

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

DOCKET NO. UE-220053

DOCKET NO. UG-220054

DOCKET NO. UE-210854

(consolidated)

REBUTTAL TESTIMONY OF

KELLY E. MAGALSKY

REPRESENTING AVISTA CORPORATION

**I. INTRODUCTION**

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**Q. Please state your name, business address and present position with Avista Corporation?**

A. My name is Kelly E. Magalsky, and my business address is 1411 East Mission Avenue, Spokane, Washington. I am presently a member of the Customer Solutions Department as Director of Products, Services, and Customer Technology.

**Q. Have you filed direct testimony in this proceeding?**

A. Yes. I filed direct testimony in this case (Exh. KEM-1T) addressing the Company’s Transportation Electrification (TE) programs and projects that we have included in this rate case, as well as provided an overview of the Company’s “Customer at the Center” initiative and discussion of the customer-related projects that we have included in this rate case. I also sponsored Exh. KEM-2 which includes the business cases for Customer Technology projects and the TE programs.

**Q. What is the scope of your rebuttal testimony in this proceeding?**

A. My rebuttal testimony will provide the Company’s response to the testimony of Public Counsel’s witness Sebastian Coppola regarding the Company’s Customer Service labor costs, investments in TE, Customer Transactional Systems (CTS), and the Customer Experience Platform (CXP). In my rebuttal testimony, I will reinforce and demonstrate why Avista’s Customer Service labor costs are necessary and appropriate and that our investments in TE, CTS and the CXP are prudent, timely, and necessary to continue to operate our company and serve our customers.

**Q. Are you sponsoring any exhibits that accompany your testimony?**

A. No, I am not. A table of contents for my testimony is as follows:

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## **II. CUSTOMER SERVICE LABOR COSTS**

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**Q. Witness Coppola's assessment of Customer Service Representative (CSR)**

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**labor concluded that overall Customer Service expense should decline annually based on**

12

**a reduction of live contacts with CSRs.<sup>1</sup> Is Witness Coppola's assessment accurate?**

13

A. No, it is not. Witness Coppola is correct that the number of live contacts with

14

CSR's has declined from historic levels. However, the significant decline in live contacts from

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2019 (646,810) to 2020 (529,710) was primarily due to the COVID-19 pandemic and

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Washington disconnection moratorium put in place in early March 2020. As a result of the

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disconnection moratorium, the Company stopped all collections processes, which historically

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has been a significant portion of the live contacts that CSRs receive (i.e., if customers are facing

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disconnection, they generally call the Company). The disconnection moratorium continued

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through August 2021, which had a prolonged effect on the number of live contacts to CSRs.

21

The number of live contacts CSRs received in 2021 was 493,511.

22

**Q. What is the Company's forecast of live contacts with CSRs in 2022?**

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<sup>1</sup> Exh. SC-1T at p. 28.

1           A.     For the first two quarters of 2022, we saw an increase in live contacts, up 2.5%  
2 compared to the first two quarters of 2021. This increase in live contacts aligns with the ending  
3 of the Washington disconnection moratorium in October 2021. For all of 2022, we expect the  
4 number of live contacts received to exceed 2021 by approximately 2.5%.

5           **Q.     If the number of live contacts to CSRs declined in 2020 and 2021, why didn't**  
6 **the Customer Service labor expense also decline by the same amount?**

7           A.     As new COVID-19 protocols were required beginning in March 2020, our  
8 Customer Service workforce was required to move to a work-from-home environment. This  
9 introduced the need for our workforce to implement new processes, and different technology  
10 was required to work in a virtual environment while continuing to support our customers'  
11 contacts. Multiple team members were needed to plan and design how to meet many COVID-  
12 19 requirements that impacted Customer Service from the stopping and restarting of collections,  
13 and increased self-service through automated payment arrangements, all to support a new  
14 virtual work environment for our contact centers to continue to help our customers and meet  
15 the contact volume. As a result of these new processes, there was an increase in the amount of  
16 Back Office work needed, which shifted resources from taking live calls to working on new  
17 tasks.

