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Program*
Witness: *Lisa Stockman*
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Date Testimony Prepared: *August 20, 2024*

MISSOURI PUBLIC SERVICE COMMISSION

FINANCIAL AND BUSINESS ANALYSIS DIVISION

CUSTOMER EXPERIENCE DEPARTMENT

DIRECT TESTIMONY

OF

LISA STOCKMAN

LIBERTY UTILITIES (Missouri Water) LLC,

d/b/a Liberty

CASE NO. WR-2024-0104

*Jefferson City, Missouri
August, 2024*

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LISA STOCKMAN

LIBERTY UTILITIES (Missouri Water) LLC,

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DIRECT TESTIMONY

OF

LISA STOCKMAN

LIBERTY UTILITIES (Missouri Water) LLC,

d/b/a Liberty

CASE NO. WR-2024-0104

Q. Please state your name and business address.

A. My name is Lisa Stockman. My business address is 200 Madison Street, Jefferson City, Missouri 65101.

Q. By whom are you employed and in what capacity?

A. I am employed by the Missouri Public Service Commission (“Commission”) as a Research/Data Analyst in the Customer Experience Department (“CXD”), Financial and Business Analysis Division. My duties as an analyst include, but are not limited to, participating in and conducting customer service and business office operations reviews. I research and manage formal complaints. I also prepare and review audit and investigatory reports.

Q. Please describe your educational background and work experience.

A. My education and work experience are attached as Schedule LS-d1.

Q. Have you previously filed testimony before the Commission?

A. Yes, also on Schedule LS-d1 is a list of cases before the Commission in which I provided Staff recommendations or testimony.

EXECUTIVE SUMMARY

Q. What is the purpose of your direct testimony?

1 A. The purpose of my direct testimony is to address Customer First, the
2 Commission Order (“Order”) in Case No. WO-2022-0253 as it relates to customer service for
3 Liberty Utilities (Missouri Water), LLC d/b/a Liberty (“Liberty Water”) and I will address
4 Liberty Water’s compliance with Staff’s recommendations as referenced in the Order.
5 The other issue I will address is Liberty Water’s proposal of the Transaction Fee-Free Program,
6 which is similar to The Empire District Electric Company d/b/a Liberty (Empire) and
7 The Empire District Gas Company d/b/a Liberty’s programs they currently have in place.

8 **CUSTOMER FIRST**

9 Q. Please give a brief summary of the Customer First program?

10 A. The Customer First program is Liberty Utilities Company’s corporate-wide
11 initiative to improve business practices and computer systems to put customers first in how
12 Liberty Utilities Company delivers its services. The project includes a set of technology
13 investments, system upgrades and infrastructure improvements.¹

14 Q. According to Liberty Water, what are some of the purported benefits customers
15 will receive with the implementation of the Customer First program?

16 A. According to Liberty Water, Customer First allows for the redesign of customer
17 bills. Liberty Water states that the new bill design increases readability and gives customers a
18 better understanding of their water usage. The user interface enables customers to set up an
19 account profile, monitor their usage, view bills, make payments, and receive alerts about

¹ Direct Testimony of Lauren Preston, page 2.

1 payments and services.² Customer First was deployed on April 8, 2024 for Liberty Water.
2 Liberty Water expects to have Customer First fully deployed across the enterprise in 2024.³

3 Q. Has CXD Staff evaluated the benefits of Customer First?

4 A. At this time, CXD Staff continues to evaluate Liberty Water’s progress and will
5 provide further analysis in later testimony. Staff member Charles “Tyrone” Thomason will
6 address Customer First further in his rebuttal testimony.

