

**BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI**

In the Matter of a Collaborative Workshop for)
Customer Education and Outreach Regarding)
the Introduction of Default Time-of-Use Rates) File No. EW-2023-0199
by Evergy Metro, Inc. d/b/a Evergy Missouri)
Metro and Evergy Missouri West, Inc. d/b/a)
Evergy Missouri West)

**EVERGY MISSOURI METRO’S AND EVERGY MISSOURI WEST’S
REPLY TO OPC QUESTIONS REGARDING
THE PLANNING OF TIME OF USE CAMPAIGN**

COMES NOW, Evergy Metro, Inc. d/b/a as Evergy Missouri Metro (“Evergy Missouri Metro”) and Evergy Missouri West, Inc. d/b/a Evergy Missouri West (“Evergy Missouri West”) (collectively, “Evergy” or the “Company”) and, for its Reply (“Reply”) to the Office of the Public Counsel’s (“OPC”) questions regarding the planning of Evergy’s Time of Use (“TOU”) campaign, states as follows:

Evergy appreciates the comments and feedback it has received from its stakeholders and welcomes the opportunity to further consider and incorporate stakeholder suggestions as appropriate as the Company continues to develop its default TOU implementation plan.

Based on discussion and feedback from Staff (“Staff”) for the Missouri Public Service Commission (“Commission”) and OPC during the March 28, 2023, workshop, Evergy has determined that it will modify its proposed timeline to begin communicating with customers regarding the default rate. Evergy will bring forward its education campaign launch by approximately two months beginning in June. Evergy’s TOU education strategy, objectives and campaign phases and timeline are detailed in **Attachment A**. Evergy will provide more detailed information regarding Attachment A on May 23, 2023, at the next TOU workshop that will be held in-person on May 23, 2023, from 10:00 am to 12 noon at the Governor’s Office Building in Jefferson City, Missouri.

As indicated in the January 17, 2023 *Status Report*, the Company intends to share a firmer plan with milestones, as well as a continued update on implementation activities during the May 23, 2023 workshop. The Company looks forward to continuing productive engagement and collaboration with Staff, OPC, and other interested parties.

OPC Q1: The Company’s Explicitly Stated Goal(s) Behind its TOU Rollout.

The Company believes that through the Commission’s open discussions and orders, the Commission has signaled what the goals of Evergy’s TOU rollout should be. Evergy has built its implementation goals based on their direction.

Evergy’s TOU Implementation Goals:

1. Prepare customers for the upcoming change in rate structures, including the new mandatory rate, and how TOU rates work.

“Have had success with customer education and transitions in the past. I’m confident they will do a good job and have a robust education program put out to allow people to understand...” – Commissioner Rupp, November 9, 2022, Agenda Meeting Discussion

2. Offer choice and inform customers of their rate options and the benefits depending on the customer’s lifestyle.

“Offering both high and low differential TOU rates will allow for more customer choice, will sufficiently introduce TOU rates to customers and will allow a higher differential rate to exhibit the benefits that derive from TOU rates. But the Commission also understands that allowing the option to opt-into a lower differential rate may better suit certain customers’ lifestyles.” Commission’s Amended Report and Order, Page 71.

“Evergy’s additional proposed TOU rates (3-period TOU rate; the High Differential EV TOU rate; and the Separately Metered Electric Vehicle TOU rate) will further advance customer choice. The Commission finds these additional proposed TOU rates reasonable and will also approve them as opt-in rates.” Commission’s Amended Report and Order, Pg. 72

“I mean giving people more information and more power and more control and more choices is awesome.” – Commissioner Rupp, November 9, 2022, Agenda Meeting Discussion

“Evergy’s objective will be to educate customers on the other optional TOU rates and the benefit of behavioral change(s) to realize bill savings, depending on the customer’s lifestyle.” Evergy’s Request for Rehearing, page 7.

Issue L, XVIII. “Should Evergy work to improve the education of its customers regarding the billing options and rate plans it has currently?” Chair Silvey, “I think the discussion we just had should inform (issue L)...” November 9, 2022, Agenda Meeting Discussion.

3. Provide customers with tools, resources, and reports that serve to help them understand TOU rates and options, empower them to choose their rate, and provide guidance to modify their behaviors so that they can mitigate usage and bill impact to increase their success on a TOU rate.

“Education is one thing but having the tools necessary in the form of software application on your phone. Being able to empower the ratepayer to track and monitor and control their own usage...” “As we go forward here, not just from an education standpoint of informing people but really providing them the tools necessary to be successful with the program, I would strongly encourage” – Commissioner Holsman, November 9, 2022, Agenda Meeting Discussion.

“... I absolutely agree with that. And I will say to the Company’s credit, they started to move to this technology years ago and on their customer outreach they do a great job offering different avenues and windows into their company and their customer experience.” Chair Silvey, November 9, 2022, Agenda Meeting Discussion.

