

Exhibit No.:
Issue(s): Customer First, Monthly
Performance Report
Witness: Charles Tyrone Thomason
Sponsoring Party: MoPSC Staff
Type of Exhibit: Direct Testimony
Case No.: GR-2024-0106
Date Testimony Prepared: July 18, 2024

MISSOURI PUBLIC SERVICE COMMISSION

FINANCIAL AND BUSINESS ANALYSIS DIVISION

CUSTOMER EXPERIENCE DEPARTMENT

DIRECT TESTIMONY

OF

CHARLES TYRONE THOMASON

LIBERTY UTILITIES (Midstates Natural Gas) CORP.,

d/b/a Liberty

CASE NO. GR-2024-0106

Jefferson City, Missouri
July, 2024

1 Liberty Midstates investigate the subsequent increase in estimated bills. I will also discuss
2 Staff's recommendation that Liberty Midstates add an option to its IVR system to allow it to
3 distinguish between Missouri calls, and to use that data to add Missouri-specific statistics to its
4 Monthly Performance Report.

5 **CUSTOMER FIRST**

6 Q. Can you give a brief explanation of what Customer First is?

7 A. Simply put, Customer First is Liberty Utilities Company's project to upgrade
8 and standardize its computer systems, business processes, and technological infrastructure
9 across its various subsidiaries.

10 Q. Can you provide a brief background of the case history regarding the
11 Customer First transition?

12 A. Liberty Midstates went live with the customer billing components of
13 Customer First in October 2023, which included the adoption of a new Customer Information
14 System. The switch from the legacy system to the new system required a shift in customer
15 billing patterns, for which Liberty Midstates requested variances from Commission rules in
16 Case No. GE-2024-0046. Staff investigated the request and ultimately recommended that the
17 Commission approve the request with additional conditions to mitigate customer harm.
18 The Commission granted the variance request with those conditions, and one additional
19 condition from the Office of Public Counsel, on October 4, 2023.

20 Q. Prior to the present case, has the Commission been made aware of any updates
21 regarding the Liberty Midstates Customer First transition?

Direct Testimony of
Charles Tyrone Thomason

1 A. Yes. Three other subsidiaries of Liberty Utilities Company filed similar variance
2 requests in December 2023 for their own Customer First transitions.¹ In preparation for filing
3 recommendations in those cases, Staff requested an update on the Liberty Midstates transition
4 including any unanticipated issues that had arisen. Staff included a summary of those issues as
5 part of its Staff Recommendation in those cases.

6 Q. Do you have additional information regarding any of those issues?

7 A. Yes. I have more information regarding one issue in particular. As described in
8 the Staff Recommendation, Liberty Midstates can block accounts from generating a bill when
9 potential billing issues are identified. In the weeks following the Customer First transition, once
10 the issue was resolved, those account blocks were not removed in a timely manner which
11 resulted in billing delays.² After reviewing related informal complaints,³ Staff requested more
12 information to ascertain the scope of this issue. According to Liberty Midstates, a total of 3,424
13 Missouri accounts were affected by this issue. Those accounts were blocked for an average
14 of 44.5 days.⁴

15 Q. What were the ramifications of these extended account blocks?

16 A. In the GE-2024-0046 variance case, Liberty Midstates presented to the
17 Commission a plan that separated its customer base into two main categories. One group would
18 receive two (2) bills in October within two (2) weeks of each other, with the second bill covering
19 an abnormally short period of use. The other group would receive one normal bill in
20 October and one bill in November covering an abnormally long period of use. However, for
21 3,424 customers this may not have occurred as planned. Once Liberty Midstates removed the

¹ Case Nos. GE-2024-0201, WE-2024-0202, and SE-2024-0203.

² Staff Recommendation, Case Nos. GE-2024-0201, WE-2024-0202, SE-2024-0203, Appendix A, pg. 5.

³ Commission Informal Complaints CI202400709 and CI202401137.

⁴ Liberty Midstates' response to Staff Data Request No. 0224.

1 block, some customers received three to four bills within a span of 30 (thirty) days, depending
2 on the timing and duration of the account block.

3 Q. Has this issue been resolved?

4 A. According to Liberty Midstates, the issue had been identified and resolved by
5 the time the subsequent variance cases were filed, and Staff has no reason at this time to believe
6 otherwise. Customers were not being disconnected or charged late fees at the time.

7 Q. Has Staff discovered any new issues related to the Customer First transition?

8 A. Yes. Stemming from Commission Orders in Case Nos. GM-2000-312 and
9 GR-2006-0387, Liberty Midstates provides Staff with a Call Center Metrics Monthly
10 Performance Report (“Monthly Performance Report”) that includes data on key call center
11 metrics as well as estimated bills, revenue, and bad debt. In reviewing these reports,
12 Staff noticed a significant increase in the number of estimated bills per month, starting in
13 October 2023 and worsening in the subsequent months. Given the typical number of estimated
14 bills observed over the past few years, the timing and severity of the spike did not
15 seem coincidental.