7 **WO-2022-0253 – INVESTIGATORY DOCKET**

8 Q. What prompted the Commission to open an Investigatory Docket?

9 A. In Liberty Water’s most recent rate case, Case No. WR-2018-0170, Staff had
10 concerns with several customer service issues and company operations. Staff was in contact
11 with Liberty Water on a regular basis to follow-up with these issues. In March of 2022,
12 Staff was still concerned with Liberty Water’s ability to provide safe and adequate service and
13 their ability to make the needed changes. This prompted Staff to file a *Motion to Open an*
14 *Investigatory Docket* and as a result the Commission opened Case No. WO-2022-0253.
15 During the investigation, CXD Staff referenced several areas of concern and offered
16 recommendations for Liberty Water to help improve the service it provides to customers.

17 Q. Did CXD provide recommendations in the Investigatory Docket?

18 A. Yes. The recommendations were:⁴

19 1. Liberty Water continues to evaluate methods that could be utilized to
20 further define the number of calls by state and by category (type) of customer inquiry handled

² Direct Testimony of Lauren Preston, page 5.

³ Direct Testimony of Laurent Preston, page 7.

⁴ Staff’s Report, Case No. WO-2022-0253, pages 23, 24, 25.

1 by a Customer Service Representative (“CSR”) at a Call Center.

2 2. Liberty Water develop a method to measure the number of bills with
3 irregularities sent on to Billing Operations for further review. Data should also be maintained
4 on the reasons for the review, results of the review and any actions or corrections made.

5 3. Liberty Water ensure CSR training includes informing its customers of
6 their rights to contact the Commission’s Consumer Services Department (“CSD”) in instances
7 when they are unable to resolve their issue with Liberty Water.

8 4. Liberty Water maintain a count of the types and number of water/sewer
9 inquiries or complaints it receives through its Call Center.

10 5. Liberty Water provide clear information to its customers on how to
11 contact Liberty Water.

12 6. Liberty Water should communicate with its customers the reasons for
13 estimated bills, particularly in the case of frequent or consecutive estimates.

14 7. Liberty Water CSRs need to utilize account notes to document
15 conversations with customers and any actions taken on the account.

16 8. Liberty Water develop and utilize more effective practices for the
17 communication of boil advisories at all systems.

18 Q. How did the Commission respond to Staff’s recommendations in the case?

19 A. The Commission filed an *Order Accepting Staff’s Report and Directing a*
20 *Response* on January 19, 2023, accepting Staff’s investigative report and ordering
21 Liberty Water to file a new general rate case by December 31, 2023, where it would address
22 the progress and future plans to implement Staff’s recommendation as part of its
23 direct testimony. If Liberty Water did not file a new general rate case by December 31, 2023,

1 it was ordered to file an update in the investigatory docket addressing its progress and future
2 plans to implement Staff's recommendations. Liberty Water filed its *Notice of Intended Case*
3 *Filing* on September 26, 2023, noting its intent to file a general rate case for its water and
4 wastewater operations. On March 13, 2024, Liberty Water filed its rate case and the
5 investigatory docket was closed.

6 Q. Did Liberty Water address Staff's recommendations from the investigatory
7 docket in its filing of testimony in this rate case, as ordered by the Commission?

8 A. Yes. Haley Sirmon addresses Staff's recommendations in her direct testimony
9 in this case.

10 Q. Has Liberty Water complied with the recommendation to "continue to evaluate
11 methods that could be utilized to further define the number of calls by state and by category
12 (type) of customer inquiry handled by a CSR at a Call Center"?

13 A. Liberty Water has complied to a certain degree. When the investigatory docket
14 was filed, Liberty Water was only able to track calls by commodity (electric, gas and water).
15 Gas customers could be separated out because they called an 800 number that was different
16 than Liberty's electric, water and wastewater customers. Water and wastewater customers were
17 not able to be separated because they called the same 800 number as electric customers.

18 In June of 2022, Liberty Water implemented a change to its Interactive Voice Response
19 ("IVR") system that asked customers calling the 800 number to choose whether they were
20 calling to discuss their electric or water/sewer account. Finally, in early 2023, Liberty Water
21 requested their phone vendor to build a new report, which would allow calls to be tracked
22 by state. The report is generated and sorted by area code.