“Commissioner Holsman, I agree 100%. I know the company based on the different things they have shown us has been investigating all the different technologies and things from the app from shadow bill they have been studying this and looking at what others have been doing around the country. I am excited to see how robust and innovative they can be.” – Commissioner Rupp, November 9, 2022, Agenda Meeting Discussion

“I don’t want the program to fail on the ratepayer side when the tools exist to help them be successful.” – Commissioner Holsman, November 9, 2022, Agenda Meeting Discussion

4. Help all customers (and with increased emphasis on special customer groups) be successful before, during and after the mandatory TOU rate transition and/or enrollment on their selected TOU rate option.

“I’m very confident the company going to be on top of this. Be able to recognize that and look out and monitor and look out for some issues they might see and be able to priorities addressing those with individual customers.” – Commissioner Rupp, November 9, 2022, Agenda Meeting Discussion

OPC Q2: A List of Performance Metrics to Gauge Success.

5. Metrics and KPIs are an important part of any education planning and Evergy will have campaign success metrics and metrics for education and awareness tactics. Evergy is finalizing these metrics and will share them on May 23, 2023, which is the next workshop with stakeholders.

OPC Q3: Key Deliverable Dates of the Overall Rollout Timeline (ex. Customer Service Training Date, First Wave of Advertising, etc.).

6. Based on discussion and feedback from Staff and OPC during the March 28, 2023, workshop, Evergy has determined that it will modify its proposed timeline to begin communicating with customers regarding the default rate. Evergy will bring forward its education campaign launch by approximately two months beginning in June. Evergy’s TOU education strategy, objectives and campaign phases and timeline are detailed in Attachment A. Evergy will provide more detailed information regarding Attachment A on May 23, 2023.

OPC Q3a: Will Evergy Be Able to Walk Us Through its Planned Actions from June Through December on a Month-by-Month if Not Week-by-Week Basis?

7. Evergy is developing a flow chart that will show the planned education and engagement tactics by month through December 2023. While Evergy will share a draft of this flow chart in the May workshop as part of its Education Plan, this document will evolve and adapt based

on education campaign performance, metric results, and any unexpected issues that arise during the rollout.

OPC Q4: A List of Communication “Touchpoints” or Communication Mediums and Examples of the Message.

8. Evergy’s marketing team is developing the customer education and engagement plan currently and will share communications plan by phase and by channel, including messaging examples, during the May workshop. The Company plans to use many of the example touchpoints listed in OPC’s questions, including (but not limited to) billboards, news media outreach, radio, digital services, bill inserts, and more.

OPC Q5: We Are Also Requesting (as Soon as Possible):

a. A walk-through of on-bill portal experience including rate selection and on-going portal customer feedback

9. Evergy is adding six new rates to the Online Rate Analysis Tool and targeting production readiness in June 2023. The rates include:

- Residential TOU 2-Period Rate, rate codes 1RTOU2 and MORT2
- Residential Peak Adjustment Service, rate codes 1RPA and MORPA
- Residential High Differential TOU, rate codes 1RTOU3 and MORT3

10. Evergy’s existing 3-period TOU rate (rate codes 1RTOU and MORT) was updated to reflect approved rate pricing in accordance with the rate case order. These rate codes are modeled and are in production for customer use.

11. To further enable digital rate education, Evergy is also modeling the Residential Separately Metered EV Time-of-Use rate (rate codes 1RTOUEV and MORTEV) so that customers can see costs on this rate in digital tools (such as Data Browser, Bill Forecast and other functionality reliant and/or enhanced modeled rates). This rate will not be included in the Online Rate Analysis Tool since it only applies to separately metered situations and there is no rate to compare. Evergy is targeting production readiness of this rate in digital tools in the Fall 2023.

12. Evergy plans to preview the portal experience during the May TOU workshop. Overall, the tools and experience will be very similar to what was shared with stakeholders for its 3-period TOU program.

b. Customer service script(s) and a general description of call-center training and staff numbers

13. Evergy is preparing a training program for its Customer Service Representatives (CSR) and hiring additional contingent CSR support. Evergy is developing a TOU-focused team of up to 30 CSRs to be fully dedicated to answering questions and assisting customers through rate education, rate selection and/or rate transition. However, Evergy may refine this number as details of customer impacts and education needs are more fully developed. While any CSR will be able to answer basic TOU questions, this TOU-focused team will manage longer and more detailed questions. From Evergy's experience with its 3-period TOU rate, TOU inquiries are longer than other contact center inquiries. Having a TOU-focused team, similar to Evergy's 3-period TOU launch, will allow Evergy to be prepared for an expected increase in call volume during the transition period.

c. A list of foreseeable issues with the rollout and what issue/threshold would trigger routing said call to a de-escalation representative.

