

Exhibit No.: _____
Issue(s): Time of Use Education/Customer Complaints
Witness/Type of Exhibit: Kremer/Direct
Sponsoring Party: Public Counsel
Case No.: ER-2024-0189

DIRECT TESTIMONY

OF

LISA A. KREMER

Submitted on Behalf of the Office of the Public Counsel

**EVERGY MISSOURI WEST, INC. D/B/A
EVERGY MISSOURI WEST**

CASE NOS. ER-2024-0189

** _____ **
Denotes Confidential Information that has been redacted.

June 27, 2024

PUBLIC

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DIRECT TESTIMONY
OF
LISA KREMER
EVERGY MISSOURI WEST
CASE NO. ER-2024-0189

1 **I. INTRODUCTION:**

2 **Q. Please state your name, title, and business address.**

3 A. Lisa Kremer. Consultant for the Office of the Public Counsel (“OPC”). 705 Briarwood
4 Court, Jefferson City, MO, 65109.

5 **Q. Please describe your education and employment background.**

6 A. I have a Bachelor of Science Degree in Public Administration and a Master’s Degree in
7 Business Administration from Lincoln University. I am also a Certified Internal Auditor
8 (“CIA”) and a member of the Central Missouri Institute of Internal Auditors. I have over
9 35 years of utility regulatory experience with most of my experience occurring while
10 serving for approximately 31 years on the Staff of the Missouri Public Service Commission
11 (“Missouri PSC” or “PSC”), in analytical and management roles, performing and leading
12 management, operational and service quality audits, and reviews as well as other utility
13 investigatory work including utility rate, merger and complaint cases. After leaving my
14 employment with the Missouri PSC in 2018, I was employed for several years by the
15 Missouri Division of Energy as Manager of the Energy Policy and Resources Unit. For
16 the past two years I have been performing consulting work for the Missouri Office of Public
17 Counsel. A listing of more specific utility regulatory projects, audits, investigations and
18 reviews I have participated in and testimonies I have filed are included as Schedule LAK-
19 1 to my testimony.

20 **Q. What is the purpose of your Direct Testimony?**

21 A. The purpose of my Direct Testimony is to address concerns regarding customer education
22 in Evergy West’s (Evergy, Company) Time of Use Rate (TOU) implementation ordered
23 by the Commission in Case No. ER-2022-0130. I will also recommend, for the

1 Commission's consideration, a disallowance from future customer rates a portion of the
2 Company's TOU education costs in that effort. In addition, I will relay operational matters
3 regarding the Company's call center and direction of the Company's customer engagement
4 generally. I will also discuss the significant recent decline in the Company's **____ **
5 record that was commented on extensively in Committee Reports contained within its
6 Board of Directors Minutes, and the implications such decline could have on Company
7 operations and ultimately its customers. I will also address concerns regarding the
8 Company's retention of utility received customer complaints. Specifically, my testimony
9 will address:

- 10 1. Deficiencies and lost opportunities in the Company's Time of Use educational
11 efforts that may have long-term consequential impacts on customer negative
12 perceptions of Time of Use rates and broader public interest implications in the
13 multi-benefits of reducing energy consumption, particularly at peak times. Such
14 deficiencies and missed opportunities should be shouldered solely by the Company.
15
- 16 2. Evidence the Company's documented concerns that reduced energy consumption
17 would result in a reduction of Company revenues ultimately tainted Evergy's TOU
18 education and customer outreach. This includes providing customer-facing
19 messaging that included a "tone of blame" on the Missouri PSC, offering
20 insufficient education related to the new rates, and other actions that created
21 unnecessary and harmful customer concern and confusion over the transition to
22 Time of Use rates. Further, that these concerns of reduced revenues may have
23 delayed, for many years, the realization of Advanced Metering Infrastructure
24 (AMI) benefits that customers were entitled to by virtue of their paying for
25 Company AMI investments.
- 26 3. Violation of the public trust that should exist between a regulated monopolistic
27 utility and the captive customers it serves in TOU messaging that fueled customer
28 distrust rather than build, promote and encourage it.

- 1 4. Considerations for the Commission to disallow a portion of Evergy West’s costs
2 for its TOU educational deficiencies which may have ongoing customer
3 consequences in the form of customer confusion, apprehension, wariness, and
4 unease with Time of Use rates generally now and into the future.
- 5 5. Recognition that customer “awareness” of Time of Use Rates is not the same as
6 customer “education” and ultimately customer “understanding.” If there was
7 legitimate “understanding” of TOU and success in the Company’s educational
8 campaign, customers would not have experienced the significant confusion that
9 resulted or harbored what has been, by the Company’s own admission, far-reaching
10 negative perceptions.^{1,2}
- 11 6. Company TOU messaging that not only did not inspire customer confidence but
12 may have invoked a sense of “dread” of an impending event, much like the warning
13 of a tornado for which the customer must act or risk being consumed.³
- 14 7. Reduced and limited call center hours, particularly the elimination of call center
15 hours after 5:00 pm⁴ when those in the work force, students, caregivers or those
16 otherwise engaged during daytime hours might have the greatest opportunity to call
17 with inquiries about TOU or their electric service in general.
- 18 8. Declines in customer satisfaction for which the Company concerningly appears to
19 have taken a posture of “it is not our fault.”
- 20 9. Forever missed golden opportunity to make an introductory “good first impression”
21 of Time of Use rates for Evergy’s Missouri customers. Evergy research
22 demonstrated that **_____
- 23 _____ **⁵ Time of Use Rates are ‘rate options.’

¹ **

**

² “Evergy Mandatory Residential Customer TOU Implementation, Missouri Public Service Commission Update, August 10, 2023, p. 41 – 43.

³ Comments of the Office of the Public Counsel and Response to Other Prior Filings in Case No. EW-2023-0199, OPC July 14th Memorandum, last paragraph, page 3 of 10.

⁴ Company Response to OPC Data Request 2016.

⁵ Company Response to OPC Data Request 5017, p 3, Case No. ER-2022-0129.

1 10. Constructive “lessons learned” for customer education in the future should be
2 examined and addressed as customers and the Company move forward with TOU
3 and in other Evergy customer educational campaigns.

4 11. OPC’s concern that the Company may not be in compliance with Commission Rule
5 20 CSR 4240-13.040 (5)(B) regarding customer complaints received directly by the
6 utility which are different than complaints forwarded to the Company from external
7 entities such as the Missouri Public Service Commission, the Missouri Attorney
8 General’s Office and the Better Business Bureau.