16 **Liberty Midstates Estimated Bills: January 2021-May 2024**

	2021	2022	2023	2024
Jan	3	0	7	312
Feb	5	1	2	505
Mar	7	3	1	553
Apr	6	2	0	146
May	6	4	3	218
June	4	10	1	
July	7	4	0	
Aug	8	2	14	
Sept	3	4	0	
Oct	9	34	40	
Nov	1	10	56	
Dec	22	10	171	

17 Source: Liberty Midstates Monthly Performance Reports

Direct Testimony of
Charles Tyrone Thomason

1 Q. Has Liberty Midstates provided an explanation for the increase in the number of
2 estimated bills?

3 A. Yes, in part. According to Liberty Midstates, the issue was caused by an Encoder
4 Receiver Transmitter (“ERT”) number mismatch between the billing system and handheld
5 meter reader devices. ERT numbers entered into the billing system, post-transition, were added
6 using a format suitable for the legacy billing system but not for the new system, which translated
7 incorrectly into the handheld meter reader devices. This resulted in missed reads in the field
8 and the generation of estimated bills for affected accounts.⁵ Liberty Midstates discovered the
9 issue on March 5, 2024 and stated that it corrected the issue for all affected meters by
10 March 19, 2024.⁶

11 Q. Does this mean some customers have been receiving estimated bill since
12 October 2023?

13 A. Unexpectedly, no. While the number of estimated bills has risen, the number of
14 *consecutive* estimated bills has remained mostly consistent, with a peak of 14 (fourteen) in
15 February 2024. According to Liberty Midstates, it was able to fulfill the reread service orders
16 prompted by the ERT number mismatch at a pace that prevented most customers from receiving
17 multiple estimated bills in a row. When the number of service orders exceeded their capacity to
18 do so, this prompted the investigation into the issue.⁷

19 Q. You responded that Liberty Midstates provided a partial explanation for the
20 increase in estimated bills. Why do you think this is the case?

⁵ Liberty Midstates’ response to Staff Data Request No. 0196 and 196.2.

⁶ Liberty Midstates’ response to Staff Data Request No. 0196.6. Staff notes, however, that according to Liberty Midstates’ response to Staff Data Request No. 0196.9, three estimated bills were generated because of the ERT mismatch issue in April 2024.

⁷ Liberty Midstates’ response to Staff Data Request No. 0196.8.

Direct Testimony of
Charles Tyrone Thomason

1 A. Liberty’s response to Staff Data Request No. 0196.9 revealed that, between
2 October 2023 and April 2024, the total number of estimated bills that were due to the ERT issue
3 was 184. In contrast, the total number of estimated bills during that time period was 1598.⁸
4 In other words, Liberty Midstates’ response, meant to explain the increase in estimated bills,
5 only accounts for approximately 11.5% of the estimated bills during this time period. With the
6 exception of October 2023, the vast majority of estimated bills each month are unexplained by
7 the ERT issue. Furthermore, although the resolution of the issue in March 2023 appears to have
8 had a significant effect on the number of estimated bills, Staff notes that 146 estimated bills in
9 April 2024 and 218 estimated bills in May 2024 is still significantly higher than pre-Customer
10 First transition levels. This suggests that there is a second, as-yet-unidentified, cause for the
11 estimated bills that Liberty Midstates either did not disclose in its response to Data Request
12 No. 0196 or is currently unaware of.

13 Q. What does Staff suggest should be done about this issue?

14 A. Staff recommends that Liberty Midstates investigate the cause(s) of the increase in
15 the number of estimated bills and develop a solution to reduce the number of estimated bills per
16 month back to pre-transition levels.

17 Q. Does Staff have any further customer service-related recommendations
18 pertaining to Customer First?

19 A. No, not at this time, pending further revelations regarding the cause(s) of the
20 estimated bills. Liberty Midstates has resumed normal operations for both its employees as well
21 as its customers with regard to disconnections and late fees,⁹ and thus far Staff has not observed

⁸ It should be noted that, according to the Monthly Performance Reports, the total number of estimated bills during this same period was 1783. Staff intends to conduct further discovery to explain this discrepancy.

⁹ Liberty Midstates’ response to Staff Data Request Nos. 0186.1, 0197, and 0248.

1 any major repercussions. However, in addition to investigating the estimated bills, Staff is
2 awaiting the opportunity to review customer feedback via Voice of the Customer survey results
3 and may update the Commission as necessary.

