot weather,
20 that Call Centers function in an effective manner. As utilities close or consolidate
21 business offices that once accommodated walk-in traffic and provided customers with a

¹ This rule protects the health and safety of residential customers receiving heat-related utility service by placing restrictions on discontinuing and refusing to provide heat-related utility service from November 1 through March 31 due to delinquent accounts of those customers.

1 utility presence in their community, the role of the Call Center becomes increasingly
2 important as the primary point of contact for utility customers.

3 Call Centers may function in a variety of ways with varying degrees of
4 performance. The sophistication of a company's customer information system (CIS), the
5 extensiveness of training of the Center's customer service representatives, the number of
6 experienced staff, sufficient staffing levels, and the continual monitoring and review of
7 call handling are all factors that contribute to a Center's success. Customer Service
8 Representative training is particularly important in that individuals should be prepared to
9 answer a variety of customer questions regarding company policy and procedures
10 including questions regarding the company's tariff and Commission rules. Customer
11 Service Representatives should also have knowledge of where in the company to transfer
12 calls if questions need to be addressed by those with additional knowledge of field
13 operations. For example, questions regarding new construction or meter settings may
14 require responses from those with direct knowledge.

15 Many factors should continually be monitored in an efficient and effective Call
16 Center operation. Abandoned Call Rate (ACR) and Average Speed of Answer (ASA) are
17 two indicators that provide quantifiable and measurable criteria with which to determine
18 how well a utility Call Center is serving the utility's customers. Both ACR and ASA are
19 defined and discussed later in this testimony.

20 Q. How did you conduct your evaluation of customer service issues of
21 UtiliCorp and Empire?

22 A. The Staff began on-site work in Case No. EM-2000-369 by attending, in
23 February 2000, a meeting at UtiliCorp's Missouri Public Service (MPS) division offices

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1 in Raytown, Missouri in the context of Case No. EM-2000-292, the application for
2 merger of St. Joseph and UtiliCorp. The topics addressed at the meeting included
3 customer service issues. The Staff then began a review of customer service information
4 requests responded to by UtiliCorp in the context of Case No.
5 EM-2000-292. The Staff made on-site visits to UtiliCorp Headquarters in Kansas City,
6 Missouri, the MPS Offices in Raytown and to Empire in Joplin. Interviews with
7 Company personnel from both UtiliCorp and Empire were held regarding a variety of
8 customer service processes and practices.

9 Q. Describe the activities that take place at UtiliCorp's Missouri Call Center.

10 A. An on-site visit was conducted by Staff at the UtiliCorp's Raytown Call
11 Center on May 15, 2000. UtiliCorp operates two other Call Centers that are located in
12 Lincoln, Nebraska and Monroe, Michigan. The Missouri Public Service Call Center is
13 operated 24 hours a day, seven days a week and handles calls from Missouri customers as
14 well as calls from Lawrence, Kansas and calls from West Virginia and Michigan.

15 At the end of 1999, the Raytown Call Center was staffed with **_____**
16 and **_____** Customer Service Associates who received customer calls
17 (Response to Staff Data Request No. 3903, Case No. EM-2000-292). The Center also
18 has a Director, two Supervisors and two lead Customer Service Associates. The
19 Raytown Call Center reported the following call volumes for 1997, 1998 and 1999:

20 **NUMBER OF CALLS RECEIVED AT THE**
21 **RAYTOWN CUSTOMER CALL CENTER**

22 ** _____
23 _____ **

24 (Source: Response to Staff Data Request No. 3903 (Case EM-2000-292))
25

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1 In addition to discussions with MPS regarding Call Center activities and
2 performance, the Staff monitored incoming calls and their handling by three Customer
3 Service Associates. The Raytown Call Center converted to UtiliCorp's customer
4 information system, CIS Plus, in March 2000.

5 Q. Describe the activities that take place at Empire's Call Center in Joplin.

6 A. An on-site visit was conducted by the Staff of Empire's Call Center on
7 April 11, 2000 in Joplin, Missouri. The Call Center in Joplin handles all calls that are
8 made from customers located in the western part of Empire's Missouri service territory
9 including the Joplin, Webb City, and Neosho areas. Calls initiated by customers in the
10 eastern portion of Empire's service territory are typically handled by local business
11 offices during normal business hours. After 5:00 p.m., all calls in the eastern portion of
12 the service territory are routed to the Call Center in Joplin. The number of Customer
13 Service Representatives in the Joplin Call Center is currently 23.5 full-time equivalent
14 positions. Empire also has two "home agents" who have computer equipment in their
15 homes that enables them to take customer calls if the need arises, for example, during an
16 electrical outage.