9 **DISCUSSION OF POINTS ABOVE:**

10 **Q. With reference to item 1, what do you mean when you reference deficiencies and lost**
11 **opportunities in the Company’s TOU educational efforts that may have long-term**
12 **consequential impacts on customer perceptions of TOU and public interest**
13 **implications in reducing in energy consumption?**

14 A. Concerns with customer confusion and negative customer sentiment regarding the
15 Company’s TOU rates have been addressed considerably by the Company, the Staff of the
16 Commission (through its Complaint against Evergy in Case No. EC-2024-0092), and by
17 many, if not all, of the individual commissioners in public agenda sessions including those
18 on August 10, 2023; August 30, 2023; and September 21, 2023. In addition, the Office of
19 the Public Counsel filed a Memorandum in Case No. EW-2023-0199 on July 14, 2023, that
20 expressed concerns with aspects of the Company’s TOU educational material and warned
21 against “language that may be construed by some customers as describing an imminent
22 negative event for which they should have concern.”⁶

23 In reviewing the Company’s performance in educating its customers we must rely on what
24 is known and factual. What we know is that the Commission ordered Evergy to:

25 . . . implement a program to engage and educate customers in the six-month
26 lead-in time until its 2-period TOU rate takes effect as the default rate for
27 residential customers. Evergy shall work with Staff and OPC and permit

⁶ Comments of the Office of the Public Counsel and Response to Other Prior Filings Case No. EW-2023-0199, OPC July 14th Memorandum, bottom paragraph, p 3.

1 them a chance to review materials related to the education program to
2 ensure the program has a maximum potential for success.⁷

3 “Engaged and educated” customers should not be confused, but rather, should believe they
4 have sufficient information to make an informed decision regarding the most advantageous
5 rate for their individual household or have the confidence they can get the support they
6 need from their regulated utility company to aid them in such decisions.

7 There is considerable evidence, including by the Company’s own statements in the August
8 10, 2023, agenda meeting showing there was significant confusion and distrust of TOU
9 rates among the Company’s customers. For example, when Commissioner Holsman
10 inquired of the Company whether the studies of Oracle and Brattle were “a positive” for
11 Time of Use rates, Mr. Caisley responded that what worried him was that “customers don’t
12 believe it.”⁸ Later in conversation with then Chairman Rupp, Mr. Caisley said “74%
13 believe their bill will go up, not down” and further that customers believe they “won’t be
14 able to use electricity when they want.”⁹

15 The perverse irony in this situation is that neither of these customer beliefs were true.
16 Instead, the then high differential default rates ordered at that time would either (1) result
17 in no increased customer bills or (2) a reduction in bills for approximately 70% to 90% of
18 all residential customers.¹⁰ These facts indicate there was clearly customer confusion,
19 anxiety, and concern regarding TOU rates for no justifiable reason. Regardless, it is
20 unfortunate and disappointing that the Company, to the best of my knowledge, assumed no
21 responsibility for this customer confusion and doubt which was also addressed in the
22 Company’s filing in its September 29, 2023, for Approval of Tariff Revisions to Time of
23 Use Program, Request for Waiver of 60 Day Notice Requirement, And Motion for
24 Expedited Treatment in Case No. ET-2024-0061, page 8, paragraph 16.

25 My testimony will continue to address customer education further below but these
26 admissions by the Company point to failures in its customer education efforts of TOU. One

⁷ Missouri Public Service Commission Order in Case No. ER-2022-0130, pp 68-69.

⁸ August 10, 2023, Missouri Public Service Commission agenda Session, approximately at minute 38 in recording.

⁹ August 10, 2023, Missouri Public Service Commission agenda Session, approximately at minute 56 in recording.

¹⁰ Oracle and Brattle Studies addressed by Mr. Charles Caisley in the August 10, 2023, PSC agenda session.

1 must ask themselves, why, when the Oracle and Brattle studies, (referenced in footnote 10)
2 and 15 other prior studies¹¹ indicated there would be good outcomes for customers, would
3 customers then be apprehensive unless the messaging and information they received was
4 void of value for them or prompted concern?

5 **Q. On page 67 of the Commission’s Report and Order in Case No. ER-2022-0130 the**
6 **Commission mentions Evergy’s customer surveys showing hesitancy regarding TOU**
7 **rates and the Commission providing the Company lead time for further customer**
8 **education. Do you have any thoughts regarding TOU surveys and customer**
9 **hesitancy?**

10 A. Yes. I point to OPC’s Data Request 5017 in ER-2022-0130 (Please see LAK-2) and the
11 Company’s response in its **_____

12 _____ **

13 That section has a heading that states: **_____

14 _____ **

15 Further, when addressing **_____

16 _____

17 _____ **

18 This customer research was powerful and Evergy could have leveraged it to engage and
19 educate customers in a productive manner instead of with various messaging that did not
20 move the education needle in a positive direction. Customers already lacked knowledge
21 of their **_____ ** which created a tremendous opportunity to educate on TOU
22 and provide customers with what many wanted: **_____ ** rates (which is exactly what
23 the TOU rates are).

¹¹ Comments of the Office of the Public Counsel and Response to Other Prior Filings Case No. EW-2023-0199, OPC July 14th Memorandum, bottom paragraph page 6.

1 **Q. With reference to item 2 above, what support do you offer that demonstrates the**
2 **Company was concerned that reduced energy consumption resulting from TOU rates**
3 **may have spurred detrimental customer messaging, insufficient education, and, most**
4 **grievously, created unnecessary and detrimental customer concern and confusion**
5 **over the transition to Time of Use rates as well as delay TOU implementation from**
6 **investment made years ago?**

7 A. In conversation with then Chairman Rupp in the August 10, 2023, agenda session (at
8 approximately minute 58 and later at approximately hour and minute 1:41) Mr. Charles
9 Caisley of Evergy indicated concerns with the opportunity for customers to change rates
10 by seasons resulting in “significant revenue issues” and that the Company would “be
11 underneath our revenue requirement.” He also states during that same agenda meeting “It
12 would create a structural deficiency in our revenue requirement” to which then Chairman
13 Rupp followed by clarifying “that customers would save too much.” In simple summation,
14 the Company held concerns they would lose money when customers understood they could
15 use their AMI meters and Time of Use rates to their benefit, reducing consumption and
16 thereby reducing their electric bills, just as they should be able to do.

17 Commissioner Rupp further went onto say in the September 21, 2023, agenda session at
18 approximately minute 16:42 that he “didn’t fault the Company for protecting its
19 shareholders” but offered that the Company had had three rate cases to implement Time of
20 Use Rates and they did not do it. Specifically, then Chairman Rupp was referring to the
21 Company’s 2016, 2018, and 2022 rate cases. The sheer delay, spanning years by the
22 Company to move to Time of Use Rates should provide some indication of their adverse
23 position toward TOU.