18           In addition to managing new processes, CSRs were utilized to perform outreach to  
19 customers with arrears stemming from COVID-19. Amongst ongoing outreach efforts, the  
20 Company launched a "Compassion in Action" campaign, proactively reaching out to customers  
21 that were more than 60 days behind on their bills, which at the time included approximately  
22 8,700 customers. The campaign entailed calling and emailing customers that were past due on  
23 their bills in an effort to connect them with energy assistance and resources that were available

1 to them. During the campaign, 10 CSRs made nearly 8,000 phone calls, making connection  
2 with 1,761 customers, and leaving voicemails for 4,245 customers.<sup>2</sup> Nearly 5,800 emails were  
3 sent as well. As a result of the campaign, 88 customers were signed up for payment  
4 arrangements, 52 customers made payments, and 995 customers were referred for energy  
5 assistance. Rather than acquire new resources to perform this much needed outreach, the  
6 Company was able to utilize CSRs that normally would have been taking customer calls.

7 **Q. What else has attributed to Customer Service labor costs staying flat or**  
8 **increasing?**

9 A. First, our Average Handle Time (AHT) has added to our labor costs as AHT per  
10 call increased from 6:41 in 2019, to 7:31 in 2020, and was 7:20 in 2021. For every 5 seconds  
11 of increase in AHT, we expect one full-time equivalent (FTE) to be needed to support the call  
12 volume. Further, digital self-service transactions have “handled” the more routine or simple  
13 task customer requests. Those tasks generally are easier to handle, and traditionally comprised  
14 the shorter calls CSRs would handle. As more of the more routine transactions have moved to  
15 self-service, we have seen that our remaining customer calls tend to be more complex, resulting  
16 in longer AHT. We have also experienced increases in AHT due to technology changes to meet  
17 Payment Card Industry (PCI) Compliance, as we process customers' credit card payments over  
18 the phone. This process takes longer as it involves the customer entering their card number in  
19 a more secure manner. To provide customers with all the assistance options available, some of  
20 which are new because of COVID-19, longer call times are expected to support our customers'  
21 diverse needs.

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<sup>2</sup> During the campaign 1,537 customers did not need to be reached as their past due balance was paid off or they closed their account.

1           Second, since COVID-19 we are continuing to see a higher employee attrition rate  
2           which is up to 28% on an annual basis compared to 15% before the COVID-19 pandemic. This  
3           has resulted in increased hiring and training to meet customer call volumes. When staff are  
4           newer, we expect a higher AHT until they become more skilled in completing the required  
5           processes, and we have seen an increase in support staff needed to assist the newer staff in order  
6           to build their knowledge. This is also evident in the increase in our calls to our Advice Line  
7           where employees ask for support on more complex scenarios.

8           Third, CSR wages are increasing, in part due to the competitive job market for the type  
9           of employees who generally are hired as CSRs. Since 2016, the average CSR labor rate has  
10          increased by nearly 15%.

11          **Q.     What is the Company's conclusion as it relates to the future of live contacts  
12          and Customer Service labor costs?**

13          A.     The discussion above is intended to highlight that just because live contacts with  
14          CSRs have declined, it does not mean that Customer Service labor costs will see the same rate  
15          of decline. Due to new and changing processes, additional customer outreach, longer AHT, and  
16          other factors, the Company does not expect its Customer Service labor costs to decline over  
17          time. Assuredly, the Company will only hire and employ the amount of Customer Service labor  
18          that is required to adequately respond to live customer contacts and provide the necessary  
19          service needed for our customers.

20          **Q.     To conclude, in light of the many cost pressures affecting this area of our  
21          business, including expanded work responsibilities, training and wage inflation, do you  
22          believe it will be a challenge to even meet the cost assumptions contained in our Two-Year  
23          Rate Plan?**

1           A.     Yes, I do. When the Two-Year Rate Plan was developed and the case was filed,  
2     inflationary cost pressures, a changing workplace and workforce, and COVID ramifications  
3     were not yet well understood. As a result, I would be surprised if our previous cost estimates  
4     built into the case were not exceeded, notwithstanding our best ongoing efforts to control costs.

