

Exhibit No.:  
Issue: Service Quality; JD Power Results  
Witness: Jimmy D. Alberts  
Type of Exhibit: Rebuttal Testimony  
Sponsoring Party: Kansas City Power & Light Company  
Case No.: ER-2009-0089  
Date Testimony Prepared: March 11, 2009

**MISSOURI PUBLIC SERVICE COMMISSION**

**CASE NO.: ER-2009-0089**

**REBUTTAL TESTIMONY**

**OF**

**JIMMY D. ALBERTS**

**ON BEHALF OF**

**KANSAS CITY POWER & LIGHT COMPANY**

**Kansas City, Missouri  
March 2009**

**\*\* [REDACTED] \*\* Designates "Highly Confidential" Information  
Has Been Removed  
Pursuant To 4 CSR 240-2.135.**

**REBUTTAL TESTIMONY**

**OF**

**JIMMY D. ALBERTS**

**Case No. ER-2009-0089**

1 **Q: Please state your name and business address.**

2 A: My name is Jimmy D. Alberts. My business address is 1201 Walnut, Kansas City,  
3 Missouri 64106.

4 **Q: By whom and in what capacity are you employed?**

5 A: I am employed by Kansas City Power & Light Company (“KCP&L”) as Vice President -  
6 Customer Service. I also serve in that capacity for KCP&L Greater Missouri Operations  
7 Company (“GMO”).

8 **Q: What are your responsibilities?**

9 A: My responsibilities include managing the Customer Service function at KCP&L and  
10 GMO. This includes the call center, meter reading and field services, billing, collections,  
11 customer relations, training, and quality assurance/performance management.

12 **Q: Please describe your education, experience and employment history.**

13 A: I have a bachelor’s degree in Business Administration from Minnesota State University at  
14 Mankato, and an MBA from Drake University in Des Moines, Iowa. I have 22 years  
15 experience in the utility industry in various management roles. Those roles include,  
16 Operations Management, Quality Assurance, Six Sigma Deployment Leader, and Vice

1 President of Central Services at Aquila, and currently Vice President of Customer Service  
2 at KCP&L.

3 **Q: Have you previously testified in a proceeding at the Missouri Public Service  
4 Commission or before any other utility regulatory agency?**

5 A: Yes. I pre-filed Direct Testimony in GMO's pending rate case, Case NO. ER-2009-0090.

6 **Q: What is the purpose of your Rebuttal Testimony?**

7 A: The purpose of my Rebuttal Testimony is to address issues raised by the Staff of the  
8 Missouri Public Service Commission in its *Cost of Service Report* in this case concerning  
9 KCP&L call center operation service quality. I also rebut the discussion of the alleged  
10 decline in KCP&L's JD Power customer service scores proffered at pages 92 through 93  
11 by Staff witness Charles R. Hyneman.

12 **Q. What areas will you address?**

13 A. I will provide some clarity as to what impacted call center operations at the time of  
14 KCP&L's acquisition of Aquila and the integration of each company's call centers. Also,  
15 I wish to offer perspective on the slight increase of customer complaints filed with the  
16 Missouri Public Service Commission ("Commission"). Furthermore, I will address JD  
17 Power customer service satisfaction scores.

18 **Q: What is the Company's overall view on its commitment to customer service?**

19 A: KCP&L has a long history of improving service over time. In fact, even though the  
20 Company experienced technical difficulties beyond its control following the integration  
21 of KCP&L and Aquila operations in July 2008, all performance metrics demonstrate a  
22 positive trend of improvement. It is helpful to understand that following the operational  
23 integration of two major companies, there are likely to be issues that come up no matter

1       how much testing and preparation is done. What demonstrates our commitment to  
2       service is our speed of identifying the issues and fixing them. It is my experience that  
3       major integrations often take significantly longer to return to near normal performance.  
4       KCP&L is dedicated to keep our commitment of transparency with the Commission's  
5       Staff by communicating directly all issues that were encountered during the integration,  
6       as well as issues that may arise going forward. We have also held our first two quarterly  
7       review meetings with the Staff to highlight current performance, discuss trends,  
8       opportunities and issues. These meetings have proven to be very beneficial.

