BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

DOCKET NO. UE-20_____

DOCKET NO. UG-20_____

EXH. KEM-2

KELLY E. MAGALSKY

REPRESENTING AVISTA CORPORATION

Index for Business Case Justification Narratives Related to Electric Vehicle Supply Equipment (EVSE)

Washington Electric Vehicle Supply Equipment (EVSE) Pilot

1 GENERAL INFORMATION

Requested Spend Amount	$ 3,000,000
Requesting Organization/Department	Products & Services / Electric Transportation
Business Case Owner	Rendall Farley
Business Case Sponsor	Kevin Christie
Sponsor Organization/Department	Customer Solutions
Category	Strategic
Driver	Customer Service Quality & Reliability

1.1 Steering Committee or Advisory Group Information

Regular meetings with advisory and sponsor groups on electrification initiatives, including leaders of Customer Solutions, Energy Delivery, Energy Resources, and Government Relations. These meetings involve a variety of discussions including status updates, performance reviews, and guidance for ongoing program direction and adaptive management. Semi-annual reports on the pilot program are provided to the WUTC as required by Order 02, Docket UE-160082. A final report is due by December 31, 2019.

2 BUSINESS PROBLEM

The pilot aims to comprehensively install electric vehicle supply equipment (EVSE) over a three-year period (owned and maintained by Avista), which will be used to gather data and perform managed charging experiments for several years following installation. The pilot supports greater EV adoption and enables key learning opportunities related to customer behavior, system impacts, and effective business models, putting Avista in an informed position to make better business decisions for the long term. Proposal filed with the WUTC Jan 14, 2016 and approved with Order 01, Docket UE-160082 effective April 28, 2016. Scope increase and time extended for EVSE installations through June 2019 with Order 02, Docket UE-160082. Capital project funded through Strategic budget, followed by an estimated annual O&M of $200,000 for an additional eight years.

Key Performance Indicators:

1. Customer Satisfaction
2. Electric Miles Driven - Gal. Gasoline, Avoided Fuel Cost & CO2 emissions
3. Direct and Indirect Program Costs
4. EVSE % available/uptime, failure causes & restoration times
5. EV charging profiles, peak loads & on-off peak shifts
6. # of EVs in WA service territory

Washington Electric Vehicle Supply Equipment (EVSE) Pilot

3 PROPOSAL AND RECOMMENDED SOLUTION

Option	Capital Cost	Start	Complete
Do nothing	$0		
Comprehensive EVSE pilot with strong networked EVSE and managed charging components (2016-19)	$ 3,000,000	Jun 2016	Aug 2019
Limited EVSE pilot with non-networked EVSE (2016-19)	$ 1,529,000	Jun 2016	Aug 2019

Comprehensive EVSE pilot with strong networked EVSE and managed charging components: recommended. This pilot aims to comprehensively install electric vehicle supply equipment (EVSE) over a three-year period (owned and maintained by Avista), which will be used to gather data and perform managed charging experiments for several years following installation. The pilot supports greater EV adoption and enables key learning opportunities related to customer behavior, system impacts, and effective business models, putting Avista in an informed position to make better business decisions for the long term. Proposal filed with the WUTC Jan 14, 2016 and approved with Order 01, Docket UE-160082 effective April 28, 2016. Scope increase and time extended for EVSE installations through June 2019 with Order 02, Docket UE-160082. Capital project funded through Strategic budget, followed by an estimated annual O&M of $200,000 for an additional eight years.

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Over a 3-year period, Avista will install alternating current (AC) level 2 EVSE in up to 240 single family homes, 175 connection ports in workplace, fleet and/or multiple-unit dwelling (MUD) residential locations, and 60 public locations. In addition, Avista will install 7 direct current (DC) fast chargers enabling regional electric travel. Data collection & demand response experiments for up to eight additional years at $200k O&M per year is anticipated. Analysis and modeling of data and customer surveys will aid in proposing effective, long-term EVSE programs that benefit all electric customers.

This pilot program is responsive to customers and the legislation of WA HB1853, Sec(1), Para(3): " . . . Therefore the legislature intends to provide a clear policy directive and financial incentive to utilities for electric vehicle infrastructure build-out."

Washington Electric Vehicle Supply Equipment (EVSE) Pilot

The pilot also aligns with state and federal clean energy and emissions reduction policy direction, including WA State 2015-2020 EV Action Plan. Contributes to growing knowledge base & enhances customer relationships, as well as with peer utilities and other interest groups by setting a strong positive example, enabling prudent exploration of promising new technology and business models that can benefit all electric customers in terms of regional economics, environmental, and energy security benefits.

High level milestone targets:

April 2016	WUTC approval
June 2016	pilot launch, begin installations
August 2016	1st quarterly report
July 2019	conclusion of installations
Q4 2019	final report and new proposals filed
2020 – 2025	ongoing data collection and managed charging experiments

Actual spending to-date and projected:

	Capital	O&M
2016	$ 612,854	$ 84,517
2017	$ 869,339	$ 166,545
2018	$ 856,740	$ 283,383
2019	$ 610,512	$ 169,362
Subtotals	$ 2,949,446	$ 703,808

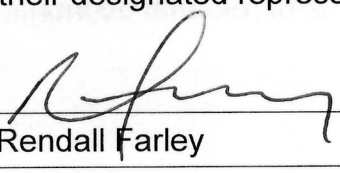
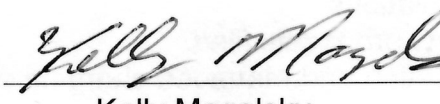
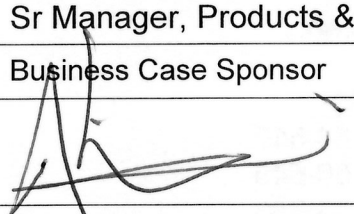
Ongoing Data Collection and Load Management / Demand Response (DR)

2020 - 2025	$ -	$ 200,000/year

Limited EVSE pilot with non-networked EVSE option: not recommended. This was considered but not submitted as an alternative proposal in the WUTC filing. Providing non-networked EVSE at home, workplace and public settings could meet near-term goals of stimulating EV adoption and satisfying customer needs. However, the value of learning and intelligent future program direction would be significantly reduced, as there would be no way to acquire usage data, analyze charging behaviors, test the ability to shift on-peak loads to off-peak, and compare relative costs and benefits of the two approaches, which are important to both the utility and the WUTC.

4 APPROVAL AND AUTHORIZATION

The undersigned acknowledge they have reviewed the Washington EVSE Pilot and agree with the approach it presents and that it has been approved by the steering committee or other governance body identified in Section1.1. The undersigned also acknowledge that significant changes to this will be coordinated with and approved by the undersigned or their designated representatives.