5  
6                                   **III. TRANSPORTATION ELECTRIFICATION PROGRAMS**

7           **Q.     Witness Coppola assessment in Exh. SC-1T at page 52 regarding the**  
8     **Company’s TE investments concludes that “the Company provides significant subsidies**  
9     **to a small group of customers while burdening the rest with their cost.” Is this an accurate**  
10    **statement?**

11          A.     No, it is not. While it is true that compared to the total number of customers the  
12    Company serves, only a small portion have participated in the TE programs so far, the benefits  
13    of offering these programs are spread to all customers and grow considerably over time. Each  
14    light-duty EV provides annually \$1,483 in fuel and maintenance savings, four tons of CO2  
15    emissions reductions (an 80% reduction from gasoline-powered vehicles), and \$304 of  
16    beneficial utility revenue. This translates to very large regional and system-wide benefits for all  
17    customers as electric transportation accelerates in the years ahead. By 2030, light-duty vehicle  
18    electrification alone should result in utility net revenues of over \$16,400,000 (which will serve  
19    to cover the fixed costs of the Company, to the benefit of all customers), customer transportation  
20    fuel and maintenance savings of over \$116 million, and avoided tons of CO2 emissions of over  
21    315,731. Additional benefits will be realized as other transportation segments including freight  
22    transport and a variety of medium and heavy-duty vehicles are electrified, as utility load

1 management programs effectively shift charging from on-peak to off-peak times, and as certain  
2 programs earn significant monetized credits from the Clean Fuels Program.

3 The Company's TE investments are not only prudent and aligned with Washington State  
4 policy goals, but they are also essential to overcome early barriers and build a foundation  
5 enabling accelerated benefits for all customers over the long term – by using a cheaper and  
6 cleaner fuel at scale, more efficiently utilizing grid infrastructure, and as a pathway to  
7 integrating renewable power resources that energize a healthy and more sustainable economy.

8 **Q. Why is Avista investing in TE?**

9 A. Avista is committed to support TE as it provides significant economic and  
10 environmental benefits for all customers through the reduction of harmful greenhouse gas  
11 emissions and air pollution, transportation fuel savings, effective load management and system  
12 planning, support for communities and low-income customers, as well as beneficial current and  
13 future utility revenue. The three-year EVSE Pilot from 2016 to 2019 firmly established these  
14 benefits and the critical role of the utility in making sound and effective investments, as  
15 documented in the Pilot's final report. Based on this experience and in partnership with key  
16 stakeholders, a comprehensive long-term TE Plan was developed, aligned with supportive  
17 legislation codified in Washington RCW 80.28.360 and 80.28.365, with review and input by  
18 the Washington Joint Transportation Electrification Stakeholder group, and ultimately  
19 acknowledged by the Commission on October 15, 2020.

20 **Q. Are spending levels in the TE Plan appropriate?**

21 A. Yes. Targeted spending levels were carefully and deliberately designed to result  
22 in the most benefits at the least cost for Avista customers through 2030, which are relative to



1 expected market growth and will be adjusted over time to actuals. Detailed rationale and  
2 justification for targeted spending is provided in the TE Plan for the following areas:

- 3 • Charging infrastructure and maintenance;
- 4 • Education and outreach;
- 5 • Community and low-income support;
- 6 • Commercial and public fleet support;
- 7 • Load management, planning, and grid integration; and,
- 8 • Program reporting.

9  
10 A cap on planned capital investments is aligned with RCW 80.283.360, such that no  
11 more than a 0.25% increase in annual revenue requirement results from these investments, net  
12 of offsetting benefits from net revenue, load management and any monetized environmental  
13 benefits the utility may receive. RCW 80.283.360 thus provides a helpful public policy guide  
14 in terms of the acceptable level of annual capital investments that are necessary to establish a  
15 foundation for substantial longer-term growth and transformational benefits for all customers.