9   **Q:   What is KCP&L's philosophy relating to customer service operations?**

10  A:   KCP&L's operating philosophy is to manage as one company from the customer point of  
11  view, even though it is different for regulatory purposes. This means we have one point  
12  of contact staffed by call center agents to answer calls for the entire customer base. A  
13  natural outcome of that process is a leveling or averaging effect between KCP&L's and  
14  GMO's past performance. The overall average becomes the new combined company's  
15  customer service performance, which is very respectable.

16  **Q:   What impact did issues immediately following integration have on service and what  
17  has changed since that time?**

18  A:   We recognize that our performance for the abandoned call rate and average speed of  
19  answer fell below expectations for July through September 2008. However, performance  
20  during that period was not indicative of our most recent performance and KCP&L's  
21  commitment to timely and quality service.

22  **Q:   What do your most recent performance metrics indicate?**

1 A: During the period, October through December 2008, average speed of answer was  
2 consistently equal to or better than the same period in 2007.

- 3 • The combined October 2008 ASA was 36 seconds, compared to 42 seconds in  
4 October 2007 for GMO, and 104 seconds for KCP&L.
- 5 • The combined November 2008 ASA was 24 seconds. The November 2007 ASA  
6 was also 24 seconds for GMO, and 48 seconds for KCP&L.
- 7 • The combined December 2008 ASA was 31 seconds compared to 21 seconds in  
8 December 2007 for GMO, and 59 seconds for KCP&L. December 2008  
9 performance was significantly impacted by a late month storm and related power  
10 outages. To give a view of performance excluding storm impacts, the average  
11 speed of answer for the period December 1-26 was 14 seconds.
- 12 • In addition, the combined January 2009 ASA was 16 seconds, compared to 19  
13 seconds in January 2008 for GMO, and 39 seconds for KCP&L. This  
14 demonstrates KCP&L's commitment to quality service.

15 During the period October through December 2008, the abandoned call rate was  
16 higher than the same period in 2007. However, the abandoned call rates for each month  
17 were all below 5%, which is a very respectable performance level.

18 **Q: What do you believe was impacting performance levels?**

19 A: The performance levels for the first three months of integration were indicative of  
20 transition related issues, such as, integration of call center staffs and the use of  
21 technology in the handling of calls. I would highlight that the performance after  
22 September 2008 has been very favorable, and demonstrates that performance levels of the

1 first three months were not systemic performance issues and not reflective of our longer-  
2 term performance.

3 **Q: Are there other things that continue to impact performance?**

4 A: From time to time, there are short-term impacts to performance due to various events,  
5 including power outages, telecommunication providers, and hot weather.

6 **Q: What trends have you witnessed since integration of the call centers?**

7 A: We noticed that the increase in call volumes seen after integration did level off to some  
8 degree once the technical problems were repaired, but it leveled off at around 15% higher  
9 than the prior year. To put it in perspective, this increase could represent an additional  
10 700 calls per day. Also, the impact of the overall economy has directly caused an  
11 increase in call volumes. We constantly look for ways to improve our service delivery as  
12 a way to offset the impact of higher call volumes, which we review during our quarterly  
13 sessions with Staff.

14 **Q: What is your perspective on the slight overall increase in customer complaints?**

15 A: The economic environment has caused an increase in customer complaints regarding  
16 disconnection of service, denial of service and payment arrangement cases. If these  
17 economically sensitive types of complaints are factored out, there is no appreciable  
18 change in the volume of complaints when compared to pre-integration operations. This  
19 implies that customers are not complaining incrementally regarding access or availability  
20 of customer service agents, or their service delivery. As the economy tightens and the  
21 number of customers becoming potentially eligible for disconnection rises, it is a  
22 reasonable to expect that the number of complaints around the disconnection process will  
23 also increase. Internally we are focused on our responsiveness to the complaints that

1 come to us from staff or customers, acknowledging that as the landscape changes,  
2 complaints may also increase.

3 **Q: What is your assessment of KCP&L's service statistics compared to the concerns**  
4 **Staff raises?**

5 A: Yes. A review of KCP&L's overall annual statistics for complaints demonstrates that the  
6 numbers reflect a different trend than in Staff's report. The chart below highlights those  
7 results.