Signature:		Date:	4/22/19
Print Name:	Rendall Farley		
Title:	Manager, Electric Transportation		
Role:	Business Case Owner		
Signature:		Date:	4-23-19
Print Name:	Kelly Magalsky		
Title:	Sr Manager, Products & Services		
Role:	Business Case Sponsor		
Signature:		Date:	4/23/19
Print Name:	Kevin Christie		
Title:	VP, Customer Solutions		
Role:	Business Case Sponsor & Steering/Advisory Committee Review		

5 VERSION HISTORY

Version	Implemented By	Revision Date	Approved By	Approval Date	Reason
1.0	Rendall Farley	04/17/2017	Kevin Christie	04/17/2017	Initial version following business case template updates
2.0	Rendall Farley	12/14/2018	Kevin Christie	12/14/2018	EVSE pilot extension into 2019 per WUTC Order 02
3.0	Rendall Farley	4/23/2018	Kevin Christie	4/23/2019	Updated capital spend request to strategic budget, updated actual and estimated program costs

Template Version: 03/07/2017

Index for Business Case Justification Narratives Related to 2020 Pro Forma Plant Group Technology Capital Additions

Project #	Business Case	ER #	Exh. KEM-X Page #
1	Customer Facing Technology Program	5151	7
2	Customer Transactional Systems	5040	19
3	Strategic Initiatives* (Customer Experience Program)	7060	30

Customer Facing Technology

EXECUTIVE SUMMARY

The Customer Facing Technology business case focuses on delivering value to all customers (ID, WA, and OR) through our various digital channels including but not limited to MyAvista.com, text/SMS, voice, and our mobile app. Customer expectations have changed in that companies are expected to deliver fast, easy, personalized, and intuitive self-service. Customers want a consistent experience from their first interaction to the resolution of their issue and they are comparing Avista to all the brands with which they interact. In addition to existing customers desiring to work with Avista in digital ways, new customers reach adulthood every year and the expectations for self-service and digital engagement will continue to increase as these new generations become our customers. Funding the Customer Facing Technology business case ensures that Avista can continue focusing on delivering value to our customers and making it easier for them to interact with us.

Features in this business case include new ways for our customers to interact, including: simplifying the payment process, making it easier for customers to view their bill and their usage information, improving navigation so customers can easily find what they are looking for, adding new functionality to make mobile viewing better, enhancing the outage map to include additional outage information, new functionality for business customers to help them manage their energy use, and tools for customers who have their own electric generation systems. In addition to these features for customers, this business case also includes the foundational and technical work to run the digital channels. The underlying technology must be kept up to date in order to stay up and running for our customers. Upgrades and service packs are required to keep the channels performing and secure. More functionality is included in this business case and is referenced in Section 2.2.

Avista's digital channels are experiencing increasing usage year over year. If the digital channels become stagnant and are not enhanced to accommodate adjusted consumer behavior, customer satisfaction will decline, resulting in increased calls to the call center and increases in costs to serve our entire customer base.

The requested spend amount over 5 years is **$36,500,000**.

	2021	2022	2023	2024	2025
CFTP	$7,500,000	$7,500,000	$7,500,000	$7,000,000	$7,000,000

VERSION HISTORY

Version	Author	Description	Date	Notes
1.0	Stephanie Myers	Initially approved	4/20/2020	
2.0	Stephanie Myers	Updated Executive Summary	6/26/2020	
2.1	Stephanie Myers	Additional content added	7/20/2020	
2.2	Stephanie Myers	Finalization of document	7/28/2020	

GENERAL INFORMATION

Requested Spend Amount	$36,500,000
Requested Spend Time Period	5 Years
Requesting Organization/Department	Customer Solutions | Enterprise Technology
Business Case Owner | Sponsor	Stephanie Myers | Kelly Magalsky | Hossein Nikdel
Sponsor Organization/Department	Customer Solutions
Phase	Execution
Category	Program
Driver	Customer Service Quality & Reliability

1. BUSINESS PROBLEM

1.1 What is the current or potential problem that is being addressed?

Avista's digital channels are the primary ways our customers choose to interact with our Company. These channels provide ways our customers can self-serve and complete their transaction or request. Self-service is a common trend across all industries and continues to be a choice most people are choosing to make when it comes to online shopping or any service experience. In fact, 40% of all consumers now prefer self-service over human contact (Kulbytė, 2020). In addition, Avista's digital channels are experiencing increasing usage year over year, see figure 1 below.

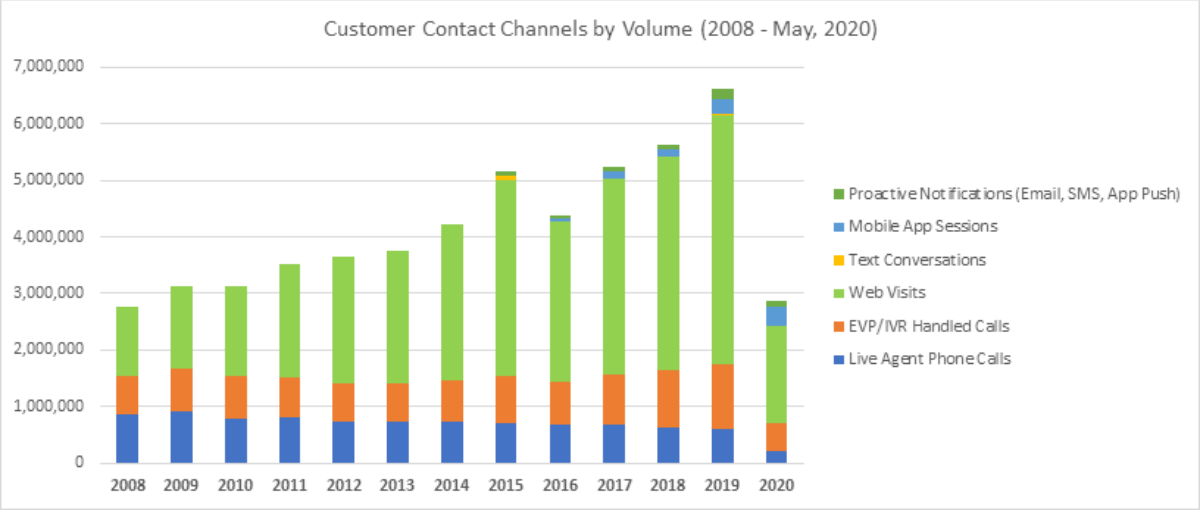


Figure 1: Customer contacts volume by channel

Customer Facing Technology

Customer expectations continue to rise. Gone are the days when a drive-up drop box for payments is acceptable. Additionally, customers continue to expect more value for their energy and have increasing interest in a variety of offerings that can simplify their interactions with Avista and give them more information about, and control over, their energy use. This, combined with the expansive growth of technology, creates an expectation that information is easy to find, payments are easy to make, communications are proactive, timely, personalized and available through a variety of channels, and tools that provide these opportunities are part of the overall energy package. Figure 2 below in Section 1.5 demonstrates how customers use of digital channels has increased over the past 10 years, and likewise use of live contact center representative phone calls has correspondingly decreased.