16 **Q. Is Avista successfully implementing the TE Plan?**

17 A. Yes. As documented in Avista's Annual TE Report dated March 31, 2022,<sup>3</sup>  
18 Avista successfully launched new customer programs and planned activities in 2021, consistent  
19 with the TE Plan and tariffs 077, 013 and 023 approved by the Commission that went into effect  
20 on April 26, 2021. Despite challenges from COVID-19 restrictions and supply chain  
21 disruptions, positive results and momentum were achieved, including \$3.6 million in regional  
22 transportation cost savings, 9,740 avoided tons of CO2 emissions, and \$662,184 of utility  
23 revenue from light-duty EV charging in 2021 alone. Capital investments of \$1,466,413 and  
24 \$501,745 in operating expenses were within planned spending per the TE Plan, and programs  
25 were managed competently, with 96% customer satisfaction ratings.

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<sup>3</sup> Docket UE-200607.

1 Building on this foundation, progress has continued in 2022. Although market  
2 disruptions are likely to persist in the near-term and limit programs and activities to some  
3 degree, the expectation of steady market growth that begins to accelerate in the 2023 – 2024  
4 timeframe remains. Therefore, Avista intends to continue to expand programs with appropriate  
5 adjustments over time, consistent with the details provided in the TE Plan.

6 **Q. Finally, isn't Public Counsel a member of the Joint Electric Transportation**  
7 **Stakeholder Group?**

8 A. Yes, Public Counsel is included as a key member of the Joint Electric  
9 Transportation Stakeholder Group that reviews and provides input to all TE program proposals  
10 by investor-owned utilities in the State of Washington, before they are filed with the  
11 Commission.<sup>4</sup> It is noteworthy that in the process of the Joint Stakeholder Group's review and  
12 input for Avista's TE Plan and subsequent tariff filings, Public Counsel provided no input. If  
13 Public Counsel had chosen to provide input on the Company's TE Plan or tariff filings, we  
14 would have welcomed it. Despite these opportunities to provide input, Public Counsel now  
15 argues that Avista's spending levels are inappropriate and should be significantly disallowed,<sup>5</sup>  
16 when Avista is carefully implementing the TE Plan. This demonstrates a failure by Public  
17 Counsel to understand the rationale and justification for detailed elements of the TE Plan and  
18 ignores the deliberative review and acknowledgment process that resulted in strong support by  
19 local stakeholders and the Joint Transportation Electrification Stakeholder Group, in addition  
20 to the public Commission processes where the TE Plan was acknowledged, and TE tariffs were  
21 approved.

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<sup>4</sup> Policy and Interpretive Statement Concerning Commission Regulation of Electric Vehicle Charging Services, Docket UE-160799, p. 40.

<sup>5</sup> Exh. SC-1T at p. 53.

1 **IV. CUSTOMER AT THE CENTER INITIATIVE**

2 **Q Are Public Counsel’s claims and assertions regarding the Company’s**  
3 **Customer at the Center Initiative accurate?<sup>6</sup>**

4 A. No, they are not. Public Counsel makes exaggerated and erroneous claims and  
5 leverages incomplete and inaccurate calculations to bolster their assertions. For example, Public  
6 Counsel references Exhibit KEM-1T, pg 2, Table 1 to highlight the total spending on our  
7 Customer Technology. Public Counsel’s assertion that “the Company is spending tens of  
8 millions of dollars annually to install new information technology”<sup>7</sup> is grossly exaggerated. The  
9 amount of spending meant to cover all three areas of work, which approximates \$14 – \$15  
10 million annually, is clearly not “tens of millions” as stated. KEM-1T, pg 2, Table 1 shows total  
11 spending across the three business cases (Customer Facing Technology, CTS and CXP) of  
12 between a low of \$13,937,732 to a high of \$14,749,987 annually. This is clearly not “tens of  
13 millions of dollars per year.”

14 **Q. What is Public Counsel’s primary criticism of the CTX and CXP**  
15 **investments?**

16 A. Public Counsel’s primary criticism is that Avista does “not provide sufficient  
17 justification for undertaking the two projects.”<sup>8</sup> This is an entirely subjective assertion that has  
18 no basis in terms of what the Company actually provided as justification in this case. Avista  
19 provided the information necessary to justify these projects, which Public Counsel chooses to  
20 disagree with. I will address this incorrect conclusion by reinforcing the value and purpose of  
21 each respective business case in the following testimony.

