## BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

In the Matter of a Collaborative Workshop for	)	
Customer Education and Outreach Regarding	)	
the Introduction of Default Time-of-Use Rates	)	File No. EW-2023-0199
by Evergy Metro, Inc. d/b/a Evergy Missouri	)	
Metro and Evergy Missouri West, Inc. d/b/a	)	
Evergy Missouri West	)	

# EVERGY'S REPLY TO STAFF RESPONSE TO MAY 23, 2023 PRESENTATION AND REQUESTS FOR ADDITIONAL INFORMATION

COMES NOW, Evergy Metro, Inc. d/b/a as Evergy Missouri Metro ("Evergy Missouri Metro") and Evergy Missouri West, Inc. d/b/a Evergy Missouri West ("Evergy Missouri West") (collectively, "Evergy" or the "Company") submits its *Reply to Staff Response To May 23, 2023 Presentation and Requests for Additional Information* filed on June 8, 2023 ("Reply") to the Missouri Public Service Commission (the "Commission"), and states as follows:

### I. <u>INTRODUCTION</u>

On June 8, 2023, the Staff filed its *Response to May 23, 2023 Presentation and Request for Additional Information* ("Staff Response"). This pleading will reply to the Staff Response.

Evergy values the ongoing discussion and feedback with Staff and OPC as we work to finalize and launch our customer education campaign to offer a default Time of Use ("TOU") rate and other TOU options. Considering the feedback provided during Workshop #1 and Workshop #2, Evergy is committed to using Staff and OPC's feedback to enhance our customer awareness and education initiatives. Evergy appreciates the dialogue, which enables us to adapt the campaign where feasible and without jeopardizing the overall program implementation.

#### II. REPLY TO STAFF AND OPC COMMENTS AND SUGGESTIONS

In this Reply, Evergy highlights several areas where the Company has made changes based on feedback from the workshops:

- 1. Campaign Timeline Extension: Taking into account the feedback from Staff and OPC, Evergy accelerated its customer education campaign by two months. As a result, the TOU customer education campaign now launches in June. We deemed it essential to align the launch of customer communications with the availability of key personalized customer tools, which were not available until June. Additionally, it is essential to ensure Evergy's contact center is adequately trained and staffed to accommodate an increase in customer inquiries.
- 2. Rate Names: In response to feedback from Staff and OPC, Evergy has modified the name of the default rate from "Seasonal Peak Saver" to "Standard Peak Saver." This change is in response to concerns expressed during Workshop #2 and aims to clarify which TOU rate is the new default plan while minimizing the emphasis on seasonal differentials. Although the Company holds a respectful difference of opinion regarding Staff's assessment that the rate names were shared without sufficient time for substantial feedback, Evergy views altering the rate name in response to Staff's input as a genuine commitment to actively engage in the discussion and incorporate their feedback.

The new rate names were developed after conducting customer research and analyzing industry comparisons. Evergy also incorporated best practices for naming based on research from ESource, a utility research organization. These best practices include emphasizing customer benefits through descriptive words or phrases, using customer-friendly terminology, employing simple language devoid of jargon, and highlighting potential cost savings. Evergy is confident that the Company's approach aligns with these best practices.

Furthermore, the rate names follow similar naming structures used by peer utilities, such as Ameren Missouri, which employs "Saver" for each of their residential TOU rates; Consumers Energy, which features a "Nighttime Savers" rate; WE Energy; which uses "savings"; and Georgia

Power and Alliant Energy, which utilizes the "Nights and Weekends" name description. Like these peer utilities, Evergy finds "Saver" to be an important element to the name that signals both a customer benefit and illustrates the need for customer action, such as the customer shifting usage to off-peak.

3. Updating Overarching Campaign Message and Adding More "Why" to TOU Materials: During the two workshops and the Staff's May 23<sup>rd</sup> Response, there was discussion regarding the inclusion of more prominent messaging around the rationale behind the Commission's mandate to transition all rate plans to TOU - specifically emphasizing the significance of time-based energy usage and the price differentials at different times of the day. In response to this feedback, Evergy is adapting its campaign messaging to prioritize these "why" messages earlier in its campaign. While including a detailed explanation in every piece of educational material will not be feasible due to space limitations, the Company will make a concerted effort to incorporate more "why" statements across educational materials, starting with Phase 1.

Based on feedback from Staff and OPC, Evergy is including additional educational details within the messaging, enabling more detailed explanations. Evergy plans to incorporate information that highlights how the plans charge higher rates during peak times and lower rates during off-peak periods into our Phase 1 messaging, consistently reinforcing this message throughout the campaign.

#### **Example:**

Timing is everything when it comes to energy costs. Time-based rates match the cost you pay with the cost to produce energy. With time-based rate plans, you'll pay less for energy during off-peak times, when demand for energy is lower, and more for energy used during the peak hours of 4-8 pm.

- 4. **Prioritizing Education to Impacted Customers:** Evergy's campaign works to ensure that customers are aware of the pending conversion to a default TOU rate and that customers understand that the time of day is associated with the costs of a TOU rate, while also providing additional content and outreach to special customer groups, like those customers impacted by the removal of the space heat discount. As shared in Workshop #2, Evergy is providing additional outreach to these special customer groups to help support them as they learn to shift their usage.
- 5. **Rate Descriptions:** Evergy's approach, as recommended in Staff's response to Workshop #2, involves pairing rate names with descriptions and illustrations of rate periods wherever possible. This comprehensive information can be found prominently on our website and it will also be included in other educational materials, such as direct mail, the Rate Education Report, educational videos, and emails, whenever space allows.
- 6. Rate Analysis Tool Description Wording: During the review of the Rate Analysis Tool during Workshop #2, OPC requested additional language to highlight that not shifting energy usage outside of peak hours can result in increased costs. Evergy has collaborated with our software tool provider to include this language, ensuring that the tool not only emphasizes potential cost savings but also addresses the potential cost increase that results when usage is not shifted away from peak hours.
- 7. **Outreach to Food Pantries and Libraries:** As a result of stakeholder feedback, Evergy has expanded its community outreach plan to include food pantries, libraries, and other social service organizations that are connected to the community and can help extend the Company's reach to customers, especially hard to reach customers. The Company plans to provide training and materials related to the TOU transition to these organizations. Moreover, Evergy intends to organize events in collaboration with these groups during the summer and fall.

Evergy appreciates the continued feedback as it implements its comprehensive customer education plan regarding the new TOU rates. The Company remains committed to incorporating aspects of Staff and OPC's feedback into different phases of the education campaign as practical. Evergy will include examples of many of the items mentioned above in a future response to Staff and OPC feedback.

**WHEREFORE**, Evergy respectfully requests that the Commission consider its Reply to the Staff's May 23, 2023 pleading.

## Respectfully submitted,

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## **CERTIFICATE OF SERVICE**

I hereby certify that a true and copy of the foregoing was emailed on this  $23^{rd}$  day of June 2023 to counsel for all parties.

|s| Roger W. Steiner

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