The primary digital channel, MyAvista.com, underwent a significant technical uplift and user experience redesign in 2017. This platform needs ongoing upgrades and enhancements to ensure the technology does not go out of support with the software vendor.

We continue to find ways to automate manual processes and ensure a human is not in the middle of the ideal self-service interaction that our customers expect. In order to meet this demand and ensure our channels are up to date, this requires consistent enhancement and investment in the underlying technology and in upcoming trends.

1.2 Discuss the major drivers of the business case *(Customer Requested, Customer Service Quality & Reliability, Mandatory & Compliance, Performance & Capacity, Asset Condition, or Failed Plant & Operations)* and the benefits to the customer

Improvement of the digital customer experience is at the core of the Customer Facing Technology Program. These new tools will enable our customers to self-serve through a digital channel that they choose.

One of the major drivers of the business case is keeping up with customer demand in an ever-changing digital space. The investments in this business case will provide tools to customers that they are familiar using with other companies. This will keep customer satisfaction high and provide a desired customer experience.

Customers continue to desire a mobile friendly digital experience. This business case will continue to use the ‘mobile first’ mentality when designing self-service tools for our customers. See figure 3 in section 2.4 below.

1.3 Identify why this work is needed now and what risks there are if not approved or is deferred

This work is needed now and for the next five years because technology is constantly changing, and new tools and options will continue to materialize that we can then offer to our customers. Customers demand a similar experience they see on other industries digital channels. They are constantly comparing their utility experience to experiences they have with other businesses and "utilities", such as Amazon, Apple, Safelite, Comcast, etc. Avista must keep up with customer demand and provide digital experiences for utility services in the most cost effective way possible.

If this business case is not approved, we risk not meeting customer expectations and also risk increased calls into the call center which is a more costly way to complete the transaction. In figure 2 below, in 2019, we had 5,842,517 self-service interactions. If that stays the same for 2021, and we invest $7,500,000, this equates to $1.28 per interaction. Each call into the call center costs roughly $9.36. If the digital channels did not exist and as a result each self-service interaction needed to be a phone call, this would equate to roughly $54m ($9.36 x 5,842,517). If work is deferred, we delay functionality that could increase efficiencies for our customers and reduce manual work for our employees.

1.4 Identify any measures that can be used to determine whether the investment would successfully deliver on the objectives and address the need listed above.

Customer satisfaction will be used to determine if this investment is successfully delivering on its objectives. We receive a quarterly scorecard from Verint that measures customer satisfaction for the website. At this time, we are not able to measure satisfaction for the mobile app or text channels.

1.5 Supplemental Information

1.5.1 Please reference and summarize any studies that support the problem

Customer Contacts	2009 (10 Years ago)	2017	2018	2019
Self-Service Contacts Handled by Channel	**69%**	**85%**	**88%**	**90%**
Web Visits	1,451,840	3,466,919	3,770,243	4,406,233
Mobile App Sessions	--	107,462	104,786	282,974
Text Conversations	--	3,566	4,691	8,665
IVR Handled Calls	735,938	875,424	1,029,601	1,144,645
Live Customer Contacts Handled by Channel	**31%**	**15%**	**12%**	**10%**
Phone Calls (CSR)	930,585	693,863	626,910	615,229
Emails (CSR)	35,555	75,620	23,877	31,274
Total Contacts	3,153,918	5,222,854	5,560,108	6,489,020

Figure 2: Overall Customer Contacts

Option	Capital Cost	Start	Complete
Recommended Solution	$36,500,000	01 2021	12 2025
Alternative #1 – Slower pace of change	$22,500,000	01 2021	12 2025
Alternative #2 – Do nothing	$0		

2.1 Describe what metrics, data, analysis or information was considered when preparing this capital request.

As mentioned above in Section 1.5, the digital channels are our most used channels. These channels continue to provide value to our customers by providing a convenient way for them to interact with us. Each interaction our customers have through a digital channel is one less call to the call center. Since 2009, Customer service representatives have answered 34% less phone calls. However, average call handle time is up 18%; and the grade of service (% of calls answered within 60 seconds) is up 1.5%.

In summary, our customers are making less calls to Avista, as the more routine-type requests can be managed through our digital channels. As a result, the calls we do receive are more complex, taking longer to work through and requiring more care. This means that the digital channels are critical to keeping our costs down. For every interaction a customer makes through a digital channel (web, app, text), that equates to an avoided phone call. In Figure 3 below, we estimate that in 2019 alone our digital channels have avoided over $23 million in costs.

We expect this trend to continue, in summary, with a $7.5M per year investment we expect to avoid $20 - $25M in costs **per year**. A 5-year investment of $37m, results in roughly $115m in avoided costs over the same 5-year period. In 2019 we avoided approximately $24M in costs. This business cases will be spending an additional $35M to simply maintain the same annual level of avoided costs that we experienced in 2019. However, as the digital channels grow (see chart in section 1.1), the amount of avoided costs also grow.

With our flexible work force in the call centers, we can flex the staffing to meet call volume. If calls increase, then we hire more staff to maintain the level of service. On the contrary, if call decrease, then we staff at fewer hours for the week and sustain this level of staffing if the lower call volume is maintained.

Est. Avoided Costs - Self-Service	2009		2017	2018	2019
Web	$3,767,197		$10,750,552	$12,884,176	$14,876,599
Mobile App/Text	--		$933,595	$928,145	$2,255,684
IVR	$2,726,771		$4,258,062	$5,307,925	$6,591,312
Total Annual	**$6,493,968**		**$15,942,209**	**$19,120,246**	**$23,723,595**

Figure 3: Estimated Avoided Costs

2.2 Discuss how the requested capital cost amount will be spent in the current year (or future years if a multi-year or ongoing initiative). Include any known or estimated reductions to O&M as a result of this investment.

There are no direct O&M reductions due to this capital business case, this business case supports the $115m in avoided costs over the 5-year period, as discussed in section 2.1.

The requested spend amount over 5 years is **$36,500,000**.