1 While Liberty has shown initiative to comply with the recommendations, this report has
2 the probability to be skewed. Some customers may have cells phones they have kept from
3 previous states from a previous residency; in these instances, the area code would not accurately
4 depict the customer’s service location resulting in an inaccurate report. Liberty Water has stated
5 that it continues to make changes to its Customer Information System (“CIS”) and it will
6 continue to look for better options to track the information.⁵ Staff would encourage
7 Liberty Water to continue to evaluate options to find a report that will accurately separate calls
8 by state.

9 Q. Concerning Staff’s recommendation to “develop a method to measure the
10 number of bills with irregularities sent on to Billing Operations for further review. Data should
11 also be maintained on the reasons for the review, results of the review and any actions or
12 corrections made”, what is Staff’s view of Liberty Water’s proposed method to measure
13 irregularities and data tracking?

14 A. According to Liberty Water witness Hayley Sirmon’s direct testimony,
15 Liberty Water moved into its new CIS, System Application and Products (“SAP”), in the second
16 quarter of 2024. This new system is configured to set aside meter readings or billing documents
17 into various queues to be resolved. There are queues and reports that are leveraged to identify
18 work that is outstanding and reports to see what work has been performed, by whom, and when.
19 An example of the most common exception queues to be reviewed will be the Implausible
20 Readings, Billing and Invoice Outsorts and Business Process Exception Management
21 (“BP EMs”). The Billing Representative reviews the readings before releasing the reading to
22 bill and can act on a reading that needs to be verified or corrected. Each account is documented

⁵ Direct Testimony of Hayley Sirmon, page 3.

1 with the correction or action that was taken⁶. Staff continues to gather information regarding
2 this issue as the CIS has now been put into place and will provide further analysis in
3 later testimony.

4 Q. Has Liberty Water complied with Staff's recommendation to "ensure CSR
5 training includes informing its customers of their rights to contact the Commission's Consumer
6 Services Department in instances when they are unable to resolve their issue with
7 Liberty Water"?

8 A. Yes. According to Liberty Water, CSRs, senior CSRs, managers and supervisors
9 are all trained on how to escalate complaints which includes the right of the customer to contact
10 the Commission's Consumer Services Department if they feel the issue is not being resolved
11 by Liberty Water. The contact information for the Commission is provided in Liberty Water's
12 new customer booklet, which is provided to all new customers. CSRs review the new customer
13 booklet as part of their training.⁷ Staff reviewed five (5) calls to the Call Center that were
14 escalated to a supervisor.⁸ Each of the calls reviewed by Staff were pleasant and handled in a
15 professional manner. Although Staff reviewed only a small sampling of escalated calls, Staff
16 was satisfied with the handling of the calls and hopes Liberty Water will continue with training
17 CSRs, managers and supervisors on informing customers of their rights to contact the
18 Commission.

19 Q. What is Liberty Water's proposed solution to Staff's recommendation to
20 "maintain a count of the types and number of water/sewer inquiries or complaints it receives
21 through its call center"?

⁶ Direct Testimony of Hayley Sirmon, page 4.

⁷ Direct Testimony of Hayley Sirmon, page 6.

⁸ Staff Data Request 0159.

1 A. Liberty Water tracks complaints it receives from customers via outside agencies
2 such as the Commission, the Attorney General’s office and the Better Business Bureau.⁹
3 Liberty Water also uses wrap-up codes to identify customer telephone calls which involve an
4 inquiry or complaint. According to Liberty Water witness, Hayley Sirmon, a wrap-up code is
5 a category of codes that a CSR chooses from which explains what type of call they received.
6 Currently, there are 15-20 wrap-up codes a CSR can choose from, such as: account inquiry, bill
7 estimate/high bill, emergency/outage, payment agreement, turn on/turn off and energy
8 assistance. CSRs are coached regularly on the importance of selecting the correct
9 wrap-up code.¹⁰ This gives Liberty Water an idea of the types of calls it is receiving. Liberty
10 Water states that the wrap-up codes are reviewed on a periodic basis to see if they need to be
11 changed. Staff continues to evaluate Liberty Water’s progress and will provide further analysis
12 in later testimony.