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<sup>6</sup> Exh. SC-1T beginning at p. 54.

<sup>7</sup> Exh. SCT-1T at p. 27.

<sup>8</sup> Exh. SC-1T at p. 55.

1 **1. Customer Transactional Systems**

2 **Q. Why are the CTS investments prudent, timely and necessary to operate the**  
3 **business and serve customers?**

4 A. As stated within KEM-2, pages 31-39, and within KEM-1T, pages 37-41 CTS  
5 are used to support the day-to-day operational needs of all our customers, internal users, and  
6 third-party partners. These systems include functionality such as: (1) collection and storage of  
7 meter reads and meter data; (2) customer billing; (3) head end metering systems; (4) energy  
8 assistance program delivery and reporting; (5) rate design and rate modeling tools; and (6)  
9 energy efficiency program delivery and tracking. To keep these systems up to date and  
10 operational, we must perform regular upgrades and invest in necessary enhancements to  
11 continue to best serve our customers.

12 Not investing in the CTS business case would greatly reduce our ability to keep our  
13 major systems current and fully operational. These systems require regular updates from the  
14 software vendors and constant security updates to ensure our customer data is protected. If  
15 Avista made the business decision to not invest in CTS, we would be making the decision to  
16 put at risk the accuracy of metering and billing and we are putting customer data, specifically  
17 customer related Personally Identifiable Information (PII), at higher risk for security breach. In  
18 short, the CTS Business Case is required to ensure accuracy and security of core business  
19 systems and associated customer data.

20 The prudence of the CTS Business Case is based on the operational requirements to run  
21 our business and is not based on financial offsets or savings. The systems in CTS are required  
22 to upkeep and maintain core business systems required to serve our customers. In demonstration  
23 of how the CTS business case criticality enables us to run the business, below is a high-level

1 summary of some of the projects transferred to plant (TTP) under the business case in 2021 and  
2 2022.

- 3 1. **Oracle Security patches for Web Logic, SOA, FrameWork, Customer Care and**  
4 **Billing (CC&B) and Meter Data Management (MDM):** *Iterative releases*  
5 *throughout 2021 & 2022.* Applied critical security patches released by Oracle to  
6 keep our application secure and functioning properly.  
7
- 8 2. **CC&B/MDM Upgrade/Refresh:** *Iterative releases throughout 2021 & 2022.*  
9 Applied cumulative rollups released by Oracle that resolve “bugs” or issues within  
10 the programs or provide new functionality for existing services. Additionally, to  
11 prepare for future upgrades we proactively converted our Java code to Groovy, an  
12 Oracle requirement for future versions.  
13
- 14 3. **CC&B & MDM Enhancements:** One such example is the implementation of  
15 ‘Smarty’ (aka ‘Smarty Streets’). Smarty performs real time address validation for  
16 CSR’s and customer entered addresses via myavista.com. This functionality reduces  
17 data entry errors and work associated with Avista’s ‘Start Service’ process. Another  
18 enhancement example is we added the ability to update MDM’s meter status from  
19 the field. When a service person updates a meter status in the field, this ensures that  
20 the information is seamlessly delivered to the MDM application and doesn’t require  
21 a person to wait to update meter status. This improvement allows for greater billing  
22 accuracy.  
23
- 24 4. **Payment Options:** For our customers that fall within 0-50% poverty level, We  
25 implemented the Percentage of Income Payment Plan or PIPP. This program adjusts  
26 their utility bill to be 6% of their income. This was implemented as a part of a WA  
27 pilot on this program.  
28
- 29 5. **COVID-19 Debt Relief Program:** *Released Q1 2021.* This was a Commission  
30 encouraged and approved COVID-19 debt forgiveness program for WA customers.  
31 It included generous payment plans, applying deposits, and application of funds to  
32 pay customer balances.  
33
- 34 6. **Self Service payment arrangements for myavista.com:** *Released Q2 2021.* This  
35 gives all customers the ability to go online and select from different payment plan  
36 options to spread their past due bill out over a period of up to 18 months.  
37
- 38 7. **Payment arrangement callout campaign:** An automated call-out campaign to  
39 support the collections handling of accounts with payment arrangements that  
40 became delinquent as a result of additional customer protections enacted by the  
41 Commission due to COVID-19. Prior to the additional customer protections,  
42 payment arrangement would be immediately broken if the customer did not make  
43 payments in alignment with the arrangement. The additional protections allowed for  
44 delay before the payment arrangement would be broken.

