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Billing
Payne/Surrebuttal
Public Counsel
GR-2024-0106

SURREBUTTAL TESTIMONY

OF

MANZELL PAYNE

Submitted on Behalf of the Office of the Public Counsel

LIBERTY UTILITIES (MIDSTATES NATURAL GAS) CORP.
D/B/A LIBERTY UTILITIES'

FILE NO. GR-2024-0106

September 19, 2024

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OF

MANZELL M PAYNE

LIBERTY UTILITIES (MIDSTATES NATURAL GAS) CORP. D/B/A LIBERTY

CASE NO. GR-2024-0106

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

2 A. Manzell Payne, Utility Regulatory Auditor, Office of the Public Counsel (“OPC” or “Public
3 Counsel”), P.O. Box 2230, Jefferson City, Missouri 65102.

4 **Q. Are you the same Manzell Payne who filed direct and rebuttal testimony for the Office
5 of the Public Counsel in this case?**

6 A. Yes.

7 **Q. What is the purpose of your surrebuttal testimony?**

8 A. The purpose of my surrebuttal testimony is to respond to rebuttal testimony of Liberty Utilities
9 (Midstates Natural Gas) Corp. d/b/a Liberty¹ witness, Lauren Preston on customer billing
10 statement.

11 **BILLING**

12 **Q. For context, please summarize your position on billing statements and customer
13 satisfaction from your direct testimony.**

14 A. In that testimony, I stated that Liberty Midstates’ gas bill has some good traits, however the
15 bill could be improved. I recommended that the Company update its gas bill with the customer
16 in mind by simplifying its graphs and providing more definitions and examples for complex
17 terms used in the bill. I suggested that updating and simplifying its bill would create a better
18 customer experience, decreasing customer dissatisfaction and increasing overall trust in the
19 Company. If these bill changes occur, customers will have a better understanding of their bills,
20 leading to reduced burdens on customer service departments.

¹ Heretofore “Company” or “Liberty Midstates.”

1 **Q. What was the Company’s response to your suggestions to help alleviate confusion on the**
2 **billing statements that customers receive?**

3 A. Company witness Lauren Preston acknowledged and agreed that the term “degree days” is
4 not widely known to those outside of the utilities industry and related occupations. The
5 Company then changed its billing statement and updated its website to include a definition
6 for degree days. However, the Company did not agree to simplify its gas bill by separating
7 out the graph in a different manner or changing its graphs to use average temperature instead
8 of degree days. In separating the graph into two potential graphs, one for volume of gas used
9 and one for impact of temperature, the Company can still use its presentation of energy use
10 through degree days.

11 **Q. Is there any part of Company witness Lauren Preston’s rebuttal testimony that you**
12 **disagree with?**

13 A. Yes. Ms. Preston states that Liberty Midstates “sought a bill that is easy to read and
14 aesthetically pleasing.”² However, as I have pointed out in my direct testimony, the bill can
15 confuse Liberty Midstates customers through the Company’s graph and the advanced
16 terminology. The bill uses terms that are not widely known and do not make its bill easy to
17 read for customers. The Company also uses a graph that is confusing to follow as it combines
18 two graphs in a way that shows information for 24 months. This is a lot of information to take
19 in at once if the reader does not understand what they are looking at. In her rebuttal testimony.
20 Ms. Preston states, “Liberty’s design of the graph is to portray a lot of information in a
21 compact and comparable format.” The rationale Ms. Preston gives for the excessive
22 information is for customers to see the variations and patterns over time. Those same variation
23 and patterns can be seen and understood more in two different graphs, with half the
24 information, instead of one graph with a lot of information.

² Lauren Preston Rebuttal Testimony, GR-2024-0106, EFIS item No. 105, p.2 lines 11 & 12.

1 **Q. Do you agree with the change made by Liberty Midstates?**

2 A. Yes. I appreciate Liberty Midstates addressing and updating its billing statement and website
3 to define degree days. This change is very helpful for customers, as the term is complex and
4 not widely known by customers and those not in the utility field.