13 Q. Has Liberty Water complied with Staff’s recommendation to “provide clear
14 information to its customers on how to contact Liberty Water”?

15 A. Yes. Liberty Water provides this information on billing statements, its website,
16 and in its new customer booklet which is mailed to all customers new to the system. When a
17 new company is acquired, Liberty Water sends a letter informing the new customers of the
18 acquisition and ways they may contact Liberty Water. In Case No. WO-2022-0253,
19 Staff relayed that customers had concerns about contacting the company resulting in poor
20 customer service. Several numbers were listed on the billing statement on how to contact the
21 company. Customers were not happy with the initial information they received on the

⁹ Direct Testimony of Hayley Sirmon, page 6.

¹⁰ Direct Testimony of Hayley Sirmon, pages 3,4.

1 IVR system because the options that were given were confusing and weren't clear, especially
2 when the customer was trying to reach them with an emergency or an outage. Staff would
3 encourage Liberty Water to continue to make it easier for customers to contact Liberty Water,
4 which includes phone numbers on statements, the IVR line, and its website.

5 Q. Has Liberty Water complied with Staff's recommendation to "communicate
6 with customers the reasons for estimated bills, particularly in the case of frequent or
7 consecutive estimates"?

8 A. Yes. Liberty Water has revised its estimated read letter template, which now
9 prompts for a reason for the estimated read. When an estimated read is identified by the meter
10 reader, a reason code is now included in the letter to the customer.¹¹ Examples of estimated
11 read causes include weather, safety concerns, animals, blocked/covered meters and lack of
12 access to the meter area.¹² In response to Staff Data Request ("DR") No. 0151, Liberty Water
13 provided a sample of the estimated read letter. Staff has reviewed and is satisfied with the new
14 letter. Staff does not have any further recommendations at this time.

15 Q. Has Liberty Water complied with Staff's recommendation to "ensure CSRs
16 utilize account notes to document conversations with customers and actions taken
17 on accounts."?

¹¹ Direct Testimony of Hayley Sirmon, page 7.

¹² Staff Data Request 0151.

Direct Testimony of
Lisa Stockman

1 A. Yes, to a certain degree. Staff reviewed forty (40) random phone calls from 2023
2 and 2024 along with the CSRs' notes for those calls. Some of the calls without notes involved
3 transfer to pay a bill online, checking when a tech would be out to turn the water on that day
4 and customers calling the wrong number and were transferred to the department that handles
5 that specific utility type. There were two (2) calls on February 23, 2024, where there was no
6 note and another that needed more information. On Call No. 19 the customer wanted to have
7 all her bills from 2023 emailed to her. There are no account notes documented. On another call,
8 Call No. 9, the customer called to have her service turned back on. The customer had a water
9 leak on her side and she was calling to let them know it had been fixed and the water could be
10 turned back on. There is a service report in the system but the account note only states "OTC".
11 In Call No. 19 on January 25, 2023, the customer had a water leak for the past two weeks and
12 needed someone to come out and check it. There is a service order in the system but there are
13 no account notes. Finally, in Call No. 20 on the same day, a customer called to check her
14 account balance. She told the CSR that she had cash to pay her balance but needed to go into
15 the office to pay. The CSR verified the address of the office she should go to and the office
16 hours but did not document the call at all.¹³ Staff cannot emphasize enough the importance of
17 putting ALL notes in the account even if it is something small and simple. The right
18 documentation allows for the other CSRs, managers or supervisors to see what has been done
19 on the account. It also ensures good customer service when the CSR is knowledgeable to what
20 is happening with the customer's account. Accounts notes were an issue that came up during
21 the investigatory case. Although Staff feels there is an improvement, CSRs need to be trained
22 to always document calls. Staff recommends that documenting notes be a continual
23 training opportunity.