Customer Complaints				
2007		2008		
	#	Per 1,000 Customers	#	Per 1,000 Customers
KCP&L	217	0.91	248	1.03
GMO	206	0.76	192	0.70

8  
9 The numbers do not reflect significant differences year over year and indicates  
10 stability from the customer's point of view. As previously discussed, there were  
11 increases in the specific types of complaints regarding denial of service, payment  
12 arrangements, and disconnection of service, but those increases can be attributed to  
13 economic pressures on customers. A review of these increases was made with Staff  
14 during the most recent quarterly review so stakeholders have a common understanding  
15 about what was happening.

16 **Q: Do you have any concerns with the recommendation by Staff?**

17 A: No. We are committed to our agreements with Staff to have transparency in our  
18 customer service operations as well as meeting quarterly to review performance.

19 **Q: Can you explain your exception to Mr. Hyneman's testimony?**

1 A: Yes. Mr. Hyneman uses recent JD Power customer satisfaction metrics to support his  
2 contention that KCP&L's quality of service has declined since the implementation of the  
3 Talent Assessment Program. His analysis is not complete. I will offer additional  
4 information to put the JD Power scores regarding residential and business customer  
5 satisfaction into context.

6 Q: **What were the drivers to the residential satisfaction scores?**

7 A: \*\* [REDACTED]  
8 [REDACTED]  
9 [REDACTED]  
10 [REDACTED]  
11 [REDACTED]  
12 [REDACTED]  
13 [REDACTED]  
14 [REDACTED]  
15 [REDACTED]\*\*

16 Q: **Explain what affected the business customer satisfaction score?**

17 A: I agree that KCP&L business customer satisfaction declined in 2008 when compared to  
18 the 2007 results. However, KCP&L was still ranked in Tier II—well above the Midwest  
19 and industry averages in 2008. In 2009, \*\* [REDACTED]  
20 [REDACTED]  
21 [REDACTED]  
22 [REDACTED]  
23 [REDACTED]



1 [REDACTED]  
2 [REDACTED]  
3 [REDACTED]  
4 [REDACTED]\*\*

5 **Q: Can you explain this decline of business customer satisfaction across the industry?**

6 A: No, I cannot. The decline across the industry seems to indicate that there are pressures in  
7 the marketplace that are affecting business customer satisfaction at some systemic level  
8 without discrimination or bias. Mr. Hyneman associating a decline in KCP&L's JD  
9 Power satisfaction scores to the Talent Assessment Program is not supported by the data  
10 and is not consistent with the systemic decline across the industry.

11 **Q. Does that conclude your testimony?**

12 A. Yes, it does.

BEFORE THE PUBLIC SERVICE COMMISSION  
OF THE STATE OF MISSOURI

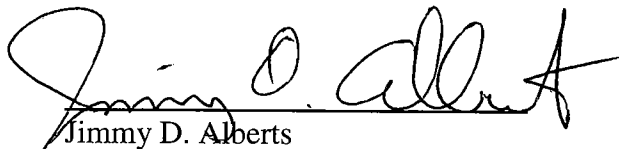
In the Matter of the Application of Kansas City )  
Power & Light Company to Modify Its Tariff to ) Case No. ER-2009-0089  
Continue the Implementation of Its Regulatory Plan )

**AFFIDAVIT OF JIMMY D. ALBERTS**

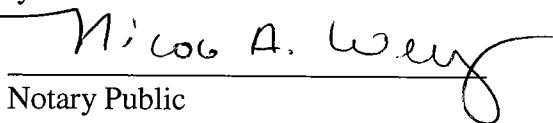
STATE OF MISSOURI )  
) ss  
COUNTY OF JACKSON )

Jimmy D. Alberts, being first duly sworn on his oath, states:

1. My name is Jimmy D. Alberts. I work in Kansas City, Missouri, and I am employed by Kansas City Power & Light Company as Vice President, Customer Services.
  
2. Attached hereto and made a part hereof for all purposes is my Rebuttal Testimony on behalf of Kansas City Power & Light Company consisting of eight (8) pages and Schedule(s) \_\_\_\_\_ through \_\_\_\_\_, all of which having been prepared in written form for introduction into evidence in the above-captioned docket.
  
3. I have knowledge of the matters set forth therein. I hereby swear and affirm that my answers contained in the attached testimony to the questions therein propounded, including any attachments thereto, are true and accurate to the best of my knowledge, information and belief.

  
Jimmy D. Alberts

Subscribed and sworn before me this 16<sup>th</sup> day of March 2009.

  
Notary Public

My commission expires: Feb. 4, 2011