17 At the end of 1999, the Empire converted to a new customer information system
18 named "Centurion", due to its previous system's inability to perform accurately after the
19 Year 2000 rollover.

20 The Joplin Call Center reported the following call volumes for 1997, 1998 and
21 1999:

**NUMBER OF CALLS RECEIVED AT THE
JOPLIN CALL CENTER**

1997	1998	1999
214,614 Calls	243,042 Calls	245,915 Calls

[Source: Response to Staff Data Request No. 3922]

Empire also has eight business offices in its Missouri service territory that provide customers the opportunity to walk-in to pay their utility bill. These offices are currently located in Joplin, Neosho, Aurora, Branson, Ozark, Bolivar, Greenfield and Republic.

In addition to discussions with Empire regarding Joplin Call Center activities and performance, the Staff monitored a number of incoming calls and their handling by two Customer Service Representatives.

Q. Two Call Center indicators were specifically mentioned above in your rebuttal testimony, Abandoned Call Rate and Average Speed of Answer. Define Abandoned Call Rate.

A. Abandoned Call Rate (ACR) refers to the percentage of customers who call the company and terminate their call, after it has been placed into the network queue, but prior to their call being answered by a Customer Service Representative. Abandoned Call Rate is usually calculated by the following equation: the number of calls abandoned divided by the number of calls received.

Q. Define Average Speed of Answer.

A. Average Speed of Answer (ASA) is the number of seconds a caller waits before his/her call is answered by a Call Center employee. The ASA, sometimes referred to as Average Delay, is calculated in the following way: the total delay time of all calls divided by the number of calls.

1 Q. Is the method of calculation of Abandoned Call Rate and Average Speed
2 of Answer performed by UtiliCorp and Empire comparable?

3 A. Yes. To the Staff's knowledge, both companies calculate the Abandoned
4 Call Rate and Average Speed of Answer in the same manner.

5 **Abandoned Call Rate Indicator**

6 Q. What was UtiliCorp's Abandoned Call Rate for the years 1997, 1998 and
7 1999?

8 A. UtiliCorp's Abandoned Call Rate for 1997, 1998 and 1999 was **_____,
9 _____**, respectively. (Source: Response to Staff Data Request No. 3903,
10 Case No. EM-2000-292)

11 Q. What was UtiliCorp's ACR objective for the same periods?

12 A. UtiliCorp reported that its objective for the same period was a range of
13 **_____**. UtiliCorp indicated to the Staff during an onsite visit that it intended to
14 develop a more definitive objective once it had sufficient historical data in place after
15 converting to its new CIS Plus system.

16 Q. What is the Staff's position regarding ACR and other customer service
17 objectives?

18 A. The Staff's position regarding the establishment of customer service
19 objectives is that objectives in this area should meet three criteria:

- 20 1) Objectives should be clearly defined,
21 2) Objectives should be challenging, but realistic,
22 3) Objectives should be measurable.

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1 The above criteria for ACR was applied in the development of recommended
2 ACR (and ASA) objectives in three previous merger cases. These cases are addressed in
3 testimony submitted by Staff witness Kiebel in this proceeding.

4 The ACR objective is an important management tool by which to measure
5 company performance in the Call Center. A clear and specific objective that meets the
6 criteria described above is indicative of the importance a company places upon its
7 response to customer calls. An objective, with a wide range for acceptable performance
8 such as the one established by UtiliCorp, has a dilutive impact in that the range is of such
9 magnitude that the objective is not clearly defined and most likely does not provide a
10 sufficient challenge. When a wide-range objective exists, such as that provided by
11 UtiliCorp, employees receive a mixed message from management as to its true goal.
12 UtiliCorp employees and its customers could interpret the message from UtiliCorp
13 management as the **__** Abandoned Call Rate is the UtiliCorp's goal, but a negative
14 performance of **____** that is still acceptable.

15 In addition, the ACR objective should be revisited annually by UtiliCorp to
16 ensure that the objective is appropriate or determine whether it should be adjusted for
17 known or anticipated factors. UtiliCorp should carefully monitor its performance against
18 its objective.

19 As noted in Ms. Niemeier's testimony in Case No. EM-2000-292, even though
20 UtiliCorp's actual ACR performance from 1997 to 1999 ranged from a low of **__**
21 to a high of **____**, UtiliCorp did not modify its ACR objective in that time period.