Direct Testimony of
Lisa Stockman

1 Q. Has Liberty Water made any improvements to address Staff's recommendation
2 to "develop and utilize more effective practices for the communication of boil advisories at
3 all systems"?

4 A. Yes. For boil advisories, contact is made with the customer by phone if there
5 are twenty-five (25) or fewer customers impacted. In cases where more than twenty-five (25)
6 customers are impacted, field workers hang door tags or place signs in the neighborhoods
7 affected. Alerts are also posted on Liberty Water's website.¹⁴ Liberty Water also intends to use
8 Onsolve, a new platform utilized for customer notifications, to notify customers who have a
9 cell phone number in the system by text message of the boil advisory, regardless of the number
10 of customers impacted. Onsolve is capable of sending text messages, emails and making phone
11 calls.¹⁵ As Liberty Water continues to expand the use of Onsolve to send notifications, CSRs
12 will not manually call customers to notify them of the advisory since Onsolve will provide this
13 capability¹⁶. According to the Liberty Water, it will encourage customers thru bill messages,
14 emails and social media communication to update their contact information so they can receive
15 the notifications.¹⁷ CSRs are also encouraged to verify phone numbers with customers when
16 they call in. According to Liberty Water, it hopes to expand Onsolve's text messaging capability
17 to non-account holders who sign up for alerts in 2025. This would address instances where, for
18 example, consumers who live in a multi-family apartment building, where the water is delivered
19 through a master meter that is paid for by the landlord or property management company, would
20 like to receive alerts but are not Liberty Water customers.¹⁸ An example would be boil

¹³ Staff Data Request 0154.

¹⁴ Direct Testimony of Hayley Sirmon, page 8.

¹⁵ Staff Data Request 0163.

¹⁶ Staff Data Request 0155.

¹⁷ Staff Data Request 0147.

¹⁸ Staff Data Request 0161 Supplement.

1 advisories. The only detail that will be needed from a non-customer is their cell phone number.
2 Liberty Water will notify non-customers of this opportunity on their website and via
3 social media. Key account managers can also reach out to their contacts in the community to
4 make them aware of the new offering.¹⁹

5 Staff encourages Liberty Water to continue to utilize all methods available to notify
6 customer of any alerts. Not only does this improve communication between the customer and
7 Liberty Water, but it's also important to keep customers updated on any alerts so they are aware
8 of them.

9 **TRANSACTION FEE-FREE PROGRAM**

10 Q. What are the current methods a customer can use to pay their utility bill?

11 A. Customers pay their bills by ACH, Elock, Lock Box, going in to the office,
12 Nightbox, FIRSTTECH, payment thru the IVR system, or online via the website.²⁰

13 Q. What is Liberty Water proposing regarding the transaction fee-free program?

14 A. Currently, Liberty Water's payment service provider charges a fee to process
15 credit and debit card payments to recoup transaction fees charged by the credit and debit card-
16 issuing banks.²¹ Liberty Water is proposing a fee-free transaction program for both residential
17 and non-residential customers who use their debit or credit card to pay their bills.²²

18 Q. How does Liberty Water propose to recover the costs associated with the fee-
19 free program?

¹⁹ Staff Data Request 0162.

²⁰ Staff Data Request 0169.

²¹ Direct Testimony of Lauren Preston, page 9.

²² Direct Testimony of Lauren Preston, page 11.

1 A. Liberty Water seeks to recover an estimate of the fee-free payment program
2 costs through base rates. Liberty Water will benefit from a lower price per transaction from the
3 payment processing vendor because of the switch. The fees will decrease from \$1.75 to \$1.45
4 per transaction. The transaction price for non-residential customers will decrease from \$7.75 to
5 \$5.50.²³ This issue will also be addressed in Staff witness Amanda McMellen's
6 direct testimony.