24 **Q. Do you have any observations regarding Mr. Caisley’s concerns that reference**
25 **revenue deficiencies?**

26 A. Yes. I would offer that Mr. Caisley’s concerns overlooked the fact that Evergy had made
27 significant investment at customer expense and has earned and will continue to earn a
28 return from the meter investments required to implement TOU rates. The Company did
29 not, to my knowledge, voice concerns about “structural deficiencies in their revenue

1 requirement” when they used an “opt-out” model for deploying Advanced Metering
2 Infrastructure (AMI) meters beginning in January 2014 for the Evergy Metro customers
3 and later for its Missouri West customers. In other words, customers were not asked
4 whether they wanted to pay for an AMI meter included in their cost of service. They could
5 “opt-out” of receiving an AMI meter and have their meter read manually for a high monthly
6 fee of \$45 which most would agree would discourage such reads.

7 Bringing this full circle, the primary purpose of AMI meters is being able to sync the
8 incremental price of electricity to the Company to the price it charges its customers as the
9 electricity is being consumed. The Company has had the benefit of being able to earn a
10 return on and of the AMI meters and customers were and are entitled to receive the benefit
11 of a system that would limit or reduce the need for future capital investments needed to
12 meet demand. Therefore, Mr. Caisley’s concern that TOU would limit energy consumption
13 (and hence Evergy’s revenue) is duplicitous because limiting energy consumption was the
14 very purpose for which AMI meters were introduced and Evergy was already permitted to
15 earn a profit on those AMI meters.

16 **Q. Has there been prior discussion by the Commission regarding the delay of customer**
17 **benefit of AMI meter investment?**

18 A. Yes. The On-The-Record Presentation Volume 11 Transcript dated September 22, 2016,
19 in Case No. ER-2016-0156 page 92 included the following exchange between
20 Commissioner Rupp and Company representative Mr. Darrin Ives regarding the benefits
21 customers would receive from AMI meters and how soon they would receive them. The
22 transcript demonstrates two things: the Company’s apparent non-commitment on one hand
23 for TOU and acknowledgement, at nearly the same time, that TOU is the wave of the future:

24 Commissioner Rupp: “So I want to hear from the Company that – you will
25 have the capability to do that in the future, but I want to hear, is it your intent
26 to move forward towards some type of time of use rate option for people
27 that has been designed with newer numbers that is something that actually
28 they would – might choose to participate in?”

29 Mr. Ives: “I’d answer that real quickly. It is our intent to continue to look
30 at all those forms. With the advancements in technology, not only from the
31 meters, but when we get our new billing system in, which has much more

1 real-time capability, to address some of these future innovations, we're
2 going to look at all that stuff. We're going to look at time of use rates.
3 We're going to look at demand response.

4 Later in that same transcript, Mr. Ives says on page 94:

5 What I can tell you is we are looking across the country at what makes sense
6 for customers on all those fronts from a customer experience standpoint and
7 from a customer – a customer ability to take control of their energy usage.
8 This is another forum where we'll be working with that same view in mind.

9 And Commissioner Rupp responds:

10 I appreciate that, because I remember Mr. Hack's comments in the
11 workshop the other day, quote was time of use rates are the wave of the
12 future for our customers.

13 This exchange, again, occurred in 2016, nearly eight years ago.

14 **Q. Why would the Company defer implementation of Time of Use Rates and the**
15 **potential to help customers better manage their energy usage and bills for so many**
16 **years?**

17 A. One must ask themselves this question as then Chairman Rupp appeared to do later in the
18 August 10, 2023, agenda meeting. In addition to the comments made by Mr. Caisley in
19 that agenda meeting addressing “structural deficiencies” in the Company’s revenue
20 requirement due to TOU, the Company’s 2023 Annual Report may provide answers in a
21 section on page 22 entitled “Customer and Weather-Related Risks.” The first sentence
22 underneath the heading states:

23 *Changes in electricity consumption could have a material adverse effect on Evergy's*
24 *results of operations, financial position and cash flow.* The entire quote is below and also
25 attached as Schedule LAK-3.

26 Change in customer behavior in response to energy efficiency programs,
27 changing conditions and preferences or changes in the adoption of
28 technologies could affect consumption of energy by customers. Federal and
29 state programs exist to influence the way customers use energy and
30 regulators have mandates to promote energy efficiency. Conservation
31 programs and customers' level of participation in the programs could have
32 a material adverse effect on the operations, financial position and cashflows
33 of the Evergy Companies. Technological advances, energy efficiency and

1 other energy conservation measures have reduced and will continue to
2 reduce customer electricity consumption.

3 Further, The Company's December 6, 2023, Board of Director's Minutes materials has
4 statements that alluded to the Company's disfavor for **_____**
5 Missouri and blaming them for negative impacts to customer satisfaction and call center
6 _____ ** Those same materials also indicated the Company assumed no
7 responsibility for such declines in performance or customer concerns and showed Evergy
8 West was not identifying actions to implement internal controls to curb or mitigate such
9 issues. Please see Schedule LAK-4.

10 In addition, OPC's July 14, 2024, filing in Case No. EW-2023-0199 (attached as Schedule
11 LAK-5) included a memorandum to the Missouri Public Service Commission's Official
12 Case File wherein OPC questioned (on page 8) why the Company would have indicated in
13 its RFP seeking proposals to assist in its TOU marketing and communications campaign
14 that it **_____** ** ordered by the Commission. It could
15 be construed that this signal to bidders assumed a posture of intentional sabotage for a
16 Commission-ordered TOU educational program. In other words, the Company alerted
17 bidders that would be beholden to it for payment and future work reference and working
18 under its direction: **_____**

19 **Q. Did the Office of the Public Counsel raise any other concerns about the Company's**
20 **chosen educational consultant?**

21 A. Yes. OPC also questioned why the Company ultimately chose a bidder that appeared to
22 be a firm that emphasized the protection of the Evergy **_____** and the lack of the
23 consultant's **_____**

24 **Q. What was the Company's response regarding the lack of **_____** by**
25 **their hired consultant?**

26 A. When OPC raised the lack of **_____** of the Company's consultant at one of
27 the stakeholder meetings the Company responded that there were not many consultants
28 with specific **_____** However, common sense dictates that education
29 messaging should take a positive stance and not one describing an "imminent negative

1 event”¹² which is what OPC observed in some of the materials and relayed those concerns
2 to the Company verbally and in writing.¹³

3 **Q. Do you have any additional comments on the matter of Company concerns regarding**
4 **revenue deficiencies tainting its customer TOU messaging?**

5 A. Yes. The cruel irony of this dichotomous situation is that the chief benefit to support the
6 Company’s expenditures of its AMI investments should have resulted in the very thing –
7 reduced energy consumption for its customers – that the Company has expressed concerns
8 over in multiple forums.¹⁴ It is not a large leap to conclude that these concerns colored the
9 tone of its customer communications. Examples of some of the customer communications
10 will be forthcoming later in my testimony.