22 Q. What was Empire's Abandoned Call Rate for 1997, 1998 and 1999?

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1 A. In data provided in response to Staff Data Request No. 3922, the Staff
2 calculated Empire's ACR to be 2% for 1997, and 3% for 1998 and 1999.

3 Q. Did Empire have an objective for Abandoned Call Rate for those years?

4 A. Empire indicated that it did not have an Abandoned Call Rate objective, as
5 it strives for zero abandoned calls. Philosophically, Empire management indicates that it
6 is of the opinion that no calls should be abandoned.

7 Q. Does the Staff arrive at any conclusions upon the Abandoned Call Rate
8 data of both UtiliCorp and Empire?

9 A. Yes. Even though neither Company had an objective for ACR that meets
10 Staff's criteria for establishing such objectives, Empire had significantly better
11 performance than UtiliCorp in this area. Based upon the Staff's knowledge of the
12 performance of other Call Centers in Missouri, an abandoned call rate of 2% to 3% is
13 very good.

14 Q. Can any other conclusions be reached between the differences in
15 UtiliCorp's and Empire's Call Centers?

16 A. Yes. Philosophically, Empire believes that if there is an available
17 customer service representative, the next incoming call should automatically be routed to
18 that representative, avoiding the voice response unit (VRU). In other words, if there is an
19 available customer service representative when a customer calls, his or her call will
20 automatically be answered by a person. UtiliCorp's philosophy is to route all calls first
21 through the VRU and to later have the call responded to by an actual Customer Service
22 Associate.

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1 Q. Does the Staff have any recommendations regarding UtiliCorp's ACR in
2 the event that the Commission is disposed to approve the merger between Empire and
3 UtiliCorp?

4 A. Yes. The Staff is concerned about the contrast in performance between
5 Empire and UtiliCorp with regard to the Abandoned Call Rate indicator. As mentioned
6 previously, Call Center performance is becoming increasingly important to utility
7 customers as local business offices close and greater dependence is placed upon the Call
8 Center for assistance.

9 If the proposed merger is approved, all calls from the Missouri customers of
10 Empire will be routed to UtiliCorp's Raytown Call Center and the current customers of
11 the Empire will be subject to the systems, processes and practices of that Center which in
12 relevant part are established above.

13 The Staff recommends that UtiliCorp establish a specific ACR objective instead
14 of an objective with a range. In this proceeding, the Staff agrees with Ms. Niemeier's
15 testimony in Case No. EM-2000-292 which recommended an ACR objective for
16 UtiliCorp of ** __ **. However, the Staff notes that an ** __ ** ACR is clearly greater
17 than the 3% ACR currently experienced by Empire's customers. Establishing an
18 objective better than ** __ ** for UtiliCorp would most likely be unrealistic based upon
19 UtiliCorp's historical data. The Staff would also propose that a variance of 50 basis
20 points be added to this objective for purposes of implementing potential remedial actions
21 as outlined in Staff witness Kiebel's testimony. The 50 basis point variance level will
22 result in a maximum allowable level of ** ____ **. This variance allows for or takes into
23 account occurrences outside of UtiliCorp's control that may impact the attainment of the

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1 objective and is consistent with agreements made with other utilities in the context of
2 merger and sale cases. Such agreements are also described in Staff witness Kiebel's
3 testimony.

4 Q. How did the Staff determine the **__** ACR objective?

5 A. There were a number of factors that resulted in the Staff's **__**
6 recommendation. As stated previously, UtiliCorp's objective for years 1997, 1998 and
7 1999 was in a range of **____**_. UtiliCorp indicated that its actual ACR results for
8 those years was negatively impacted by a variety of occurrences including training for the
9 new customer service information system, CIS Plus, Year 2000 efforts and other matters.
10 It is the Staff's opinion that the recommended ACR of **__** with a 50 basis points
11 variance meets the criteria of being 1) clearly defined 2) challenging but realistic and 3)
12 measurable. The suggested ACR of **__** is approximately the mid-point of
13 UtiliCorp's objective range and past performance indicates UtiliCorp achieved this
14 recommended ACR in 1998.

15 Q. Does the Staff make any recommendations to UtiliCorp regarding its
16 process used to set its ACR objectives?

17 A. Yes. Regardless of whether or not the merger is approved, the Staff
18 recommends that UtiliCorp revisit its ACR objective every year and apply the three
19 criteria above in developing a single objective as opposed to a range. The Staff
20 recommends that UtiliCorp evaluate its ACR figures for the three previous years to
21 establish its ACR objective and consider any other known factors that would impact its
22 performance.