	2021	2022	2023	2024	2025
CFTP	$7,500,000	$7,500,000	$7,500,000	$7,000,000	$7,000,000

Recommended Solution:

The recommended solution includes costs to cover various enhancements and new features in our digital channels over the next five years. These features could include (but are not limited to) the following:

Self-Service Functionality

- Automated online payment arrangement and options - enhancements for the streamlining of online automated payment arrangements based on customers' specific circumstances. This addition will offset the number of calls into the Call Center.
- Features to streamline processes for landlords - landlords have a high amount of move in/move out transactions they perform on behalf of their tenants. These tools could include the ability to upload the necessary paperwork or fill out an online form rather than faxing in the paperwork. This work will decrease the number of calls coming into the Call Center and manual work the call center representatives currently are required to perform.
- Enhanced reporting for energy assistance to allow partner agencies to provide a better experience for Avista's customers seeking bill assistance
- Outage map reporting enhancements and upgrades to allow for additional information availability such as planned and future outages, crews on site layer and outage history information.
- AMI enabled personalized energy usage insights using customer facing tools on the web and mobile app.
- New payment flow for multi-account customers to streamline process with less clicks and more information easily available and accessible from the MyAccount page.
- Ability to report streetlight outages via the web and mobile app. This may reduce calls to the Call Center and reduce manual processes.
- Energy management tools through various voice channels (Alexa, google home, etc.).
- A new bill design and possible transition to a new vendor due to an increased amount of downtime for our customers through Avista's digital channels.
- Enhancements to payments methods (Apple pay, Google pay, Alexa, Google Home, etc.)

- Specific functionality for business customers to help them manage their energy use. This work may reduce the number of calls to our Call Center and account executives.
- Tools for customers who have their own generation (solar, wind, etc.)
- Ability for customers to schedule appointments and view how various work is progressing through the pipeline (construction tracker, tree trimming status/work tracker, etc.) – This work may reduce the number of calls to our Call Center and/or Customer Project Coordinators.

Technology Updates

- Web content management system upgrade, maintenance and ongoing enhancements. Some of this work will allow content editors to make updates to our website which will remove workload from our development team. The web content management system is the underlying technology and is required in order to keep a website up and functioning.
- Web maintenance and technical debt to ensure our website is up to date, secure and optimized - page load times, accurate data presentment, updated customer information, banners and alerts, security enhancements, server upgrades, license and certificate renewals, etc.
- Call Center application upgrades (personnel scheduling and work management system for customer service representatives).
- Voice channel refresh (automated voice system)

Products & Services, Energy Efficiency

- Renewable natural gas enrollments to satisfy legislative requirement to offer renewable natural gas service.
- Net metering applications and online presentment and payments for non-retail energy payments.
- Transportation Electrification program which includes online customer facing presentment and administrative tools such as Docusign, etc.
- Rebates features and enhancement – new conversion category, instant rebate check out in the “Marketplace” (DSM rebates vendor).
- On bill financing tools that would allow a customer to finance a large expense like a new energy efficient refrigerator, furnace, or A/C unit.

2.3 Outline any business functions and processes that may be impacted (and how) by the business case for it to be successfully implemented.

This business case will provide self-service options for our customers through our digital channels. This could reduce the amount of manual work our employees are performing on behalf of our customers. Less follow-up could be required between CSR’s and other employees because customers would be self-serving and gathering this information on their own.

2.4 Discuss the alternatives that were considered and any tangible risks and mitigation strategies for each alternative.

Alternative #1 – Slower pace of change:

In this alternative, Avista would implement customer solution capabilities and improvements at a slower pace than outlined in the information above. This alternative will delay the benefits to our customers which may generate dissatisfaction as well as prevent us from maximizing the benefits of previously funded core systems, such as the myavista.com website, mobile app, and smart meter and load disaggregation capabilities.

In 2019, the mobile app was enhanced to include the ability to view and pay your bill, and billing/payment automated alerts. We made this investment due to the increase in mobile usage (see figure 4 below).

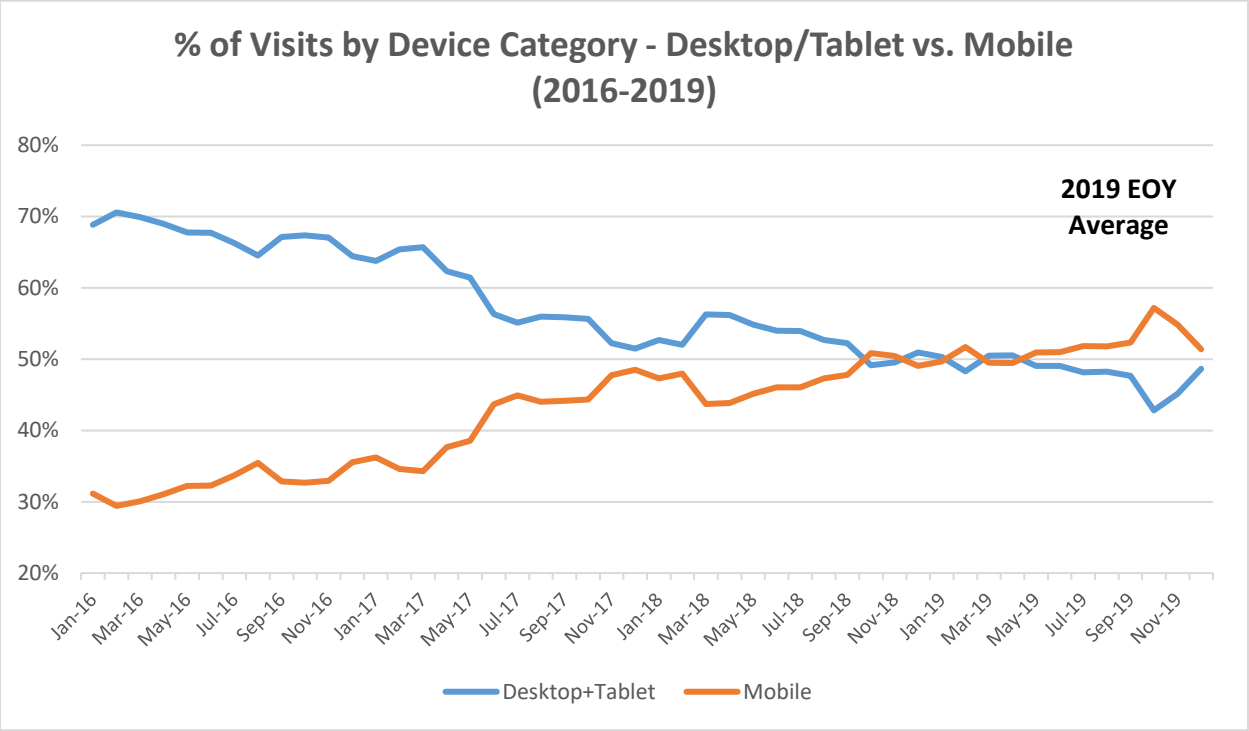


Figure 4: Mobile Device Usage

Avista's web and mobile app channel is experiencing increasing usage year over year. If these digital channels become stagnant and are not enhanced to accommodate adjusted consumer expectations and behavior, customer satisfaction will decline, resulting in increased calls to the call center and increases in costs to serve our entire customer base. This approach also limits the amount of enhancements and upgrades to our existing technologies; if these are not upgraded, we put all systems at risk of not functioning which would impact the experience and level of service our customers would receive. Therefore, this alternative is not feasible.