11 **Q. With reference to item 3 above, what do you mean by asserting that the Company**
12 **violated the public trust that should exist between a regulated monopolistic utility and**
13 **the captive customers it serves in its TOU messaging?**

14 A. A number of samples of Company messaging were likely perceived negatively by some
15 customers and certainly noted was an absence of customer opportunity, optimism, and
16 control. OPC observed this messaging carried a theme that could be perceived as “an
17 imminent negative event for which [customers] should have concern.¹⁵

18 Instead of framing some of the educational messaging with a positive and even exciting
19 tone that customers were going to be a position to reap the benefits of paying for AMI
20 equipment (which had been purchased to serve them) they were presented messaging that
21 held of a tone of foreboding and concern. One could argue that type of messaging from a
22 regulated utility is one of customer detriment.

¹² Comments of the Office of the Public Counsel and Response to Other Prior Filings Case No. EW-2023-0199, OPC July 14th Memorandum, bottom paragraph page 3.

¹³ Comments of the Office of the Public Counsel and Response to Other Prior Filings Case No. EW-2023-0199, OPC July 14th Memorandum, bottom paragraph page 3.

¹⁴ 2023 Evergy Inc. Annual Report, page 22, section entitled: “Customer and Weather-Related Risks.”

¹⁵ Comments of the Office of the Public Counsel and Response to Other Prior Filings Case No. EW-2023-0199, OPC July 17th Memorandum, bottom paragraph page 3.

1 The Company has provided examples of its messaging in the educational workshops for
2 stakeholders established in Case No. EW-2023-0199 and some of those are included in
3 Schedule LAK-6. One message that can be observed repeatedly in the Company’s
4 billboard, print advertising, billing communication, customer postcards, newspaper ads,
5 banner ads, etc. and that is that “Missouri is moving to time-based electric rates in the fall”
6 and the Customer must choose a plan. This blunt statement, that included a near
7 threatening tone that the customer “must choose” a rate regarding something as critical and
8 necessary for customer life, health and financial obligation must surely have inspired
9 trepidation and a customer sense of “what - does - this – mean?”

10 This message is also misleading in that customers didn’t “have” to pick a plan, they didn’t
11 “have” to do anything. Messaging included in Schedule LAK-6 show “It’s time to choose
12 your new time-based plan” and “Choose your new plan now!” when in reality customers
13 didn’t have to choose at all but could choose, if they wanted. Yes, they would have been
14 placed into the default plan but there is argument to be made that all rates up until TOU
15 have been “default” rates ordered by the Commission. Leading out with messaging that
16 customers were being given what they had asked for – **_____ ** (as shown in
17 Company research presented in Schedule LAK-2) but didn’t actually need to make a choice
18 may have prevented some customer concern. Further, Company materials were silent in
19 mentioning that the Company had come into the Commission to raise its rates in the first
20 place.

21 OPC suggested to the Company that it “emphasize educating customers on the relationship
22 between energy, demand and the costs ultimately realized as a result of one’s usage”¹⁶ or
23 in other words: the foundational “why” the Company was offering TOU. While the
24 Company took that suggestion in some places of its messaging, in others it appears to lead
25 out with “blame” on the Missouri Public Service Commission for “ordering Evergy and
26 other utilities to transition to Time of Use Rates” which can be seen in Schedule LAK-6.
27 That lead-out messaging blaming the PSC for mandating TOU was inappropriate in
28 customer communications and not helpful or productive to customers. It communicated to

¹⁶ Comments of the Office of the Public Counsel and Response to Other Prior Filings Case No. EW-2023-0199, OPC July 17th Memorandum, bottom paragraph page 3.

1 customers that Evergy was doing it because it was being forced to, not because it is in the
2 customers' best interest. This message of PSC blame does not tell the full story to
3 customers of the millions of dollars of Company investment which began nearly a decade
4 ago and for which the customers were, up to that point, extracting little value.

5 The customer confusion and concern resulting from the foreboding undercurrent embedded
6 in the Company's TOU messaging resulted in a violation of a near sacred public trust that
7 should exist between a regulated, monopolistic utility and the captive customers it serves.
8 This relationship should mirror that of one for any service that is necessary and required
9 for life and health, much like the medical Hippocratic Oath of "First Do No Harm" which
10 should provide guidance and be the bedrock in all utility company / customer
11 communications. Recognition that it is the Company's customers who were and are "The
12 Biggest Losers" in the TOU educational misfiring that resulted in unnecessary customer
13 confusion and "rampant misinformation and fear mongering"¹⁷ after the Commission's
14 decision in ER-2022-0129 ordering that all customers will be placed on a TOU rate to
15 extract the benefit of its AMI investment.

16 **Q. With referenced to item 4 above, do you believe it is appropriate for the Commission**
17 **to consider a disallowance for a portion of Evergy West's costs for its TOU**
18 **educational deficiencies, and if so, why?**

19 A. Yes, I believe consideration by the Commission for rate payers to be relieved of paying for
20 a portion of the Company's Time of Use educational program is appropriate and it is my
21 recommendation. At this time in the Company's April 19, 2024, "AAO Cost Tracking &
22 Reporting Update" filed in Case No. EW-2023-0199 the Company reports Education and
23 Outreach expenses through March 31, 2023, for Evergy Missouri West at \$**____
24 _____ **

25 In recommending a disallowance of educational costs, we must again remember what the
26 Company was charged to do in the Commission's November 21, 2022, order:

27 Evergy shall implement a program to engage and educate customers in the
28 six-month lead-in time until its 2-period TOU rate takes effect as the default

¹⁷ Quote by Missouri Public Service Commissioner Maeda Coleman in a September 21, 2023, PSC agenda session.

1 rate for residential customers. Evergy shall work with Staff and OPC and
2 permit them a chance to review materials related to the education program
3 to ensure the program has a maximum potential for success.

4 As addressed previously, significant documented customer confusion and concern resulted
5 from the Company's educational efforts as expressed by most if not all Missouri Public
6 Service Commissioners. One of the interesting points in reading the Company's February
7 13, 2023, Executive Summary – Customer Operations Update report in its Board of
8 Director's materials was that the Company must have known how to successfully educate
9 its customers when it told its Board the following when addressing customer satisfaction:

10 ** _____
11 _____
12 _____
13 _____
14 _____
15 _____
16 _____
17 _____ ** (Please
18 also see Schedule LAK-7).