5 **Q. Ms. Preston mentioned other ways that customers can get usage/consumption
6 information other than the monthly billing statement. How do you respond?**

7 A. Ms. Preston mentioned that Liberty's new "My Account" system that is a part of the Customer
8 First upgrade allows customers to view their prior usage in table format, which Customers
9 can download. This alternative way for Liberty Midstates customer may help some customers
10 but not all of them. Not every customer of Liberty Midstates has the option to use the other
11 ways to view their monthly usage on the My Account system due to not having internet access,
12 not understanding the website, and/or technical issues with the website. In fact, the
13 Company's response to Data Request 0010, states that only 24.06% (68,732) of total
14 (285,664) customers for Liberty Utilities (includes electric, gas, water, and wastewater) in
15 Missouri have the My Account and only 20.47% (58,487) of Liberty Utilities Missouri
16 customers frequently use the My Account feature.³ Some customers may prefer to receive a
17 paper bill in the mail and pay via check. In doing so, the only way that the customer knows
18 their usage is due to the paper bill. Therefore, it is vital for this bill to be simple and easy to
19 comprehend.

20 **Q. Have customers had problems with Liberty Midstates' bills and website?**

21 A. Yes, they have. Customers have had problems viewing their accounts and paying their bills.
22 In this case alone, there have been two consumer comments that show concern with Liberty
23 Midstates and the billing system:

24 Consumer Comment P202500642: Customer called to say he was against it. Nothing
25 has gone properly since they upgraded their billing system. It's taken them several
26 times to receive their bills. Their customer service is not excellent. The company is
27 inherently flawed. They should work on updating their systems before asking for more

³ Company Response to Data Request #0010 is attached as Schedule MMP-S-2.

1 money. His most recent charge totaled \$64.00, which included \$42.00 for sewer and
2 \$15.00 for gas delivery. Right present, everything is becoming increasingly expensive
3 due to inflation. This is extremely poor judgement on their part.

4 Consumer Comment P202400701: Customer inquired about their billing system. He
5 went three months without a bill. He kept phoning, and they said they were having
6 issues with their billing system. People expect a monthly bill. This is not a good way
7 to do business. He understands there are technological errors. This is a dreadful
8 situation. He does not want things to get out of hand.

9 Additional customer comments are attached as confidential schedule MMP-S-1, which is the
10 Company's response to Data Request #0048, that includes many customer comments over
11 billing statements and payments.

12 **Q. Would customer dissatisfaction be improved with a bill that is easier to understand to a**
13 **larger majority of Liberty Midstates' customers?**

14 A. While customers may be dissatisfied with the Company for more than the billing statements,
15 I believe that an improved gas bill could help improve customer satisfaction. The customer
16 comments above show customers that are not fans of the new billing system and/or have had
17 a problem with receiving billing statements from Liberty Midstates. The additional customer
18 comments included in my attached schedule, MMP-S-1, show how many more customers are
19 having problems with their billing statements and with the billing system as a whole. With
20 improvements to the bill and the billing system, customers should have a better understanding
21 of their bill and usage, which should improve customer satisfaction with Liberty Midstates.

22 **Q. Please summarize your position on the customer billing statements of Liberty Midstates.**

23 A. While I acknowledge the good traits of Liberty Midstates gas bill, I still believe that the billing
24 statement and billing, in general, can be improved to help alleviate customer confusion and
25 dissatisfaction. I appreciate the Company updating its billing statements and website to
26 include the definition for degree days. That addition is the right step forward to provide
27 customers with more positive experience.

28 However, I do believe that more can be done. The graph should put the information into
29 separate graphs, which could lead to customers understanding their usage and gas bill more.

1 Then, customers can manage their energy usage more efficiently and plan financially,
2 benefiting the Company through fewer customer comments, less burdened customer service
3 departments, and better Company resource allocation.

4 **Q. Does this conclude your surrebuttal testimony?**

5 A. Yes, it does.