Alternative #2 – Do nothing

All digital channels would remain in their existing state with no new features or functionalities added. Doing this would put overall customer satisfaction at risk. We enhance digital channels based on customer feedback and usability analysis, and industry agnostic digital best practices; if we are not meeting customer expectations then we risk increasing the amount of overall customer contacts through other live, non-self-service channels. This could ultimately increase costs and decrease customer satisfaction.

With zero investment, no required compliance or regulatory changes to the digital channels would be made. For example, if there are newly identified security risks that require internal web work and coordination with our external vendors to mitigate, these items could not be completed. With zero investment we also risk the technology being obsolete and not functioning. This technology requires periodic upgrades and security updates; without these, the technology is at risk of not functioning; and thus, driving call into our call center.

With zero investment, there is a risk that our digital channels begin to degrade and are not meeting customer expectations (or worst case scenario, we have to shut them down). If we do not maintain these channels and they become unsupported or not secure, then calls would increase, and call center staffing would have to increase as well.

2.5 Include a timeline of when this work will be started and completed. Describe when the investments become used and useful to the customer. spend, and transfers to plant by year.

The work within this business case will be conducted through a program that will contain multiple projects. The work will transfer to plant most often on an integrated release cycle; new features will go live for customers 3-4 times per year (most likely: February, May, July and October).

2.6 Discuss how the proposed investment aligns with strategic vision, goals, objectives and mission statement of the organization.

Avista's strategic vision is to put the customer at the center of everything we do. The meaning behind this business case is to provide tools for our customers to interact with our company in a digital way and a way that the customer chooses. This is 100% in line with our strategic vision.

A specific focus area is for our customers, "We must hold our customers' interests at the forefront of all our decisions, operating our business by showing that we are transparent, genuinely care, and are easy to do business with." We are offering a choice to our customers; therefore, we are easy to do business with. If a customer

wants to not talk to anyone and pay their bill online or get information on the mobile app regarding their outage, they can do that without having to call. Some people want to call, and we provide a call center for them to do that.

Our mission is "We improve our customers' lives through innovating energy solutions." Some of the planned work in the coming years will provide detailed usage information to the customer (load disaggregation). By providing these tools to our customers we are opening their eyes into how they are using energy, this will allow them to more effectively manage their energy and see where they may be able to save money or repair underperforming appliances. This feature is innovative and will provide immense value to our customers, both in terms of how they interact with us, but also through reductions in the cost to serve.

2.7 Include why the requested amount above is considered a prudent investment, providing or attaching any supporting documentation. In addition, please explain how the investment prudency will be reviewed and re-evaluated throughout the project

If customers continue to use these digital channels to self-serve, it is considered a prudent investment as it will continue to defer more expensive interactions. Monthly and annual digital channel analytics reports will be reviewed on an annual basis to ensure the channels are still being used and that customer satisfaction is reasonable and in line with other utility digital channels.

2.8 Supplemental Information

2.8.1 Identify customers and stakeholders that interface with the business case

Customers will interface with the technology in this business case both through their own self-service interactions on MyAvista.com, the mobile app, and text channels and with Avista personnel who will be using the technology to provide service to customers.

2.8.2 Identify any related Business Cases

The work in the business case is not related to work in other business cases.

2.8.3 References

Kulbytė, T. (2020, May 19). THE VALUE OF CUSTOMER SELF-SERVICE IN THE DIGITAL AGE. Retrieved from Super Office: https://www.superoffice.com/blog/customer-self-service/

3.1 Steering Committee or Advisory Group Information

This business case will be governed by the Customer Facing Technology (CFTP) &

Customer Experience Platform (CXP) Governance group. This group prioritizes and governs the projects under the Customer Facing Technology Program throughout the entire project lifecycle. They then surface these to the IS/IT PMO for execution.

3.2 Provide and discuss the governance processes and people that will provide oversight

The CFTP Governance Group meets on a monthly basis.
Members include:
Kevin Christie – VP External Affairs and CCO
Jim Kensok – VP CIO & CSO
Latisha Hill – VP Community & Economic Vitality
Mike Broemeling – Director of Customer and Shared Services
Nikdel Hossein – Director Applications and System Planning
Jim Corder – Director IT and Security
Dana Anderson – Director Corporate Communications
David Howell – Director Operations, West Operations and Asset Management
Josh DiLuciano – Director Electric Engineering
Anna Scarlett – Director Energy Efficiency
Kelly Magalsky – Director Products, Services, and Customer Technology
Kelly Conley – Sr Manager Digital Communications and Corporate Communications
Stephanie Myers – Manager Customer Solutions and Products & Services
Graham Smith – Manager Applications Delivery and Application Support
Facilitators include:
Kim Henscheid – Program Manager Customer Experience Platform
Ethan Jelinek – IT Sr Program Manager

Decision making and general prioritization decisions for the business case and programs will be documented and monitored through monthly meeting notes. Project specific decisions will be documented within the PMO's current process through project change orders.

Customer Facing Technology

The undersigned acknowledge they have reviewed the **Customer Facing Technology Program** Business Case and agree with the approach it presents. Significant changes to this will be coordinated with and approved by the undersigned or their designated representatives.

Signature:	DocuSigned by: Stephanie Myers 571A8FBE3364417...	Date:	Jul-30-2020 | 1:56 PM PDT
Print Name:	Stephanie Myers		
Title:	Customer Solutions Manager		
Role:	Business Case Owner		

Signature:	DocuSigned by: Kelly Magalsky E7A0F731C49442B...	Date:	Jul-30-2020 | 2:40 PM PDT
Print Name:	Kelly Magalsky		
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Role:	Business Case Sponsor		

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Template Version: 05/28/2020

Customer Transactional Systems

EXECUTIVE SUMMARY

Customer transactional systems are used to support the day to day operational needs of all our customers, internal users, third party partners and our regulators. These systems include functionality such as: collection and storage of meter reads and meter data, customer billing, head end metering systems, energy and agency assistance program reporting, rate design and rate modeling tools, and customer energy efficiency records and opportunities. To keep these systems up to date and operational, we must perform regular upgrades and invest money in enhancements that will benefit our customers, internal users, third party partners and regulators. Technology and user expectations continue to evolve, and we need to be agile and use our technologies to meet those expectations.