4 **IVR CHANGE & MONTHLY PERFORMANCE REPORT**

5 Q. Can you please provide an overview of Liberty Midstates' call centers?

6 A. Liberty Midstates' call center consists of nine (9) remote offices in Missouri,
7 Illinois, and Iowa that collectively answer calls for all customers in all three states.¹⁰
8 Customers who call into the call center are first routed to the office nearest to their service
9 location but then sent elsewhere if no representatives are available. All call center
10 representatives are trained to handle customers in any state. Approximately 67.8% of the
11 customers served by the call center are Missouri-based customers.¹¹

12 Q. Does the Monthly Performance Report that you previously referenced also
13 include call center statistics?

14 A. Yes, in addition to estimated bills, the Monthly Performance Report covers
15 several call center metrics including Average Speed of Answer, Abandoned Call Rate,
16 Call Volume, and Staffing. However, at present, these metrics combine Missouri, Illinois, and
17 Iowa calls.

18 Q. Is Liberty Midstates presently able to distinguish these metrics by state?

19 A. No. All customers, regardless of state, call Liberty Midstates using the same
20 phone number. For that reason, it is currently not possible for Liberty Midstates to track calls
21 by state. However, this issue has arisen before in matters concerning Liberty Utilities Company

¹⁰ Liberty Midstates' response to Staff Data Request No. 0193.

¹¹ Liberty Midstates' response to Staff Data Request No. 0194.

1 subsidiaries. In Case No. WO-2022-0253, Staff recommended that Liberty Utilities (Missouri
2 Water), LLC d/b/a Liberty Utilities evaluate methods to effectively define calls by state as part
3 of its efforts to improve customer service.¹²

4 Q. Are you suggesting that Liberty Midstates has similar customer service issues
5 as those found in that investigatory docket?

6 A. No, not at all. Staff's rationale for the recommendation in that case was that the
7 ability to distinguish and categorize calls by state can assist in determining how to direct
8 customer education programs and detect operational problems. My intent is to point out that
9 those same benefits are broadly applicable in any situation where a utility company has a
10 customer base in multiple states. A customer's particular location has potential regulatory,
11 economic, social, cultural and climate ramifications, any or all of which may contribute to
12 different outcomes requiring unique interventions. The more visibility in those distinctions, the
13 better all customers can be served.

14 Q. Has Liberty Midstates explored the issue of separating the call center metrics
15 by state?

16 A. Yes. Staff inquired whether Liberty Midstates had investigated ways to capture
17 calls by state. In response, Liberty Midstates offered two solutions. The first would require
18 directing customers to a distinct phone number depending on their state of residence.
19 This method would require acquiring new phone numbers and revising all customer
20 communications in all three states to reflect those new numbers. The other proposed solution

¹² *Staff Report*, filed November 23, 2022 in Case No. WO-2022-0253.

Direct Testimony of
Charles Tyrone Thomason

1 was to add an option to the Interactive Voice Response (“IVR”) prompts to request that the
2 caller select their state.¹³

3 Q. Does Staff have a recommendation?

4 A. Yes, Staff recommends making the change to the IVR so customers who call
5 Liberty Midstates are prompted to select their state. This option would accomplish the same
6 objective with far less disruption to customers and far less effort on the behalf of
7 Liberty Midstates.

8 Q. You stated earlier that the Monthly Performance Report currently combines call
9 center statistics for three states. Should Liberty Midstates develop a way to separate
10 Missouri calls, would Staff also recommend that the data be incorporated into the Monthly
11 Performance Report?

12 A. Yes. Specifically, Staff would recommend the Monthly Performance Report
13 provide Missouri-specific metrics while also continuing to report the combined statistics.
14 The Monthly Performance Report in its current form is an effective indicator of the overall
15 health of the call center because all call center representatives are responsive to calls from every
16 state, and the continuance of that data is important for year-over-year comparisons.
17 However, the current format makes it difficult for Staff to glean any information about the status
18 of Missouri customers. To give a recent example, Staff observed through the
19 Monthly Performance Report that the number of phone calls received by Liberty Midstates
20 from its customers spiked significantly during the first two months of the Customer
21 First transition. Staff could only assume that a proportional amount of the increase was due to

¹³ Liberty Midstates’ response to Staff Data Request No. 0195.1.

Direct Testimony of
Charles Tyrone Thomason

1 Missouri customers. It could not gauge the impact of the Customer First transition on Missouri
2 customers, for whom the Commission ordered certain additional protections, in contrast to the
3 impact on customers in Iowa and Illinois who may not have received the same protections.
4 Having both Missouri-specific and combined metrics would provide Staff a way to monitor the
5 status of Missouri customers as a distinct but interrelated component of the Liberty Midstates
6 customer base.

