Exhibit No. 234

Staff – Exhibit 234
Scott J. Glasgow
Rebuttal
File No. ER-2024-0189

Exhibit No.:	
Issue(s):	*Customer Service, Customer Complaints*
Witness:	*Scott J. Glasgow*
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MISSOURI PUBLIC SERVICE COMMISSION

FINANCIAL AND BUSINESS ANALYSIS DIVISION

CUSTOMER EXPERIENCE DEPARTMENT

REBUTTAL TESTIMONY

OF

SCOTT J. GLASGOW

EVERGY MISSOURI WEST, INC.,

d/b/a Evergy Missouri West

CASE NO. ER-2024-0189

Jefferson City, Missouri
August 6, 2024

****** Denotes Confidential Information ******

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CASE NO. ER-2024-0189

Q. Please state your name and business address.

A. My name is Scott J. Glasgow, 200 Madison Street, Jefferson City, MO 65101.

Q. Are you the same Scott J. Glasgow who filed cost of service direct testimony in this rate case on June 27, 2024?

A. I am.

Q. What is the purpose of your rebuttal testimony?

A. I will respond to the direct testimony of Evergy Missouri West's ("EMW" or "Evergy") witness, Mr. Charles A. Caisley, regarding Evergy's customer service approach. Specifically, Evergy's evolution to a high-touch contact center and migration to a 120 speed-to-answer metric. I will also respond to the Office of the Public Council's ("OPC") witness, Ms. Lisa A. Kremer, concerning customer complaints.

HIGH-TOUCH CONTACT CENTER

Q. In direct testimony, Mr. Caisley states that Evergy has evolved[1] to a high-touch contact center. He defines a high-touch contact center as "a customer service facility that requires human interaction. It's a hands-on, personalized approach to customer service and every initiative delivers personalized service, which helps customers feel heard and valued."[2]

[1] Direct Testimony of Charles A. Caisley page 14, lines 1.
[2] Direct Testimony of Charles A. Caisley page 13, lines 20 - 22.

Q. What are your thoughts concerning Mr. Caisley's definition and characterization that Evergy has evolved to a high-touch contact center?

A. Mr. Caisley's definition of a high-touch customer contact center is accurate; however, based on Evergy's initiatives presented within Mr. Caisley's direct testimony and information collected by Staff, it appears Evergy's contact center is migrating to a low-touch approach.

A low-touch contact center approach is defined as needing, "less interaction, requires automation, AI, digital engagement tools, and self-service resources to streamline communication and engagement."[3] Most of Mr. Caisley's customer service testimony touts Evergy's accomplishments of requiring less interaction, such as an increase in digital self-service web options and intelligent virtual agent ("IVA") enhancements. The initiatives he describes supporting Evergy's high-touch contact center approach include fewer contact center hours and lowering contact center metrics which could result in fewer Customer Service Representatives ("CSRs"). Both initiatives are counter-intuitive to a hands-on approach that helps customers feel heard and valued.

Q. Mr. Caisley states that because customers are using the digital self-service tools, the remaining calls are longer, and that is why Evergy has evolved to a high-touch approach. He states Evergy feels it's important to help its customers resolve their questions fully and hopefully on the first call. What are your thoughts on that?

A. Staff believes that Evergy has always had a goal of helping customers resolve their issues and to do so on the first call. Staff also agrees that, with more routine calls answered

[3] https://mailchimp.com/resources/high-touch-vs-low-touch/. Mailchimp is an email market platform and a subsidiary to Intuit Inc., a member of the Nasdaq 100.

with automation, the longer calls are left for CSRs. However, just because calls are longer does not mean a contact center has evolved into a high-touch center.

From my experience managing call centers, the expense of more CSRs is one reason why companies like Evergy don't utilize a high-touch contact approach with call centers. When a company decides to migrate to a high-touch contact center with a focus on first call resolution, it requires additional handle time for CSRs to provide more human interaction with a hands-on, personalized approach to customer service. Unless a company is willing to accept longer wait times for its customers, a high-touch call center will require more CSRs.

This high-touch approach described by Mr. Caisley seems contradictory to Evergy's managerial decisions, as Evergy is simultaneously implementing initiatives that result in less CSR availability, lowering its contact center metric goals and setting shorter contact center hours. As I mention later in my testimony, lowering a call center's target speed-to-answer metric relates directly to staffing.

Q. Does Staff take issue with Evergy's goal to encourage the use of digital self-service tools for customers in order to get their needs met?