19
20 According to this statement to its Board, Evergy had had previous success in customer
21 communications and knew how to spend a budget targeted toward resonating effective
22 customer messaging. Evergy knew that themes of ** _____
23 _____ ** had struck a positive chord with customers and those themes could
24 have replaced some of the messaging that appeared to result in the extensive customer
25 confusion, doubt, fear, and blame addressed previously.

26 Negative customer perceptions negated the prime purpose to shift electrical usage away
27 from peak usage hours at the time that energy is most in demand and therefore most costly.
28 The Brattle and Oracle studies demonstrated that a high percentage of customers would
29 either not experience bill increases or actually save on the then, high-differential default
30 rate. To be clear, I am not suggesting a review or change to the currently ordered TOU
31 default rate but rather emphasizing there was nothing for which customers should be
32 concerned or confused.

1 For the customers who suffered and may still be suffering confusion and suspicion in the
2 Time of Use roll out,¹⁸ there should be Company accountability as it and it alone not only
3 had complete control of all customer messaging but bore sole responsibility to educate and
4 inform its customer base. Simply put, customer education was the Company's job to do
5 and it apparently believed, according to Board of Director's Minutes, that it knew how to
6 connect with customers. Yet, the Company's actions on TOU education do not demonstrate
7 that supposed competency. Since the Company began its AMI deployment in 2014¹⁹ it
8 should have been contemplating then and formulating a blueprint of how it would
9 successfully educate its customer base regarding Time of Use Rates.

10 **Q. What is your recommendation to be included in customer rates for the Company's**
11 **TOU education?**

12 A. Based upon the many years the Company had to contemplate a TOU education program,
13 the documented customer confusion, and concern they experienced in the Company's TOU
14 transition I believe reducing the Company's expenditures to be paid for by rate payers in
15 the range of 50% would be appropriate. This would mean that the Commission should
16 allow Evergy West to recover only **_____** of the **_____** it spent
17 to date on TOU education.

18 **Q. How did you arrive at your recommendation that **_____** to be included**
19 **in customer rates for TOU education and **_____** to be excluded?**

20 A. First, I believe there is an argument to be made that customers should be required to pay
21 for none of the customer education in the Company's TOU educational program due to
22 what has been addressed as rampant customer confusion demonstrating the program did
23 not comply with the Commission's original directive in its order which included the
24 language: "implement a program to engage and educate customers" regarding its TOU
25 implementation. Mass customer confusion over this important educational topic was not
26 only unacceptable, in my opinion, but unnecessary. However, as I address below, I cannot

¹⁸ Addressed in Missouri Public Service Commission agenda Sessions on August 10, 2023, and September 21, 2023.

¹⁹ Comments of the Office of the Public Counsel and Response to Other Prior Filings Case No. EW-2023-0199, OPC July 17th Memorandum, bottom paragraph page 6.

1 say there was completely no-customer value in the Company's efforts and that is my
2 justification for recommending half of a disallowance in the Company's expenditures.

3 **Q. What value do you recognize in the Company's TOU education effort?**

4 A. As addressed previously in my testimony, the Company had numerous outreach events²⁰
5 and the Office of Public Counsel encouraged and supported those efforts. In addition to
6 the outreach events and to their credit, the Company provided a dedicated 800-phone
7 number in the customer event handout material. Such call numbers were noted to be absent
8 on some of the other Company educational materials. I will offer more on the Company's
9 call center later in my testimony. Further, there were statements in the materials connecting
10 the timing of usage to the price paid and the relationship to overall electricity demand.
11 While my testimony expresses criticism of aspects of the Company's educational material
12 and efforts, there was value in some of its effort. That is why I am not recommending a
13 complete disallowance of the education costs.

14 **Q. With reference to item 5. above, why do you say that customer "awareness" of Time**
15 **of Use Rates is not the same as customer "education" and ultimately customer**
16 **"understanding."**

17 A. Page 22 of the "Evergy Mandatory Residential Customer TOU Implementation"
18 presentation that was filed in EW-2023-0199 on August 11, 2023, and presented by Mr.
19 Charles Caisley to the Commission on August 10, included the following statements:

- 20 • Phase 1 tactics drew significant engagement to website landing page
- 21 • Many digital and non-digital tactics beating benchmarks, customers
22 are using URLs on non-digital items, such as billboards
- 23 • Low website bounce rates indicate[s] customers are reading content
24 and click to learn more.

²⁰ Community Outreach was addressed on p. 7 of OPC's Memorandum to Missouri Public Service Commission's Official Case File in Case No. EW-2023-0199.

1 As stated in OPC’s July 14, 2023, Memorandum to the Missouri Public Service
2 Commission’s Official Case File (found in Case No EW-2023-0199 and referenced
3 elsewhere in my testimony), we indicated that “while there may be value in tracking “click
4 through, bounce and page views” or other website educational material “views” by
5 customers, such metrics may not necessarily be indicative of customer understanding of
6 the TOU rates, or the quality or effectiveness of the educational messages developed.” In
7 fact, some of the messaging on the website may not have educated but confused customers.

8 It was important in this first broad offering of TOU rates to residential customers that they
9 had an understanding of the rates and, equally if not more importantly, believed such rates
10 can and should be to their benefit.

11 When OPC requested the Company to provide demonstration that customers not only had
12 awareness but actual understanding of the TOU rates the Company provided essentially no
13 evidence but indicated that it would take a year for customers to have a full understanding
14 of their rates as the seasons change. Yet, customers were to have sufficient “awareness”
15 to make an important, informed decision about which electric rate would serve them best.²¹
16 And in fact, the Company’s educational material “directed” customers in August to choose
17 a rate with what could be argued a “tone of urgency” when urgency at that time wasn’t
18 necessary. Even the message “If you have not selected a new plan by October, you will be
19 moved to the Standard Peak Saver plan” has a message tone of near threat or punishment.
20 I would add there was no Company phone number on that material for customers to call.
21 (Please see LAK-7, labeled at the top Exhibit B, page 17 of 26 entitled “Billing
22 Communication.”) Essentially, the implied message to the customer was:

23 “You must do something quickly about your electric service, go to the
24 website and figure it out or we will place you on the Standard Peak Saver
25 Rate” (for which there was no explanation).

26 Given the distrust that Mr. Caisley has indicated customers had in TOU rates offered by
27 Evergy, customers may well have had suspicion about the Company “placing” them in any
28 rate plan of which the customer did not select. Individuals may have awareness of a topic
29 or an effort but that does not mean they understand it or believe in its legitimacy. In fact,

²¹ OPC Data Request No. 5006 and the Company’s response, Case No. ER-2024-0189.