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1 **Average Speed of Answer Indicator**

2 Q. The other objective specifically mentioned earlier in your testimony was
3 Average Speed of Answer (ASA) or Average Delay Time. What was UtiliCorp's ASA
4 for 1997, 1998 and 1999?

5 A. UtiliCorp's actual ASA was ** _____ **
6 for 1997, 1998 and 1999, respectively.

7 Q. What was UtiliCorp's ASA objective for this time period?

8 A. UtiliCorp's objective was ** _____ ** for years 1997, 1998 and
9 1999.

10 Q. What is the Staff's position regarding UtiliCorp's ASA objective?

11 A. As presented previously, it is the Staff's opinion that an objective should
12 meet three criteria:

- 13 1) Objectives should be clearly defined,
14 2) Objectives should be challenging, but realistic,
15 3) Objectives should be measurable.

16 UtiliCorp's objective does not meet these criteria as the acceptable range of
17 performance is so wide as to not be clearly defined, nor challenging but realistic. To rely
18 upon such a broad range of an acceptable ASA undermines the value of a single target for
19 which to strive. Just as a precise percentage is recommended for an ACR objective, a
20 precise number of seconds should be used in establishing an objective for ASA, rather
21 than a wide range. With a specific number of seconds communicated as UtiliCorp's ASA
22 objective, employees are clear about management's expectations.

23 Q. What was Empire's Average Speed of Answer for 1997, 1998 and 1999?

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1 A. For 1997, 1998 and 1999, Empire's Average Speed of Answer was
2 29 seconds, 102 seconds and 126 seconds, respectively. Empire's response, however, to
3 Staff Data Request No. 3957, indicated that Empire's Average Speed of Answer during
4 the most recent three months has begun to decline. Empire has indicated that this decline
5 is a result of Call Center Staff returning to regular Call Center duty and becoming more
6 comfortable with the new Centurion system. Empire anticipates the decline of its ASA
7 results to continue.

8 Q. Did Empire have an objective for its ASA for the years 1997, 1998 and
9 1999?

10 A. Yes. Empire indicated that its objective for all three years was
11 29 seconds, which was its best performance of the three years.

12 Q. Empire recorded a substantial increase in its Average Speed of Answer
13 during 1998 and 1999 compared to 1997. What factors contributed to the decrease in
14 performance?

15 A. Empire indicated that the conversion to its new customer information
16 system, Centurion, contributed heavily to the decreased performance of its Call Center
17 from 1998 to 1999. A number of employees from the Call Center worked on the
18 Centurion System and were not able to take calls that they normally would have
19 answered. Conversion to Centurion was critical to address Year 2000 concerns and
20 Empire indicated it had to do everything possible to ensure the new system was operable
21 by January 1, 2000. In addition, Empire indicated it has lost some employees since the
22 proposed merger was announced, and the combination of these factors has had an adverse
23 impact on its ASA performance.

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1 Q. Does the Staff have any recommendations regarding UtiliCorp's ASA in
2 the event that the Commission is disposed to approve the merger between Empire and
3 UtiliCorp?

4 A. Yes. As indicated previously, calls received from Empire customers will
5 be received in the UtiliCorp Call Center. The Average Speed of Answer for all of these
6 calls will be reflected in a single indicator. The Staff recommends that UtiliCorp
7 establish a specific ASA objective of ** _____ ** which is consistent with the
8 recommendation of Staff witness Niemeier in Case No. EM-2000-292. The Staff would
9 propose a variance of 5% be added to this objective for the purpose of remedial action, as
10 also described in Staff witness Kiebel's testimony in this docket. This variance will
11 allow for occurrences beyond the control of UtiliCorp that may impact the attainment of
12 the objective and will result in a maximum allowable ASA of ** _____ **.

13 Q. How did the Staff arrive at this recommended Average Speed of Answer?

14 A. As indicated in Staff witness Niemeier's testimony in Case No.
15 EM-2000-292, three years of UtiliCorp's ASA data was averaged in developing the
16 proposed ASA objective. Years 1997, 1998 and 1999 produced an average ASA of
17 ** _____ **. The Staff also considered the ASA
18 data provided by Empire whose ASA average for the three most recent calendar years
19 was 85.67 seconds, i.e., $(29 + 102 + 126) \text{ seconds} / 3$. Empire's rationale for its ASA
20 figures for 1998 and 1999 was explained previously.

21 Q. Does the Staff have any additional recommendations regarding
22 UtiliCorp's process in establishing its ASA objective?