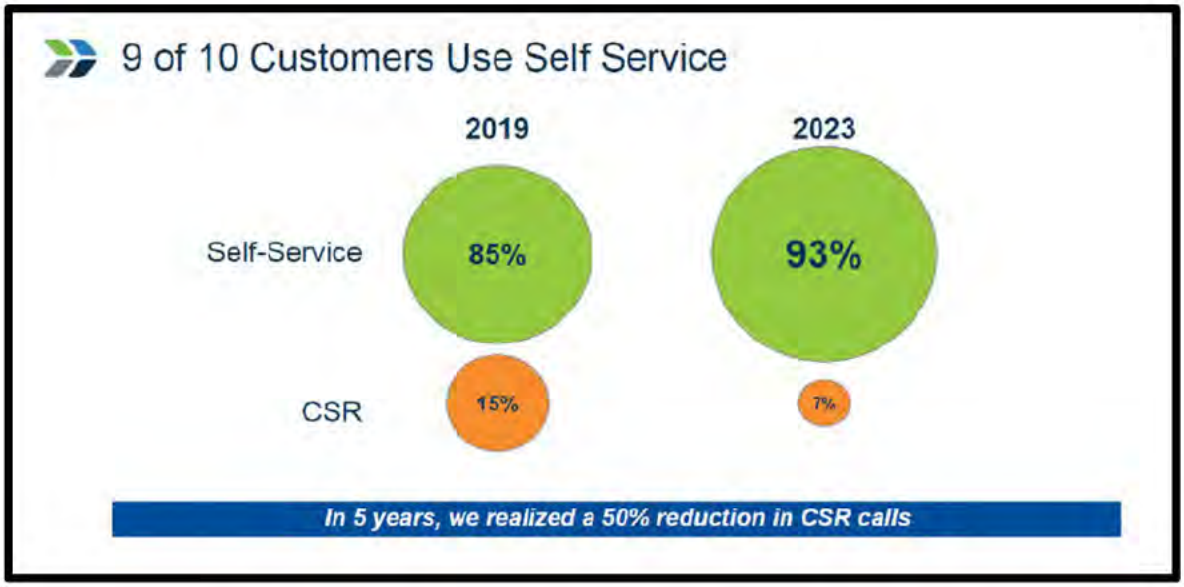
A. Not at all. If a customer can get their needs met with an app, IVA, or the website, the result can have great benefits for both the customer and the Company. What Staff has concerns with is the availability of CSRs when customers require human interaction.

Q. Has Staff noticed an increase or decrease in the number of Evergy CSRs?

A. EMW and Evergy Missouri Metro ("EMM") utilize the same contact center in Raytown, Missouri. Staff noticed Evergy's CSR numbers in Raytown have been decreasing for the past few years. In EMM's last rate case, ER-2022-0129, Staff asked if Evergy had been decreasing its CSR numbers. Evergy responded, "Through the course of the last several years

Evergy has made headcount reductions in the contact center and will continue to focus on self-service improvements to maintain the reduced level of staffing."[4]

Q. In Mr. Caisley's direct testimony, he includes the below chart[5] showing customer transactions with CSRs are down to 7% of total transactions with Evergy. With this in mind, doesn't it make sense that Evergy would need fewer CSRs to answer calls?



A. Absolutely; however, it is important to keep in mind that the 7% represents 1.6 million calls offered to CSRs. The data in the chart[6] represents all Evergy customers in Missouri and Kansas. In this example, the self-service transactions, including web log ins and calls contained in the IVA from 2019 to 2023, have increased from 14.6 to 21.5 million. Consequently, customers who required a CSR have decreased from 2.6 to 1.6 million in the same time period. So, although there has been substantial decline in calls offered to a CSR, customers still needed to speak to a human in 1.6 million instances.

[4] ER-2022-0129, Evergy's Response to Staff's Data Request No. 0301, part 5.
[5] Direct Testimony of Charles A. Caisley, page 15.
[6] EMW's Response to Staff's Data Request No. 0310.

The chart below[7] represents customer calls at the Raytown call center during the same time frame as Mr. Caisley's chart. As you can see in the chart above, Evergy has had a decline in customer calls over the past five (5) years; and with Evergy employing fewer CSRs at the Raytown call center, customers have had longer wait times to reach a CSR.

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MIGRATING TO A 120 SECOND SPEED-TO-ANSWER

Q. Mr. Caisley mentioned that Evergy is migrating to a 120 second speed-to-answer.[8] Evergy reports monthly to the Customer Experience Department on their

[7] Chart uses average speed of answer and CSR monthly data totals provided to Staff.
[8] Direct Testimony of Charles A. Caisley page 14, line 10.

average speed of answer ("ASA"); can you elaborate on the difference between ASA and speed-to-answer?