We strive to meet the needs of our customers by offering new options and features and to also ensure that the users of these systems can perform their jobs in the most efficient and timely manner. It is important to be able to meet the request of our third-party partners and to ensure we are reporting back accurately to our regulators. These systems are foundational in our interactions with all of our partners. We must keep these systems updated to support new requests such as: new billing and rate options, product and service offerings, scheduling appointments and tracking jobs, payment arrangements and payment options, and meter data information.

Not investing in this technology would greatly reduce the ability to keep our major systems current and fully operational. We would put significant risk on the ability to meet customer, third party partner and regulatory expectations.

The requested amount over 5 years is **$16,750,000**.

	2021	2022	2023	2024	2025
CTS	$3,550,000	$3,250,000	$3,350,000	$3,200,000	$3,400,000

VERSION HISTORY

Version	Author	Description	Date	Notes
1.0	Mary Silkworth	Initially approved	7/15/2019	
2.0	Stephanie Myers	Update executive summary	6/26/2020	
2.1	Stephanie Myers	Additional detail	7/21/2020	
2.2	Stephanie Myers	Measurements added	7/30/2020	

Customer Transactional Systems

GENERAL INFORMATION

Requested Spend Amount	$16,750,000
Requested Spend Time Period	5 years
Requesting Organization/Department	Customer Solutions
Business Case Owner | Sponsor	Stephanie Myers | Kelly Magalsky | Hossein Nikdel
Sponsor Organization/Department	Customer Solutions
Phase	Execution
Category	Program
Driver	Customer Service Quality & Reliability

1. BUSINESS PROBLEM

1.1 What is the current or potential problem that is being addressed?

At Avista, we have a variety of "Customer Transactional Systems" that are used to support the day to day operational needs of our customers, internal users, third party partners and our regulators.

<u>These systems include functionality such as:</u>

- Collection and storage of Meter Reads and Meter Data
- Customer Billing
- Head End Metering Systems
- Energy and Agency Assistance program reporting
- Rate Design and Rate Modeling tools
- Customer Energy Efficiency records and opportunities

To keep these systems up to date and operational, we must perform regular upgrades and invest money in enhancements that will benefit our customers, internal users, third party partners and regulators. Technology and user expectations continue to grow, and we need to be agile and use our technologies to meet those expectations.

We strive to meet the needs of our customers by offering new options and features and to also ensure that the users of these systems can perform their jobs in the most efficient and timely manner. It is important to be able to meet the requests of our third-party partners and to ensure we are reporting back accurately to our regulators. These systems are foundational in our interactions with all our partners.

We must keep these systems updated to support new requests such as: new billing and rate options, product and services offerings, scheduling appointments and tracking jobs, payment arrangements and payment options and meter data information.

1.2 Discuss the major drivers of the business case *(Customer Requested, Customer Service Quality & Reliability, Mandatory & Compliance, Performance & Capacity, Asset Condition, or Failed Plant & Operations)* **and the benefits to the customer**

This business case is driven by the need to consistently bill our customers, keep track of customer accounts and provide a way for CSR's and other employees to keep customer accounts current. This business case also includes systems needed to track energy efficiency and data required to report to our regulators. Work requests from our customers are triggered to field personnel from our Customer Transactional Systems. Without these systems we put our quality and reliability of serving our customers at risk.

We must keep these systems updated to support new requests such as: new billing and rate options, product and service offerings, scheduling appointments and tracking jobs, payment arrangements and payment options, and meter data information.

1.3 Identify why this work is needed now and what risks there are if not approved or is deferred

Not investing in this technology would greatly reduce the ability to keep our major systems current and fully operational. These systems require regular updates from the software vendors and constant security updates to ensure our customer data is protected. If this business case is not approved, we would put significant risk on the ability to meet customer, third party partner and regulatory expectations.

1.4 Identify any measures that can be used to determine whether the investment would successfully deliver on the objectives and address the need listed above.

Success measures are as follows:

- % of bills being estimated
- % of errors customers receive when opening their bill electronically
- % of AMI meters that are accurately being read
- # of energy efficiency jobs tracked in the new DSM system

1.5 Supplemental Information

1.5.1 Please reference and summarize any studies that support the problem

The 2019 Cogent Syndicated Utility Trusted Brand & Customer Engagement Residential study by Escalent, a human behavior and analytics firm, found that to continue to succeed with customers, utilities need to continue to offer enhances products and services and ensure customers are engaged. According to their findings, the Millennials and GenZers compose 20% of the market and have scored utilities low on customer engagement.

Based on their study, Avista is currently in the top 40 utilities as 2019 Customer Champions (Keller, 2019) designating our utility as having higher offering usage and providing "value-added" products and services, making Avista "best positioned for future customer success and industry Innovation".

2019 Cogent Syndicated Utility Customer Champions		
AEP Ohio	Elizabethtown Gas	Piedmont Natural Gas
Ameren Illinois	Florida Power & Light	PPL Electric Utilities
Atmos Energy – South	Georgia Power	Public Service Company of Oklahoma
Avista	Idaho Power	Puget Sound Energy
Black Hills Energy – Midwest	Kentucky Utilities	Salt River Project
Cascade Natural Gas	MidAmerican Energy	Seattle City Light
CenterPoint Energy – South	National Fuel Gas	Southwestern Electric Power Company
Columbia Gas – South	New Jersey Natural Gas	TECO Peoples Gas
Columbia Gas of Ohio	NW Natural	Texas Gas Service
ComEd	OPPD	UGI Utilities
CPS Energy	OUC	Washington Gas
Delmarva Power	Peoples Gas	West Penn Power
DTE Energy	Philadelphia Gas Works	Xcel Energy – South
		Xcel Energy – West

For Avista to continue this positive trend in the right direction it is imperative that we continue to invest in our customer transactional systems.