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1 A. Yes. Regardless of whether or not the merger is approved, the Staff
2 recommends that UtiliCorp's ASA objective be revisited and evaluated every year. The
3 Staff recommends that UtiliCorp assess its ASA figures for the three previous years to
4 establish an ASA objective that meets the three criteria that have been previously
5 discussed. As indicated, the objective should be revisited annually to verify that the
6 objective continues to be appropriate, meaningful, and meets the three criteria presented
7 in this testimony.

8 Summary Regarding Customer Service Indicators

9 Q. Summarize your recommendations regarding customer service indicators
10 for UtiliCorp and Empire should the Commission be disposed to approve the merger.

11 A. Based upon the information above, the Staff recommends an ACR of
12 **__** and an ASA of **_____** for the post-merger Missouri operations of
13 UtiliCorp should the merger be approved. Indicators such as these are critical in
14 determining that customer service does not decline during the transition from two Call
15 Centers of two different utilities to one Call Center for a merged utility. These indicators
16 will serve to assess and determine the level of customer service experienced by customers
17 in the post-merger company.

18 Q. Does the Staff have a recommendation to the Commission regarding the
19 monitoring and reporting of these proposed indicators?

20 A. Yes. Staff witness Kiebel will address the Staff's recommendation for
21 monitoring and reporting as well as the process for UtiliCorp to take actions to remedy
22 negative deviation from the indicators.

Business Office Closings

Q. Are there any other customer service issues you wish to address?

A. Yes, the closing of Empire business offices by UtiliCorp should the proposed merger be approved is another customer service issue I would like to address.

Q. Has UtiliCorp indicated its intention to close business offices?

A. Yes.

Q. Has UtiliCorp submitted studies and analysis that support its decision to close offices?

A. Yes. The Staff requested specific analysis performed by UtiliCorp with regard to its plans to close the**_____**. UtiliCorp provided the Staff with information concerning a variety of costs with respect to leasing facilities, janitorial services, operating budgets and other costs. The Staff has no position currently regarding UtiliCorp's planned action; however, the Staff encourages UtiliCorp to consider a variety of criteria before making the decision to close business offices.

Factors such as the length of travel time for customers who wish to speak in person to a Customer Service Associate and provisions for adequate pay station arrangements that permit customers to pay a portion of their bill should be evaluated. In addition, UtiliCorp should consider the handling of bills paid after the delinquent date. UtiliCorp's plans for permitting other payment options such as payment by credit card (addressed by Staff witness Kiebel) and the use of night depositories should also be considered. The additional costs of sufficient Call Center staffing to accommodate increased call volumes should be evaluated. UtiliCorp should also develop an understanding of the number and nature of the contacts with customers that presently

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1 occur at the business offices. Finally, UtiliCorp should make efforts to inform customers
2 and the local community, in a clear and timely manner, of the changes that are to take
3 place.

4 Q. Did the studies provided by UtiliCorp supporting its conclusion to close
5 business offices include evaluation of the above criteria?

6 A. No. In response to Staff Data Request No. 3958, which requested that
7 UtiliCorp "provide copies of all studies and analyses that were performed by UtiliCorp
8 United Inc., regarding any planned business office closings," UtiliCorp submitted four
9 pages of expense data concerning Empire business offices. UtiliCorp did indicate to the
10 Staff in an on-site visit, that UtiliCorp employees had made at least two visits to all
11 Empire business offices.

12 **Summary and Conclusions**

13 Q. Can customer service measurements, such as those described in this
14 testimony, provide complete assurance that customer service is adequate?

15 A. No. While ACR and ASA are valuable management tools and can lead to
16 some conclusions regarding customer service, they cannot assure that deficiencies are not
17 present in other customer service activities. Indicators serve an important role, but
18 cannot replace a customer service review that analyzes and examines customer service's
19 processes and practices.

20 Q. Does this conclude your rebuttal testimony?

21 A. Yes, it does.

In the Matter of the Joint Application of)
 UtiliCorp United Inc. and The Empire District)
 Electric Company For Authority To Merge The)
 Empire District Electric Company With and Into) EM-2000-369
 UtiliCorp United Inc. and, In Connection)
 Therewith, Certain Other Related Transactions,)
 Filed.)

STATE OF MISSOURI)
)
COUNTY OF COLE) ss.

Lisa A. Kremer
Lisa A. Kremer

ANNETTE KEHNER
Notary Public – Notary Seal
STATE OF MISSOURI
Cole County
My Commission Expires: July 17, 2003

Ernette Kerner