7 Q. Do Liberty Utilities's other Missouri investor-owned utilities offer this benefit
8 to customers?

9 A. Yes. A similar program is in place for The Empire District Electric Company
10 d/b/a Liberty (Empire) and The Empire District Gas Company d/b/a Liberty customers.

11 Q. If approved, how does Liberty Water propose to inform customers about
12 this change?

13 A. According to Liberty Water, it will post the information on their website and will
14 place a bill message to inform customers of the change.²⁴ Information about the change will
15 also be included in the monthly customer email newsletter. CSRs will provide the update to
16 customers who call in with questions or call to make a payment on their account.²⁵

17 Q. What is Staff's recommendation on the transaction fee-free program?

18 A. Since the transaction fee-free program is consistent with the Commission's
19 treatment of other similar programs, Staff recommends the approval of Liberty Water's request
20 but with one recommendation.

21 Q. What is Staff's recommendation?

²³ Direct Testimony of Lauren Preston, page 10.

²⁴ Staff Data Request 0170.

²⁵ Staff Data Request 0170.

Direct Testimony of
Lisa Stockman

1 A. Staff's recommendation for Liberty Water is:

2 1. Monitor the number of customers using the credit card option, whether
3 the number of payments by credit card increases, and whether eliminating a fee to pay by credit
4 card results in savings to the customer, to Liberty Water, or to both.

5 Q. Does this conclude your direct testimony?

6 A. Yes, it does.

BEFORE THE PUBLIC SERVICE COMMISSION

OF THE STATE OF MISSOURI

In the Matter of the Request of Liberty Utilities)
(Missouri Water) LLC d/b/a Liberty for) Case No. WR-2024-0104
Authority to Implement a General Rate)
Increase for Water and Wastewater Service)
Provided in its Missouri Service Areas)

AFFIDAVIT OF LISA A. STOCKMAN

STATE OF MISSOURI)
) ss.
COUNTY OF COLE)

COMES NOW LISA A. STOCKMAN and on her oath declares that she is of sound mind and lawful age; that she contributed to the foregoing *Direct Testimony of Lisa A. Stockman*; and that the same is true and correct according to her best knowledge and belief.

Further the Affiant sayeth not.


LISA A. STOCKMAN

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 14th day of August 2024.




Notary Public

Lisa Stockman

Present Position:

I am a 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 August 2006.

Educational Background and Work Experience:

I earned a Bachelor of Science degree in Office Management from Lincoln University in 1993.

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
Ralph Rudolph	WC-2022-0162	Formal Complaint – Staff Report	Water
S.K.& M. Water and Sewer	WR-2022-0240	Rate Case – Staff Report	Water
Liberty Utilities (Missouri Water), LLC d/b/a Liberty Utilities	WO-2022-0253	Investigatory Docket – Staff Report	Water
Missouri American Water Company	WA-2022-0311	Certificate of Convenience and Necessity – Staff Recommendation	Water
Timber Creek Sewer Company	SA-2022-0338	Certificate of Convenience and Necessity – Staff Recommendation	Sewer
Argyle Estates Water Supply	WR-2022-0345	Rate Case – Staff Report	Water
Liberty Utilities (Missouri Water), LLC d/b/a Liberty Utilities	SA-2023-0020	Certificate of Convenience and Necessity – Staff Recommendation	Sewer
Bobby Armour	GC-2022-0301	Formal Complaint – Staff Report	Gas
Charles Harter	EC-2023-0281	Formal Complaint – Staff Report	Electric
Confluence Rivers Utility Operating Company, Inc.	WA-2023-0450	Certificate of Convenience and Necessity – Staff Recommendation	Water
Raytown Water Company	WR-2023-0344	Rate Case – Staff Report/Direct Testimony	Water
Confluence Rivers Utility Operating Company, Inc.	WA-2023-0450	Certificate of Convenience and Necessity – Staff Recommendation	Water