Option	Capital Cost	Start	Complete
Recommended Solution	$16,750,000	01 2021	12 2025
Fund at a Lower Level	$12,000,000	01 2021	12 2025
Do nothing	$0		

2.1 Describe what metrics, data, analysis or information was considered when preparing this capital request.

The "Recommended Solution" would enable us to keep pace with customer demands and take advantage of current changes and enhancements to our technology systems. The enhanced features would allow us to continue to improve our customer experience and offer updated capabilities. Customers are

currently asking for more flexibility and choices in their interactions with our Company. These features could include (but not limited to) the following:

- CCB/MDM system upgrades, maintenance and ongoing enhancements. To keep these systems up to date and operational, we must perform regular upgrades and invest money in enhancements that will benefit our customers, internal users, third party partners and regulators.
- Comfort Level Billing updates and enhancements. Introduction of a multi-year plan calculations, customer notifications for plan changes and customer facing balance display and trending details via the website. These enhancements will offset the number of calls into the Call Center and have potential to improve our customer satisfaction score.
- Rate tools to enable rate modeling utilizing AMI data. This project will replace the existing tool that is at end of life.
- Marketplace instant rebates checkout and customer eligibility validation. This work will streamline a rebate process for customers and has potential to increase our customer satisfaction score.
- PCI Compliance (Card EZ) refresh to continue to enable CSRs to take credit card payments from the customer using the Card EZ website. This work will ensure that we follow payment card industry data security standards.
- CSR Assessment software enhancements for monitoring CSR productivity and managing quality assurance. This work will continue to ensure we are monitoring our Call Center resources for efficiently and improving our customer experience through our quality assurance process.
- Low Income Rate Assistance Program replacement of the existing outdated Energy Assistance Work Bench tool used by assistance agencies to see customers' bills and payment history. This update will provide enhanced reporting for energy assistance and provide a better experience for Avista's customers when they are asking for help paying their bill.
- Automated online payment arrangement and options to enhancements for the streamlining of online automated payment arrangements based on customers' specific circumstances. This addition will offset the number of calls into the Call Center.
- Renewable natural gas enrollments to satisfy regulatory requirement to offer renewable natural gas. This will look similar to My Clean Energy and provide the customer with additional renewable energy options and has the potential to increase our customer satisfaction score.
- Transportation Electrification program which includes online customer facing presentment and admin tools such as Excel, Docusign, etc. This addition has the potential to increase our customer satisfaction score.
- Features to streamline processes for landlords, landlords have a high amount of move in/move out transactions they perform on behalf of their tenants. These tools could include the ability to upload the necessary paperwork or fill out an online form rather than faxing in the paperwork. This work will decrease the number of calls coming into the Call Center.

Customer Transactional Systems

- Demand Side Management System that tracks all large energy efficiency projects being conducted on behalf of our customers.
- Voice channel refresh
- On bill financing tools that would allow a customer to finance a large expense like a new energy efficient refrigerator, furnace, or A/C unit. This functionality is required by our regulators.
- A new bill design and possible transition to a new vendor to improve performance and customer experience.
- Specific functionality for business customers to help them manage their energy use. This work may reduce the number of calls to our Call Center and account executives.
- Tools for customers who have their own generation (solar, wind, etc.)
- Ability for customers to schedule appointments and view how various work is progressing through the pipeline (construction tracker, tree trimming status/work tracker, etc.) – This work may reduce the number of calls to our Call Center and/or Customer Project Coordinators.

2.2 Discuss how the requested capital cost amount will be spent in the current year (or future years if a multi-year or ongoing initiative). (i.e. what are the expected functions, processes or deliverables that will result from the capital spend?)**. Include any known or estimated reductions to O&M as a result of this investment.**

5 YEAR FUNDING REQUEST DETAIL:

Project	2021 Budget Plan	2022 Budget Plan	2023 Budget Plan	2024 Budget Plan	2025 Budget Plan	Total
Customer Transactional Systems	**$3,550,000**	**$3,250,000**	**$3,350,000**	**$3,200,000**	**$3,400,000**	**$16,750,000**
CC&B/MDM Features	$2,500,000	$3,000,000	$3,000,000	$3,000,000	$1,500,000	**$12,000,000**
CC&B/MDM Upgrade/Refresh					$1,500,000	**$1,500,000**
HES Features*						**$0**
HES Upgrade(s)*						**$0**
DSM System	$300,000	$50,000	$50,000	$50,000	$200,000	**$550,000**
LiRap Replacement/Update	$400,000	$50,000	$50,000	$50,000	$100,000	**$650,000**
Call Center Application Upgrade (Verint, etc.)			X			**$0**
Rates Tools	$250,000	$100,000	$50,000	$50,000	$50,000	**$550,000**
PCI Compliant (Card EZ)			$150,000			**$150,000**
CSR Assessment software	$50,000					**$50,000**
Call Center Miscellaneous work	$50,000	$50,000	$50,000	$50,000	$50,000	**$200,000**

There are no direct O&M reductions as a result of this business case.

2.3 Outline any business functions and processes that may be impacted (and how) by the business case for it to be successfully implemented.

CC&B/MDM Features: Many of the features and enhancements slated over the next 5 years will have many impacts to other parts of the business.

- CLB work will improve the customer experience and should result in less calls to the Call Center.
- Marketplace Instant Rebates Check-out will streamline some of the manual work required by our rebates departments and improve the customer experience.
- Automated Online Payments will lessen calls to the Call Center by enabling customers to set up their payment arrangements online through self-service automation.
- Renewable Natural Gas will fulfill a regulatory requirement and lessen calls to the Call Center for customers due to a self-service sign-up experience.
- Transportation Electrification Program directly benefits our revenue stream as it assists customers in transitioning to electric powered vehicles.
- Streamlining processes for landlords will lessen the calls to our Call Center during tax season because landlords will be able to self-serve online.
- On-bill financing tools will enable customers the opportunity to finance purchases to become more energy efficient which will contribute to a better customer experience.
- Redesigning our bill will lessen the calls to the Call Center as it will be geared towards providing the information customers want based on usability studies and customer feedback.
- Energy Usage Tools will leverage our newly implemented AMI meter data and help our customers better understand their energy usage and lessen calls to the Call Center.

CC&B/MDM Upgrade/Refresh: Direct impacts to Customer Service, Construction Services, Rates, DSM, Security, and Finance are among the many departments that utilize these systems along with specific roles such as CSRs, CPCs, account executives and regional business managers. This work will continue to keep our two most critical business applications updated to the most current versions and help to mitigate future support and security risks.

DSM System: This system will impact the employees that keep track of energy efficiency projects on behalf of our customers. Information in this system is tracked (for example: kWh and therms saved through a lighting upgrade in a supermarket) and reported to energy efficiency governing bodies.

LiRap Replacement: The LiRap system (Low Income Rate Assistance Program) tracks all assistance made to those customers that request it.

Rate Tools: This work will directly impact our Rates Department and replace the existing “home grown” system they are using which is at end of life.

PCI Compliance (Card EZ): Due to PCI Compliance, call center representatives (CSRs) are not allowed to take credit card numbers over the

phone and key them into the credit card system. This project puts an automated 'robot' feature in place to protect our customers and our CSRs from fraud.

CSR Assessment Software: This work will impact our Call Center operations by helping to better track and manage resource efficiency and quality assurance.