1 the Company in its August 10, 2023, presentation to the Commission on pages 40 through
2 43 (please see Schedule LAK-8) demonstrated this point by providing only five positive
3 customer sentiments resulting from its customer education on TOU, less than two months
4 before the Company was to begin transferring customers to the TOU rates but provided
5 over twice as many, 12, negative customer sentiments demonstrating significant degree of
6 educational failure. All the customers expressing a negative sentiment surely had
7 “awareness” of the TOU rates but that specific sampling, chosen by the Company and
8 provided to the Commission, demonstrates deficiencies of a TOU campaign that should
9 have had ample reason to be a customer and a Company communication success story.

10 Of further interest, page 31 of the Company’s August 10, 2023 filing indicates that
11 “awareness of Evergy offering new time-based rate plans saw significant increase in the
12 first month of the campaign and continues to increase significantly in August.” What is
13 absent in this survey is whether or not customers have a greater or increasing
14 “understanding” of the rates. Further, 31% of respondents indicated that they understood
15 it was “MPSC requiring the change” also demonstrates some level of mis-placed
16 responsibility and the Company’s messaging that it was distancing itself from the TOU
17 rates. Again, the very purpose of the AMI meters is to provide customers more informed
18 choice in how they use electricity and their electric bills and customers had already been
19 paying for the meters for years that were failing to extract customer opportunity and
20 benefit.

21 **Q. In item 6, above, you indicate that Company TOU messaging not only did not inspire**
22 **customer confidence but may have invoked a sense of “dread” of an impending event.**
23 **Can you please elaborate on what you meant?**

24 **A.** I have touched on this topic elsewhere in my testimony but will reiterate here that the TOU
25 educational effort by the Company provided an opportunity for a Company
26 “Communication Homerun.” They had a positive story to share with their customers to
27 inspire and equip customers to take action to control their bills and understand the
28 connection of their usage, energy price and high demand periods. The Company, as stated
29 previously in my testimony, had been clear that it did not want to implement TOU in the

1 manner ordered by the Commission. Regardless, it was ordered to do so after years of
2 investment in AMI and Customer Care and Billing equipment, paid for by customers then,
3 now and into the future in their rates. Yet, instead of moving forward for the sake of the
4 good of their customers, the Company resorted to some messaging that was not only
5 counter-productive but created significant confusion among its customers. It is clear that
6 the Company’s dissatisfaction with the Commission’s order in ER-2022-0130 may have
7 contributed to less than positive and productive TOU messaging.

8 OPC expressed their concerns with some of the Company’s messaging to the Company
9 verbally in the May 23, 2023, “Time of Use Workshop” which was the second of such
10 meetings regarding TOU education. OPC followed its remarks in its July 12, 2023,
11 memorandum to the Missouri Public Service Commission Official Case File in Case No.
12 EW-2023-0199 on page 3 (please see Schedule LAK-5). Specifically, the Office of the
13 Public Counsel said:

14 As expressed in the May stakeholder meeting, education regarding the TOU
15 rates offered to Evergy customers should be accurate and informational,
16 without being alarmist. The OPC is concerned that Evergy’s current
17 messaging does not fully promote the benefits of TOU rates or explain the
18 rationale behind the pricing change, which may lead some customers to hold
19 an apprehensive view of this change . . . OPC believes that this language
20 may be construed by some customers as describing an imminent negative
21 event for which they should have concern.

22 Very little positive messaging can be observed in the Company’s educational information
23 and absent throughout many of the materials is a Company phone number for customers to
24 call to gain more information.

25 The messaging referred to here can be observed in the TOU material used by the
26 Company²²and is presented in Schedule LAK-6. I have circled portions of messaging by
27 which to draw the Commission’s attention. One cannot help but wonder what type of
28 educational campaign the Company would have deployed had the message been one of
29 “use more energy at high peak times” rather than less.

²² Portions of Evergy’s Presentation to the Missouri Public Service Commission on August 10, 2023, in Case No. EW-2023-0199 that included the Company’s TOU Messaging.

1 **Q. In item 7, above, you address reduced and limited call center hours, particularly the**
2 **elimination of call center hours after 5:00 pm²³ which occurred in June 2023. What**
3 **are your concerns about this action, particularly while the Company’s TOU**
4 **educational program was progressing, and what call center concerns did you identify**
5 **in the Company’s Board of Directors Minutes?**

6 A. In response to OPC Data Request 2016, (please see Schedule LAK-9) which requested the
7 Company’s call center hours from 2021 through present by month, the Company indicated
8 that prior to June 2023 its call center hours had been seven am to seven pm. In June 2023,
9 the Company reduced its call center hours by two hours at the end of day. One cannot help
10 but question the judgment of cutting call center hours in the summer months while engaged
11 in a mass “education program” regarding Time of Use Rates. This action is counter
12 intuitive to assisting working customers who may seek answers from their utility regarding
13 any manner of questions after they have completed their workday.

14 **Q. How would this reduction in call center hours effect the Company’s TOU education**
15 **program specifically?**

16 A. While Evergy West had a dedicated 800 line for call center questions regarding TOU that
17 was independent of the main line number (888-471-5275) to the Company’s call center,
18 the reduction in call center hours would still have undoubtedly impacted TOU deployment.
19 It is logical that many customers would dial the Company’s main number to receive TOU
20 information and while in the middle of that campaign the Company significantly reduced
21 its after-work call center hours. The Company understood the importance of its main call
22 line and front-line call center representatives in its TOU educational effort. As indicated
23 on page 30 of the August 10, 2023, presentation to the Commission the Company indicated
24 that “All regular CSRs (Customer Service Representatives) can and are taking TOU calls.”
25 (Schedule LAK-10).

26 Materials in Board of Directors Minutes from December 6, 2023, (please see Schedule
27 LAK-4) also identified concerns with Evergy’s call centers and address the call center

²³ Company Response to OPC Data Request 2016.

1 **_____** or in other words**_____** as well as **_____

2 _____**:

3 **_____

4 _____

5 _____

6 _____

7 _____

8 _____**

9 **Q. Are there reasons you believe could be responsible for this management decision to**
10 **reduce call center hours?**

11 A. Company drive toward cost savings may be at least a portion of the answer. In its 2023
12 Annual Report at page five the Company addresses significant cost savings it has achieved
13 when Great Plains Energy and Westar Energy merged in 2018. At the bottom of that page
14 the Company indicates it has achieved \$1 Billion in savings through “business execution
15 and cost management” since 2018. Please see Schedule LAK-11.

16 **Q. Cost savings are typically considered a worthy management achievement, but can**
17 **there be a downside?**

18 A. Yes. Efficient utility management can provide customer benefits if customers receive the
19 financial recognition of the efficiencies through reduced rates but if the cost savings result
20 in customer detriment in the form of adverse reductions in customer service, reduced
21 employee safety, etc. the “cost savings” may not be in the customers’ best interest. The
22 regulated utility exists to first serve its customers and acceptable and safe service comes
23 with a price that supersedes corporate cost cutting and profitability. Excessive cost cutting
24 can result in erosion of customer service quality and safety.