14. Evergy's Contact Center will follow the resolution process in place to manage escalations. Supervisors are available to assist with customer concerns. CSRs are expected to make every effort to address customer concerns and de-escalate; however, there are times that speaking with another Supervisor is effective and will be an option.

OPC Q6: What is the Anticipated Budget and Specific Activities Being Funded? How Will Expenditures be Tracked and Would the Company be Opposed to Providing Periodic Updates on These Expenditures?

15. Evergy is currently working from the budget framework that was provided Exhibit A in its December 2022 Application for Rehearing. Evergy stated that the budget activities and range was subject to its continued implementation planning and design. As such, in the Amended Report and Order in Case Nos. ER-2022-0129/0130, the Commission ordered Evergy to submit quarterly reports detailing the types and amounts of any education and outreach expenses deferred that Evergy will seek to recover in its next rate case.

16. In its January 17, 2023, Status Report, the Company stated that it would submit a quarterly report beginning May 31, 2023 (for the period January 1, 2023 through March 30, 2023) and August 31, 2023 (through June 30, 2023); November 30, 2023 (through September 30, 2023) and February 29, 2024 (through December 31, 2023).

17. Evergy will be diligent and prudent in its incurrence of costs and expenses, and Evergy appreciates that the Commission provided this mechanism as an option for recovery of costs as Evergy builds its systems to implement the mandatory TOU rate and the optional rates, develop its education campaign and prepare its employees this significant change. It is Evergy's benefit to ensure that the Commission and stakeholders are provided detailed, but not burdensome, descriptions of expenses and costs.

Additional Recommends/Concerns

18. Evergy appreciates the recommendations and open discussion from OPC. Evergy will take each of these items into consideration and are actively working to address many of them already, which will also be discussed during the May workshop. Some initial thoughts:

Q1: Core Focus Should Be on the Default 2-Period TOU Rate

19. Evergy believes it can create a campaign that balances the need to help customers understand and be successful on the mandatory rate, while at the same time sharing with customers other TOU rate options, empowering them to make a choice that best fits their lifestyle and sharing the benefits of behavior changes to realize bill savings. Evergy believes the Commission's orders and comments also support this approach. Evergy appreciates and understands OPC's concerns about complicating the roll-out and will strive to minimize that possibility, while still providing customers multiple rate options.

Q2: Consider Explicitly Stating That the Cost of Energy Varies at Different Times and That Evergy's TOU Rates Were Designed to Minimize Costs to Customers

20. Evergy agrees – we believe that helping customers understand that the cost of energy varies by the time of day is an important and fundamental message within a TOU campaign, and was included within the 3-period TOU implementation. In addition, Evergy will include behavior change as one of the message points in this campaign.

Q3: Consider Specific Targeting Messaging That Addresses or Leverages:

- a. **Space heating customers approaching the winter season and/or;**
- b. **Impact (if any) on budget billing customers;**
- c. **Evergy West customers who will be impacted by securitization costs;**
- d. **Whether or not increased FAC costs should be part of the messaging; and**
- e. **Opportunity to promote demand side management programs.**

21. Evergy is working to address special customer groups, like space heating and seniors, within its campaign and will share details about these groups on May 23, 2023. Evergy agrees with OPC's earlier concern about over complicating the roll-out, and therefore we believe that items like FAC and securitization costs should not be part of this education campaign. Evergy

expects that DSM programs may be included in its 2024 campaign, following the initial campaign in 2023, which will be focused on providing education and resources to help coach customers to be successful on the mandatory TOU rate.

Q4: We Recommend That Evergy Temper Further Expense for Outside Analysts in the Future (e.g., Brattle)

22. Evergy understands OPC's concern for costs related to outside support. Evergy believes the Brattle research was foundationally important in helping the Company understand the impact the new rates will have on customers, especially certain customer segments like seniors and low-income. Brattle's insights into electric heat customers were especially important and will have a big impact on how Evergy addresses that customer group within the education campaign. In addition to Brattle, Evergy is engaging a third-party marketing agency consultant, as recommended by OPC's Geoff Marke in his rebuttal testimony. (OPC Witness Geoff Marke. Rebuttal Testimony, page 15, lines 17-25)

WHEREFORE, Evergy submits this Reply for the Commission's information.

Respectfully submitted,

/s/ Roger W. Steiner

Roger W. Steiner, MBN 39586
Phone: (816) 556-2314
E-mail: roger.steiner@evergy.com
Evergy, Inc.
1200 Main – 16th Floor
Kansas City, Missouri 64105
Fax: (816) 556-2110

James M. Fischer, MBN 27543
Fischer & Dority, P.C.
2081 Honeysuckle Lane
Jefferson City, Missouri 65109
Phone: (573) 353-8647
jfischerpc@aol.com

**Attorneys for Evergy Missouri Metro and Evergy
Missouri West**

CERTIFICATE OF SERVICE

I hereby certify that the above document was filed in EFIS on this 26th day of April 2023, with notification of the same being sent to all counsel of record.