7 Q. Does this conclude your direct testimony?

8 A. Yes it does.

BEFORE THE PUBLIC SERVICE COMMISSION

OF THE STATE OF MISSOURI

In the Matter of the Request of Liberty)
Utilities (Midstates Natural Gas) Corp.)
d/b/a Liberty to Implement a General Rate)
Increase for Natural Gas Service in the)
Missouri Service Areas of the Company)

Case No. GR-2024-0106

AFFIDAVIT OF CHARLES TYRONE THOMASON

STATE OF MISSOURI)
)
COUNTY OF COLE) ss.

COMES NOW CHARLES TYRONE THOMASON and on his oath declares that he is of sound mind and lawful age; that he contributed to the foregoing *Direct Testimony of Charles Tyrone Thomason*; and that the same is true and correct according to his best knowledge and belief.

Further the Affiant sayeth not.

Charles Tyrone Thomason
CHARLES TYRONE THOMASON

JURAT

Subscribed and sworn before me, a duly constituted and authorized Notary Public, in and for the County of Cole, State of Missouri, at my office in Jefferson City, on this 12th day of July 2024.

D. SUZIE MANKIN
Notary Public - Notary Seal
State of Missouri
Commissioned for Cole County
My Commission Expires: April 04, 2025
Commission Number: 12412070

D. Suzie Mankin
Notary Public

Charles “Tyrone” Thomason

Present Position:

I am a Senior Research/Data Analyst in the Customer Experience Department of the Financial and Business Analysis Division of the Missouri Public Service Commission. I have been employed by the Missouri Public Service Commission since December 2021.

Educational Background and Work Experience:

I earned a Bachelor of Arts degree in History and Psychology from The University of Alabama in Tuscaloosa, Alabama in 2014, during which I took coursework on statistics and quantitative research. I earned a Master of Arts degree in History from The University of Alabama in 2019.

I was previously employed for six months as an Adult Education Instructor teaching Social Studies and Language Arts at Cornerstones Career Learning Center in Huron, South Dakota. Prior to that, I was a pre-calculus tutor for Shelton State Community College in Tuscaloosa, Alabama for 2 years and a Graduate Teaching Assistant and Instructor for one year at The University of Alabama.

Case Participation:

<u>Company Name</u>	<u>Case Number</u>	<u>Case Type / Type of Testimony</u>	<u>Utility Type</u>
Spire Missouri Inc.	GO-2022-0022	Investigatory Docket- Staff Report	Gas
Missouri American Water Company	WA-2022-0229	Certificate of Convenience and Necessity – Staff Recommendation	Water
Union Electric Company d/b/a Ameren Missouri	EC-2022-0291	Formal Complaint- Staff Report	Electric
Missouri American Water Company	WA-2022-0293	Certificate of Convenience and Necessity – Staff Recommendation	Water
Missouri American Water Company	WR-2022-0303	Rate Case- Direct Testimony	Water
Missouri American Water Company	WA-2022-0361	Certificate of Convenience and Necessity – Staff Recommendation	Water
Raytown Water Company	WC-2023-0166	Formal Complaint- Staff Report	Water
Office of Public Counsel	AX-2023-0175	Rulemaking Docket- Live Testimony	All
Evergy Missouri West Inc.	EC-2023-0248	Formal Complaint- Staff Report	Electric
Charles A. Harter	AX-2023-0287	Rulemaking Docket- Staff Report	All
Spire Missouri Inc.	GC-2023-0333	Formal Complaint- Staff Report	Gas
Evergy Missouri West Inc.	EC-2023-0433	Formal Complaint- Staff Report	Electric
Confluence Rivers	WA-2023-0398	Certificate of Convenience and Necessity – Staff Recommendation	Water
Liberty (Midstates Natural Gas)	GE-2024-0046	Variance Request- Staff Recommendation	Gas
Confluence Rivers	SA-2024-0129	Certificate of Convenience and Necessity – Staff Recommendation	Sewer
Spire Missouri Inc.	GC-2024-0113	Formal Complaint- Staff Report	Gas
Empire District Gas Company	GE-2024-0201	Variance Request- Staff Recommendation	Gas
Liberty Utilities (Missouri Water) LLC	WE-2024-0202	Variance Request- Staff Recommendation	Water
Liberty Utilities (Missouri Water) LLC	SE-2024-0203	Variance Request- Staff Recommendation	Sewer
Empire District Electric Company	EE-2024-0261	Variance Request- Staff Recommendation	Electric
Evergy Missouri Metro Inc.	EC-2024-0289	Formal Complaint- Staff Report	Electric
Spire Missouri Inc.	GC-2024-0290	Formal Complaint- Staff Report	Gas