1           **Q.     Was the information you discuss above provided to the parties, including**  
2 **Public Counsel, in this case?**

3           A.     Yes. In KEM-1T (pages 37-42) and KEM-2 (pages 31-39), the CTS investments  
4 were described in detailed testimony and the business case and supporting information was  
5 provided, which discussed the need for CTS investments and what specific CTS features were  
6 released in 2021 and expected to be released in 2022-2024. This information included the items  
7 described above.

8

9           **2. Customer Experience Platform**

10           **Q.     Why is the CXP prudent, timely and necessary to operate the business and**  
11 **serve customers?**

12           A.     As summarized within KEM-2, pages 10-18, it is an unavoidable fact that  
13 customer expectations, business expectations, employee expectations and regulatory  
14 expectations are always evolving. With that evolution of expectation comes the need for  
15 specialized tools and technology to meet the ever-changing landscape of requirements. As  
16 Avista strives to meet and exceed those expectations, we implement technology across the  
17 enterprise that is highly specialized and refined to meet the requirements as identified by our  
18 customers, our regulators and our employees. The technology platforms implemented to meet  
19 the real and true business needs are highly capable, but also highly specialized and in many  
20 cases require extensive training and expertise to access and interpret. That reality highlights the  
21 requirement for a system that brings information from disparate systems together to enable us  
22 to better serve our customers.

1 Avista is leveraging the CXP to implement a Customer Relationship Management  
2 (CRM) tool to bring together a multitude of systems and information into a single platform that  
3 will allow us to better meet the expectations our customers already have. Prior to the CXP, we  
4 did not have a single interface that could provide a consistent and a single 360-degree view of  
5 our customers and the interactions they have with us. Having this type of holistic interface  
6 reduces confusion across departments, allows our employees to handle an entire situation and  
7 answer customer questions, without having to transfer a call or tell the customer we will need  
8 to get back to them.

9 For example, one of our CSR's primary roles is to help customers and answer questions  
10 to the best of their ability. Prior to CXP, CSRs could help a customer with their bill, process a  
11 payment, create a payment arrangement, analyze their usage, and create an activity for a field  
12 person to perform. However, CSRs did not have knowledge of how much availability our field  
13 personnel may have to meet with a customer if/when that need arises. Our goal with the CXP  
14 program is to enable our employees to meet and exceed the expectations of the modern utility  
15 customer.

16 In demonstration of how the CXP business case enable us to meet ever evolving  
17 customer expectations, below is a high-level summary of projects that have transferred to plant  
18 under the business case in 2021 & 2022.

- 19 1. **Foundational Data Integration:** *Iterative releases executed throughout 2021.* This  
20 was foundational work to set up the Salesforce application environments and create  
21 integrations and data pipelines into a multitude of existing Avista technology  
22 platforms. This work enables the CXP use case of bringing together siloed  
23 technology systems.  
24
- 25 2. **Customer 360 Console/Display:** *Released Q2-2022.* This deliverable enables  
26 Avista personnel to see a far more complete set of information related to our  
27 customers than they ever have before. Specifically, it delivers a user-friendly  
28 interface that displays relevant, timely and complete customer information that is

1 compiled from a multitude of technology platforms from across the organization.  
2 This deliverable will continue to be built upon over time and serves as a foundational  
3 building block, enabling us to meet our goals of efficient and high-quality customer  
4 interactions.