/s/ Roger W. Steiner

Roger W. Steiner



Missouri TOU Education Plan

Draft





TOU Education Strategy

Strategy Overview: Use a phased approach, that incorporates both mass awareness and direct marketing tactics, to move a customer from **awareness** to **action** and then finally to **transition & success**.

Campaign Phase	Objective	Message Idea	Tactic Type
Phase 1 Awareness & Education June 15 th – Nov. 30 th , 2023	Inform customers that Missouri is changing rate structures soon and educate them on how TOU rates work.	Missouri will be changing electric rate structures starting this Fall. Learn how to prepare.	Mass Awareness
Phase 2 Action & Preparation Aug. 1 st – Nov. 30 th , 2023	Prepare customers for the upcoming change to default rate, inform them of their rate options & how they work, and encourage pre-selection of a rate.	As Missouri moves to TOU rates, Evergy is offering new personal power plans. Learn about your plan options and select a plan before October.	Mass Awareness and Direct
Phase 3 Transition & Coaching Oct. 1 st – Dec. 31 st , 2023	Ensure customers know they will be defaulted into a new rate and provide coaching to help them be successful on the new plan.	Your rate will change on X date. We are here to support your transition to TOU.	Direct
Phase 4 Success & Coaching Jan. 1 st – April 30 th , 2024	Help customers understand how their rate works and encourage shifting usage to off-peak times.	Your new rate allows you to save money by shifting to off-peak times. Here are tips and tricks to help you save.	Direct
Phase 5 Summer Prep & Coaching May 1 st – Sept. 30 th , 2024	Prepare customers for the change in summer pricing and provide tools, tips, and resources to avoid summer peak usage.	Prices change in the summer, start preparing your home and family to avoid high usage during the summer.	Mass Awareness and Direct



TOU Education Strategy

Mid-June	July	Aug.	Sept.	Oct	Nov.	Dec.
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Phase 1: Awareness & Education →

June 15th – Nov. 30th

Phase Objective
Inform customers that Missouri is changing rate structures soon and educate them on how TOU rates work.

Main Message Idea
Missouri will be changing electric rate structures starting this Fall. Learn how to prepare.

Tactics
Out-of-Home, Social, Digital Display, Email, Bill Inserts/Message, Direct Mail, Website, Media Relations, Search

Creative Approach
Text over branded background. CTA: Learn more at evergy.com

Phase 2: Action & Preparation →

Aug. 1st – Nov. 30th

Phase Objective
Prepare customers for change to default, inform them of their rate options & how they work, and encourage pre-selection of a rate.

Main Message Idea
As Missouri moves to TOU rates, Evergy is offering new personal power plans. Learn about your options & select a plan before Oct.

Tactics
Out-of-Home, TV/OTT, Radio, Digital Display, Search, Social, Media Relations, Rate Education Reports, Direct Mail, Events, Community Events & Special Group 1:1 Support, Website

Creative Approach
Addition of lifestyle images and rate plan creative. CTA: select your rate now.

Phase 3: Transition & Coaching →

Oct. 1st – Dec. 31st

Phase Objective
Ensure customers know they will be defaulted into a new rate and provide coaching to help them be successful on the new plan.

Main Message Idea
Your rate will change on X date. We are here to support your transition to TOU.

Tactics
Direct Mail, Email, Energy Coach Emails and Weekly Reports, Community Events & Special Group* 1:1 Support

Creative Approach
Energy Coach and detailed plan information.

Q1 2024	Q2 2024	Q3 2024	Q4 2024
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Phase 4: Success & Coaching →

Jan. 1st – April 30th, 2024

Phase Objective
Help customers understand how their rate works and encourage shifting usage to off-peak times.

Main Message Idea
Your new rate allows you to save money by shifting to off-peak times. Here are tips and tricks to help you save.

Tactics
Email, Direct Mail, Bill Inserts, Search, Digital, Energy Coach Emails, Rate Education Report, Special Group* 1:1 Support

Phase 5: Summer Prep & Coaching →

May 1st – Sept. 30th, 2024

Phase Objective
Prepare customers for the change in summer pricing and provide tools, tips, and resources to avoid summer peak usage.

Main Message Idea
Prices change in the summer, start preparing your home and family to avoid high usage during the summer peak.

Tactics
Out-of-Home, Radio, Social, Direct TV/OTT, Email, Bill inserts, Direct Mail, Special Group* 1:1 Support