A. ASA is simply the average time it takes CSRs to answer the total number of customer calls offered over a given time period. Speed-to-answer is a contact center term that all call centers use as a basis for establishing its service level ("SL") goal. The SL refers to the percentage of calls answered within a specific time threshold, which is the speed-to-answer. Although speed-to-answer can vary within the contact center industry, the typical speed-to-answer is around 20 seconds 80% of the time. This is commonly referred to as the 80/20 rule.[9] Meaning, for example, if a contact center offers 1,000 calls to CSRs, they would need to answer 800 calls within 20 seconds to meet their service level goal of 80%.

$$\frac{\text{800 Calls answered within 20 seconds}}{\text{1000 Calls Offered to CSRs}}$$

Q. According to Mr. Caisley's testimony, Evergy's new speed-to-answer goal is 120 seconds. Mr. Caisley does not mention a SL goal; what SL goal has Evergy set?

A. For years, Evergy's SL goal was to answering 80% of its calls within 20 seconds. Staff asked what metrics changed due to migrating from 20 to 120 second speed-to-answer. Evergy stated that the SL metric changed to 70/120 and that Evergy's new goal is answering 70% of its calls within 120 seconds[10].

Q. You mentioned that this goal affects call center staffing. How does a lower speed-to-answer affect call center staffing?

[9] How Is Service Level Calculated in a Call Center? (roicallcentersolutions.com)
[10] EMW's Response to Staff's Data Request No. 0308.

A. Once a company establishes its service level goal, that signals how many CSRs it will need in order to meet that goal. Most call centers have a dedicated staff member or team to calculate how many CSRs are needed to meet the company's goal. When the higher speed-to-answer target is paired with a lower SL goal, fewer CSRs are needed to meet that goal and vice versa.

If a call center is not meeting its service level goal for a sustained period of time, more CSRs are needed. Or, in the alternative, the company can simply accept longer wait times for its customers and lower its goal so fewer CSRs are required to meet that goal.

Another alternative to hiring more CSRs is to decrease hours of operation, which Evergy did in April of 2023 when Evergy moved its contact center hours from a closing time of 7pm to 5pm. Evergy claims that this was due to aligning hours with the rest of the business, bi-lingual support availability, and attracting and retaining workforce.

Q. Will you summarize Staff's concern with Evergy's initiatives?

A. To reiterate, Staff does not have issues with self-service options that assist customers, but self-service options will never replace the human interaction that ratepayers expect. Adjusting CSR staffing to the level of customers that need to talk to a CSR is a wise business decision. What concerns Staff is the initiatives that diminish the availability of CSRs by either decreasing call center hours or CSRs even though the calls to CSR remains high. What further concerns Staff is Evergy setting its internal goal to accept that customers will wait longer to get their electric service needs met. So far, Evergy is surpassing its speed-to-answer goal in 2024 and Staff hopes, for the sake of its customers, that Evergy continues to exceed the low goal it has set for itself.

Q. Has the cost-benefit related to the increase in self-service tool usage been evaluated by Evergy?

A. Yes. Evergy has stated in previous testimony[11] that it intends to pay for these digital self-service tools by lowering operation and management costs.

> …we are looking to find incremental hard cost reductions over the coming years to improve our per customer interaction cost and to prioritize regional rate competitiveness.

As Evergy continues to look for hard reductions in cost, Staff also hopes that Evergy remembers that customers are already paying for the digital self-services in rates; they shouldn't have to pay again with their time.

Q. Did Staff review customer feedback concerning Evergy's initiatives for its contact center?

A. Yes. To measure the effectiveness of the contact center and to get feedback from customers who have interacted with the contact center, Evergy utilizes a quarterly survey called the Voice of the Customer. Staff reviewed the Voice of the Customer survey for the 3rd Quarter of 2023. Attached are some of the excerpts from that survey concerning its call center and the initiatives. Staff has attached as Schedule SJG-r1 some customer feedback from the Voice of the Customer concerning the digital self-services and Evergy's initiatives.

CUSTOMER COMPLAINTS

Q. Will you summarize the direct testimony of OPC's witness Lisa A. Kremer's position on customer complaints (item 11)?

[11] Direct Testimony of Chuck Caisley, ER-2022-0130, page 7, line 13-15.

A. Ms. Kremer determines that EMW may not be compliant with Commission rule 20 CSR 4240-13.040 (5)(B) by not tracking all issues forwarded to its Escalation and Resolution specialists the same way it tracks registered complaints from the Commission. Additionally, Ms. Kremer adds that EMW is further non-complaint with the above rule by not retaining issues forwarded to the escalation team for a period of two years.

Q. Does Staff agree that EMW is not compliant with Commission rule 20 CSR 4240-13.040 (5)(B)?

A. No. It is Staff's opinion that when Commission rules refer to complaints, they are referring to informal and/or formal complaints registered with the Commission. Complaints are defined in 20 CSR 4240-13.015(1)(D) as "Complaint means an informal or formal complaint under 4 CSR 240-2.070."[12] Commission Rule 20 CSR 4240-2.070 establishes the procedures for filing formal and informal complaints with the commission;

Q. Although Staff does not agree that EMW is out of compliance, what are Staff's thoughts concerning Ms. Kremer's recommendations?