25 **Q. Have you observed declines in service within the Company’s call center?**

26 A. Yes. In response to OPC Data Request 2013 there is demonstration that call center staffing
27 had been **_____

28 _____

1 _____ ** are also observed with higher
2 call volume for those months as one would expect as the Company transitioned to TOU
3 and customers would be calling regarding their summer (higher) bills.

4 Noteworthy is that Call Center staffing was the lowest it had been over the years **_____
5 _____ ** during a period when one would think the Company would have increased
6 staffing in anticipation for higher call volumes as it rolled out customer education in
7 preparation for the TOU transition. Please see Schedule LAK-12. The Company's call
8 center performance during the months referred to above, July, August, September, and
9 October of 2023 and **_____ ** staffing would not have mitigated the customer concerns
10 or confusion during the Company's TOU transition, but rather, exacerbated them.

11 Given the staffing constraints and reduced call center hours of the Company's call center
12 it is not surprising that the Company may want to divert calls away from its live agents.
13 The Company appears to be attempting to address these operational boundaries through
14 Interactive Voice Assistant (IVA) and call containment goals.²⁴ IVA uses Artificial
15 Intelligence to address customer inquiries. Customers desiring to speak to an actual
16 customer service representative and experiencing the IVA and then a subsequent long hold
17 time may have led to some of the negative TOU educational sentiment that has been
18 addressed.

19 **Q. Do you have other observations or concerns regarding what may be signaling cost-**
20 **cutting at the Company that is having a detrimental impact on either customers or**
21 **company employees?**

22 A. Yes. A review of the Board of Directors Minutes materials dated Wednesday December
23 6, 2023, that included a report of the Safety and Power Delivery Committee which occurred
24 from 10:00 to 11:30 am indicated the following on Page 9 of 126 regarding the Company's
25 safety record: **_____

26 _____ **

27 Specifically, the following safety metrics were provided:

²⁴ Company response to OPC Data Request 5067.

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** _____

_____ **
Page 50 of 126 also addresses an increase in the ** _____
_____ **
A review of Board of Directors Minutes for February 9, 2024, continued with ** _____
_____ ** Specifically, the Minutes identified the
following concerns with ** _____ ** safety targets and provided this assessment for
the 2023 year:
** _____

_____ **
The Report went on further to state that ** _____
_____ **

Q. When asked, what actions did the Company state it was implementing to improve safety performance?

A. The Company provided that it is continuing its safety meetings, training joint safety leadership committee meetings with union leadership/representatives, engaging bargaining union safety chairs and representatives, a strong incentive/safety suggestion tracking program and investigation/event learning process. The Company is also implementing an Energy Based Safety program, including the use of the Energy Wheel and the Safety Classification Learning Model. Every indicates it is developing a comprehensive driver training program, completed a company-wide safety culture survey in January of 2024 and are piloting a musculoskeletal injury prevention program designed for the utility industry. Human and Organizational Performance Training also continues.²⁵

²⁵ Company Response to OPC Data Request No. 5065.

1 **Q. Do you have further observations regarding the declines in call center performance**
2 **and safety you identified?**

3 A. Yes. These ****_____**** may be a result of the Company’s identified cost-cutting in
4 employee reductions since the merger between Westar and Kansas City Power & Light
5 Company, a reduction Companywide from 5828 to 4579²⁶ contributing to the \$1 B in costs
6 savings addressed above. However, the Company has denied the “correlation between the
7 number of employees and safety performance.”²⁷

8 **Q. The items you address regarding call center performance and employee safety appear**
9 **to be utility management issues. Does the Commission manage the utilities it**
10 **regulates?**

11 A. No, the Commission does not. However, I believe it is appropriate to inform the
12 Commission of management practices that have or may result in service declines for utility
13 customers.

14 **Q. What do you mean with reference to item 8 above when you state that the Company**
15 **has concerningly appeared to have taken a posture of “it is not our fault” with regard**
16 **to declines in its customer satisfaction?**

17 A. The October 23, 2023, Board of Directors Executive Summary of the Customer Operations
18 Update (Please see Schedule LAK-13) stated: ****_____**
19 _____
20 _____
21 _____
22 _____
23 _____
24 _____ ******

²⁶ August 29 through August 31, 2023 Evergy Board of Directors Strategy Session Minutes.

²⁷ Company Response to OPC Data Request No. 5066.

1 Schedule LAK-13, the Company’s response to OPC data request 2010, demonstrates a
2 **_____** of JD Power scores from 2021 through 2023 with the following
3 scores of **_____** respectively.

4 Further, information presented previously in my testimony included the Company pointing
5 to substantial negative customer sentiment regarding TOU, indicating also that customers
6 “don’t believe” the rates are in their best interest, etc.

7 As indicated above prior customer surveys (OPC Data Request 5017 in Case ER-2022-
8 0130) concluded that approximately **_____

9 _____
10 _____ ** This research should have provided the Company a spring-board of
11 opportunity it missed to have its customers embrace TOU had the messaging been
12 presented more positively and more on target.

13 As mentioned above, in conversation with then Chairman Rupp, Mr. Caisley had indicated
14 that “74% believe their bill will go up, not down” and that customers believe they “won’t
15 be able to use electricity when they want.”²⁸ The question to the Company is: Who was
16 in control and bore responsibility to influence and correct these customer perceptions that
17 were unfounded? The answer is Evergy.

18 From the Company’s December 6, 2023, Safety and Power and Delivery Committee of the
19 Board of Directors Minutes, page 95 **_____

20 _____
21 _____** Then, ironically in the very next
22 sentence, the Company applauds itself with the statement **_____

23 _____
24 _____
25 _____ ** In other
26 words, it doesn’t matter that customers don’t believe our word, the main thing is that we
27 “checked the regulatory box” requiring us to educate customers.

²⁸ August 10, 2023, Missouri Public Service Commission agenda Session, approximately at minute 56 in recording.

1 **Q. Explain your comment in item 9 above that the Company has missed a golden**
2 **opportunity to make an introductory “good first impression” of Time of Use rates for**
3 **Evergy’s Missouri customers.**

4 A. The multiple TOU rates providing customers rate options from which to choose and
5 ordered by the Missouri Public Service Commission provided tremendous “customer –
6 utility connection” opportunities for the Company and the captive customer base it serves.
7 It was a time for customers to be able to reap the primary benefit to the AMI meters and
8 accompanying Customer Care and Billing System for which they had been paying for
9 years. It was a unique time to seize the Company’s own research that affirmed many
10 customers want ****_____**** and further that customers didn’t ****_____**** the
11 rates they were on prior to TOU, which is exactly what the Commission had ordered Evergy
12 to provide its customers. The Company was equipped with research and had had prior
13 success in customer messaging.