- 5
- 6 **3. Campaign Management Tracking (Customer Communication Campaigns):**  
7 *Iterative releases starting in Q1 2021.* Prior to this deliverable, our CSRs had no  
8 information on what email communications specific customers had received from  
9 our automated systems or corporate communications team. Our Corporate  
10 Communications department regularly sends important safety and efficiency related  
11 information and CSR visibility to that communication is imperative. A customer  
12 could call to ask questions about an email campaign Avista had sent, or inquire about  
13 its legitimacy, and our CSRs would have to rely on email templates provided by  
14 corporate communications to discern if a customer had received the email or not.  
15 This deliverable moved the corporate communication email platform to be  
16 compatible with our ‘360 Console/Display’ and enables Avista employees to have  
17 a complete list/visibility of email communications sent to each customer. It also  
18 moved the following automated email campaigns:
- 19 a. Billing Alerts – Q4 2021. Opt-in notifications for ‘bill is ready’, ‘bill is due’  
20 and ‘bill is past due.’
  - 21 b. Budget Alerts – Q4 2021. Opt-in notifications for customers who would like  
22 to set up bill thresholds and be notified if Avista estimates/projects that their  
23 set budget will be exceeded that month.
  - 24 c. Digital Collection Notices – Q2 2021. Customer notifications related to  
25 milestones within the collections process.
  - 26 d. Leak Survey and Atmospheric Corrosion Prior Notifications – Q1 2022. This  
27 includes notifications that Avista plans to be on customer property to execute  
28 required safety inspections of Avista owned equipment.
  - 29 e. “Always-On” Energy Use Alerts – Q3 2022. Email campaign related to a  
30 targeted behavioral energy efficiency program being executed in  
31 Washington State.
- 32
- 33 **4. Contact Us Integration with Web:** Prior to the implementation of this deliverable,  
34 email exchanges with customers were not automatically tied to a customer account.  
35 A CSR was required to manually type a summary of the email exchange within the  
36 ‘Customer Information System’. With the implementation of the email case  
37 management deliverable, our CSRs can now view and respond to web and email  
38 inquiries from within the CRM platform and have those email exchanges  
39 automatically populate the communication history within the customer record.
- 40
- 41 **5. Online Chat from the Web:** *Released Q3 2021.* This deliverable enabled  
42 customers to ‘chat’ (instant message) CSRs directly on myavista.com to have their  
43 questions answered by a live agent. That chat history is then automatically tied into  
44 the customer interaction history and available via the ‘360 Console/Display.’  
45



1 The above deliverables all highlight how the technology we use to support customer  
2 interactions has a direct impact on the quality of that interaction. The CXP program is putting  
3 technology in place that will allow our employees to create the experience that our customers  
4 expect.

5 **Q. Was the information you discuss above provided to the parties, including**  
6 **Public Counsel, in this case?**

7 A. Yes. In KEM-1T (pages 21-28) and KEM-2 (pages 12-18), the CXP investments  
8 were described in detailed testimony and the business case and supporting information was  
9 provided, which discussed the need for CXP investments and what specific CXP features were  
10 released in 2021 and expected to be released in 2022-2024. This information included the items  
11 described above.

12 **Q. Do you believe that the Company actually did provide sufficient**  
13 **information in this case to support investment in CTS and CXP?**

14 A. Absolutely. As noted above, the Company provided detailed testimony and  
15 business cases supporting our need to make the investments in CTS and CXP, and that such  
16 investments are prudent.

17 **Q. Are there protections in place for customers if the Company's level of**  
18 **capital investment approved by the Commission are not met by the Company?**

19 A. Yes. As explained further by Company witness Ms. Andrews, the annual  
20 Provisional Capital Reporting requirements agreed to in the Full Multiparty Settlement  
21 Stipulation will provide the opportunity for all parties in this proceeding - and the Commission  
22 - to review all capital investment levels approved by the Commission in this proceeding. To the  
23 extent customer rates approved by the Commission are overstated due to the capital investment

1 approved by the Commission in Rate Year 1 (2023) and Rate Year 2 (2024), compared to the  
2 actual level of capital investment for those periods, the Company would be required to refund  
3 to customers those over collections.

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

5 A. Yes, it does.