A. Concerning the first recommendation to track all issues forwarded to the Escalation team in the same regard as it tracks complaints filed with the Commission, Staff has no opinion. Additionally, this would be a management decision for EMW to consider.

Q. What are Staff's thoughts on the second recommendation to separate customer complaints and escalations by EMW and EMM?

A. The response EMW gave to Ms. Kremer's data request is that it is not able to do so.[13] Staff is unaware what is causing this inability to determine where escalations originate,

[12] Currently 20 CSR 4240-2.070.
[13] EMW's response to OPCs Data Request No. 5053.

but Ms. Kremer's recommendation seems reasonable for EMW to consider and it is odd that it is not possible to track which Evergy entity escalations are coming from. One would think a company would want to know not only the type of escalations but also where the escalations are coming from.

EMW has spent hundreds of millions of dollars upgrading its customer information systems and plant technology. It collects a massive amount of data on customer energy use and patterns. If a customer's issue is not resolved by a CSR and requires a specialist for resolution, tracking which Evergy entity that escalations are coming from seems like a good business practice that would benefit EMW and its customers.

Q. What are Staff's thoughts on the third recommendation to keep the records for a minimum of two years?

A. This recommendation seems reasonable for EMW to consider. Apparently, EMW already retains these escalations for over a year. Using the same reasons for good business practice as mentioned in the second recommendation, EMW should consider retaining at minimum the number and general description of escalations for two years.

Q. Does this conclude your rebuttal testimony?

A. Yes it does.

BEFORE THE PUBLIC SERVICE COMMISSION

OF THE STATE OF MISSOURI

In the Matter of Evergy Missouri West, Inc. d/b/a Evergy Missouri West's Request for Authority to Implement A General Rate Increase for Electric Service	))))	Case No. ER-2024-0189

AFFIDAVIT OF SCOTT J. GLASGOW

STATE OF MISSOURI)
) ss.
COUNTY OF COLE)

COMES NOW SCOTT J. GLASGOW and on his oath declares that he is of sound mind and lawful age; that he contributed to the foregoing *Rebuttal Testimony of Scott J. Glasgow*; and that the same is true and correct according to his best knowledge and belief.

Further the Affiant sayeth not.

SCOTT J. GLASGOW

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 31st 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

Notary Public

Excerpts from the Voice of the Customer
3rd Quarter 2023

Had to try and get thru the auto system which is not efficient. Finally got a human. Took a long time. – Response ID 2670388379

I never spoke to a person. When a customer loses power for four days, Evergy needs to find better ways of consoling him or her. A computer voice is not helpful – Response ID 2666431672

The online outage reporting system did not work. Was put on hold for over 30 minutes when I tried to call in to report the outage before I gave up. - Response ID 2671161351

Still unable to access Evergy website - Response ID 2676233370

You're [sic] entire automated process is awful. - Response ID 2676764699

The computer voice did not register my request. Had to call next day to find out why power was not on - Response ID 2662584141

Horrible website. Says I don't even have an account which is completely incorrect - Response ID 2679528629

Computer phone answering machine does not pickup what you tell it. Repeatedly asked to schedule a service order and it never picked it up. Would never let me get to an operator. Had to report an outage to get to an operator. – Response ID 2671162784

No one answered the phones after 5pm. Also no texts after the first original text of telling me there was a power outage problem. – Response ID 2671325217

I left 2 messages for a callback instead of waiting on hold. Never got a call back. : (- Response ID -2679173409

You texted me power was out at our home, but it was not out. I phoned to let you know that and was on hold for a long time, then spoke with an overworked rep, kept it short. Response ID – 2676440786

Called yesterday, 15 min wait. Was called back only to be put back in hold for 25 min and no answer. Called back today and question was answered after 5 min wait – Response ID 2679207015

Get rid of the automated gatekeeping computer that answers the phone. With all the money I pay this company to line your CEO's pockets, It should be easy to get a person. – Response ID 2681289109

I was told the estimated wait time was 5 minutes but I had to wait 40 minutes for someone to answer. - Response ID 2670972043

Auto call service could not find me due to multiple accounts, which are for the same address. Asked for my address and when mailing address provided it could not locate my accounts. Kept asking for my address and then my account number which I could not look for due to being in the dark. By the time it finally gave me to a live representative I was beyond frustrated. The live representative was great Response ID - 2665831537

Too many pre-recorded messages before I could explain the situation to a real person. Response ID – 2665842057

I don't like the new talking directive. I prefered[sic] picking the correct number to get to whom I wanted. It's also way too difficult to talk to a live customer sevice [sic] representative. I do like the call-back option rather than having to hold for 30 minutes etc. - Response ID 2674147072