14 Given the negative sentiment the Company indicates occurred when it rolled-out TOU,
15 given the customer confusion and concern identified in at least three PSC agenda
16 meetings, this rare opportunity to educate the entire residential body of Evergy West rate
17 payers was missed and squandered. There is argument to be made that especially now,
18 TOU, regardless of its benefits will have placed a bad taste in the mouths of many Evergy
19 customers presently and into the future.

20 **Q. In item 10 above, you address the importance of constructive “lessons learned” for**
21 **customer education in the future. Why is this necessary?**

22 A. It is always good to evaluate a process after the fact to determine where improvements
23 could have been made so that challenges of the past are not repeated. Although much has
24 been stated formally and informally by the Company, OPC, and Commission Staff since
25 the Commission ordered Evergy to educate and engage its customers on TOU in its last
26 rate case and including in Case Nos. EW-2023-0199 and in the Staff’s complaint against
27 Evergy in Case No. EC-2024-0092, I believe there is value in examining in a constructive
28 way what could have been done differently to inform future Evergy educational efforts
29 regarding TOU or other educational campaigns. Liberty Utilities has been held out as an

1 example of successful customer communication regarding TOU and their customer
2 communications should be reviewed as potential templates for Evergy going forward with
3 TOU.

4 **Q. As referenced in item 11 above, what are your concerns at this time with Evergy**
5 **customer complaints it receives directly from its customers?**

6 A. The Company's and OPC's interpretation of Commission rule 20 CSR 4240-13.040 (5)(B)
7 regarding utility complaint records appears to be different. I was interested in reviewing
8 the customer complaints Evergy West may have received directly from its customers
9 regarding Time of Use Rates and other complaint issues that its customers may have had.
10 Toward that end, I posed a series of questions²⁹ (please see Schedule LAK-14) to the
11 Company regarding the complaints it receives from its customers and I specified the
12 distinction between customer complaints provided directly to Evergy and Commission
13 complaints received by the Company.

14 These subsets of complaints may have overlap at times but are different, in that, the
15 Company will receive substantially more complaints directly from its customers than will
16 be received by any external party, including the Missouri Public Service Commission. PSC
17 complaints, which will be fewer in number from those received directly by the utility, will
18 not capture the specific grievances of the majority of utility customers who will first share
19 their concerns with their regulated utility. Those same customers may never file a
20 complaint with PSC and in some cases may never know the PSC exists to assist them. It
21 is my opinion that Commission rule 20 CSR 4240-13.040 (5)(B) recognized and
22 contemplated this difference by requiring:

23 (5)A utility shall maintain records on its customers for at least two (2) years
24 which contain all information concerning (B) The number and general
25 description of complaints registered with the utility.

26 Utility complaints received directly by customers are also addressed in 20 CSR 4240-
27 13.040 (2) (A) which states:

²⁹ Company Responses to OPC Data Request Nos. 2017, 5036,5060, 5061.

1 A utility shall establish personnel procedures which, at a minimum, ensure
2 that – (A) At all times during normal business hours qualified personnel
3 shall be available and prepared to receive and respond to all customer
4 inquiries, service requests, safety concerns and complaints.

5 The Company has indicated that the Evergy Escalations/Resolutions Team receives
6 transferred calls from CSRs (customer service representatives) when customers want to
7 follow-up on an issue, speak with Supervisors, have complaint or concerns. Further, if the
8 Escalation/Resolution Team is unable to resolve the customer’s concerns, the customer has
9 the right to contact the commission. The Company went onto say that escalations are not
10 considered complaints and that the Commission reports any complaints to its Customer
11 Affairs Department and further that registered complaints are tracked by Customer Affairs.

12 Based upon the Company’s responses to OPC inquiries it appears that customer calls being
13 referred to Company’s Escalation/Resolution Team would be the customer complaints
14 received directly by the utility from their customers. However, Evergy West does not
15 appear to agree with that.

16 **Q. Are there any other concerns you have with Evergy’s handling of customer**
17 **complaints it receives directly from its customers?**

18 A. Yes. When asked to distinguish the escalations cases between Evergy West and Evergy
19 Metro and provide them for years 2021, 2022, 2023 through present 2024 the Company
20 indicated: “We are not able to distinguish between Missouri West/Metro. We do not have
21 data from 2022 or 2021.³⁰ The Company did provide the number of escalation cases for
22 2023 and 2024 year to date at 6893 and 608 respectively along with the general categories
23 of escalations including: Billing, Collections, Dispatch, Field Activity, New Construction,
24 Non Order, Payment Plan/Arrangement, Reconnect, and Start/Stop Service. I would offer
25 that these are customer complaint categories.

³⁰ Company Response to OPC Data Request No. 5053.

1 **Q. What recommendations would you make to the Commission based on your concerns?**

2 A. A few things seem apparent from the Company's data request responses: First, it views
3 complaints as only those "registered" complaints coming to it from the Missouri Public
4 Service Commission, and any other customer concerns, complaints, requests to speak to a
5 supervisor, etc. posed directly to the Company and forwarded to its Escalation and
6 Resolution specialists are not considered complaints by the Company for purposes of PSC
7 rules. Secondly, the Company only retains these internal 'escalated concerns' for a period
8 of less than two years and cannot distinguish them by the two regulated companies of
9 Evergy West and Evergy Metro. These two facts appear to make the Company non-
10 compliant with the Commission's rule 20 CSR 4240-13.040 (5)(B). In order to comply
11 with the Commission's rule the Company would have to (1) begin tracking all issues
12 forwarded to its Escalation and Resolution specialists in the same regard as it tracks
13 customer complaints coming from the PSC (regardless of whether the Company considers
14 them "complaints"), (2) separate the customer complaints/escalations by Missouri West
15 and Missouri Metro, and (3) keep the records for a minimum of two years.

16 The Company has indicated that its goal is to resolve all customer concerns but if resolution
17 cannot be reached the customer has the right to contact the Missouri Public Service
18 Commission. I will add in response that per Commission Rule 20 CSR 4240-13.070 (3)
19 the Company is to advise the customer and/or applicant of their right to file an informal
20 complaint with the Commission under 20 CSR 4240-2.070.

21 Finally, I also offer that Commission rule 20 CSR 4240-2.070 addresses "Complaints" but
22 the purpose of that rule section is referring to "commission complaints." The purpose of
23 the rule as stated:

24 This rule establishes the procedures for filing formal and informal complaints with
25 the commission.

26 **Q. Does this conclude your testimony?**

27 A. Yes.