2.4 Discuss the alternatives that were considered and any tangible risks and mitigation strategies for each alternative.

Funding at a lower Level

The "Funding at a Lower Level" option would delay benefits to our customers, users of the system and third-party partners. This option could increase operational costs as we may delay our major technology system upgrades. In addition, we would delay implementing enhancements that would benefit users of the systems and create operational efficiencies, features that would benefit customers and third parties (outside agencies and vendor partners) and delay the ability to respond or report on regulatory requests.

Do Nothing

The "Do Nothing" option would greatly reduce the chance of keeping our major technology systems current and fully operational. Also, we would be unable to meet customer, third party partners and regulatory expectations. With zero investment, no required compliance or regulatory changes would be made. For example, if there are newly identified security risks that require internal work and coordination with our external vendors to mitigate, these items could not be completed. With zero investment we also risk the technology being obsolete and not functioning. This technology requires periodic upgrades and security updates; without these, the technology is at risk of not functioning; and thus, driving calls into our call center and creating an immense amount of manual work for our employees.

2.5 Include a timeline of when this work will be started and completed. Describe when the investments become used and useful to the customer. spend, and transfers to plant by year.

The work within this business case will be conducted through a program that will contain multiple projects. The work will transfer to plant most often on an integrated release cycle; new features will go live for customers 3-4 times per year.

2.6 Discuss how the proposed investment aligns with strategic vision, goals, objectives and mission statement of the organization.

At Avista, we have a variety of "Customer Transactional Systems" that are used to support the day to day operational needs of our customers, internal users, third party partners and our regulators.

For Avista to provide “Better energy for life…” it is important to keep these systems functioning at the optimal technical level in keeping with industry standards and customer expectations. Continually improving, enhancing, replacing, and building upon these systems keeps us in step with our value of being innovative and continuously improving and finding better ways to get things done. This concept is directly stated in our mission statement, “We improve our customers’ lives through innovative energy solutions” and is a demonstration of placing the customer at the center of everything we do.

In addition to focusing on our customers, our employees are foundational to everything that we do. Improving these systems also includes direct benefit to our employees and their performance. They are using these tools daily to deliver value to our customers and the communities we serve.

2.7 Include why the requested amount above is considered a prudent investment, providing or attaching any supporting documentation. In addition, please explain how the investment prudency will be reviewed and re-evaluated throughout the project

Avista needs a way to track customer accounts, bill our customers, and track energy efficiency projects and savings on behalf of our customers. It is considered a prudent investment as it will continue to provide an efficient and safe way to bill our customers and keep our customer information secure.

2.8 Supplemental Information

2.8.1 Identify customers and stakeholders that interface with the business case

Customers will interface with the technology in this business case indirectly through their own self-service interactions on MyAvista.com, the mobile app, and text channels. Customers will also interact with Avista personnel who will be using the technology to provide service to customers.

2.8.2 Identify any related Business Cases

The work in the business case is related to the work in the Customer Facing Technology business case. Most of the tools identified in the Customer Facing Technology business case cannot function without work occurring within the Customer Transactional Systems business case.

2.8.3 References

Keller, S. (2019, December 17). *High Utility Customer Satisfaction Isn't Translating to Use of Enhanced Offerings*. Retrieved from Business Wire: https://www.businesswire.com/news/home/20191217005149/en/High-Utility-Customer-Satisfaction-Isn%E2%80%99t-Translating-Enhanced

3.1 Steering Committee or Advisory Group Information

This business case will be governed by the Customer Facing Technology (CFTP) & Customer Experience Platform (CXP) & Customer Transactional Systems (CTS) governance group. This group prioritizes and governs the projects under the Customer Transactional Systems throughout the entire project lifecycle. They then surface these to the IS/IT PMO for execution.

3.2 Provide and discuss the governance processes and people that will provide oversight

The CFTP, CXP and CTS Governance Group meets on a monthly basis.
Members include:
Kevin Christie – VP External Affairs and CCO
Jim Kensok – VP CIO & CSO
Latisha Hill – VP Community & Economic Vitality
Mike Broemeling – Director of Customer and Shared Services
Nikdel Hossein – Director Applications and System Planning
Jim Corder – Director IT and Security
Dana Anderson – Director Corporate Communications
David Howell – Director Operations, West Operations and Asset Management
Josh DiLuciano – Director Electric Engineering
Anna Scarlett – Director Energy Efficiency
Kelly Magalsky – Director Products, Services, and Customer Technology
Kelly Conley – Sr Manager Digital Communications and Corporate Communications
Stephanie Myers – Manager Customer Solutions and Products & Services
Graham Smith – Manager Applications Delivery and Application Support
Facilitators include:
Kim Henscheid – Program Manager Customer Experience Platform
Ethan Jelinek – IT Sr Program Manager

3.3 How will decision-making, prioritization, and change requests be documented and monitored

Decision making and general prioritization decisions for the business case and programs will be documented and monitored through monthly meeting notes.

Customer Transactional Systems

Project specific decisions will be documented within the PMO's current process through project change orders.

The undersigned acknowledge they have reviewed the Customer Transactional Systems Program Business Case and agree with the approach it presents. Significant changes to this will be coordinated with and approved by the undersigned or their designated representatives.

Signature:	DocuSigned by: Stephanie Myers 571A8FBE3364417...	Date:	Jul-31-2020 | 8:52 AM PDT
Print Name:	Stephanie Myers		
Title:	Customer Solutions Manager		
Role:	Business Case Owner		
Signature:	DocuSigned by: Kelly Magalsky E7A0E731C49442B...	Date:	Aug-02-2020 | 2:48 PM PDT
Print Name:	Kelly Magalsky		
Title:	Director of Customer Technology and Products and Services		
Role:	Business Case Sponsor		
Signature:	DocuSigned by: Hossein Nikdel E4E2D9C7EE4747F...	Date:	Aug-02-2020 | 5:44 PM PDT
Print Name:	Hossein Nikdel		
Title:	Director of Applications and Systems Planning		
Role:	Steering/Advisory Committee Review		

Template Version: 05/28/2020

Customer Experience Platform Business Foundation

1 GENERAL INFORMATION

Requested Spend Amount	$5,000,000
Requesting Organization/Department	Customer Solutions
Business Case Owner	Stephanie Myers
Business Case Sponsor	Kevin Christie
Sponsor Organization/Department	Customer Solutions – Customer Service
Category	Strategic
Driver	Customer Service Quality & Reliability

1.1 Steering Committee or Advisory Group Information

This business case will be governed by the Customer Facing Technology Governance group. This group prioritizes and governs the projects under the Customer Facing Technology and Customer Experience Platform programs throughout the entire project lifecycle. They then surface these to the IS/IT PMO for execution.

2 BUSINESS PROBLEM

The purpose of the Customer Experience Platform (CXP) Business Case is to implement the technology supporting the renewed emphasis on Customer Experience at Avista. To enable the customer at the center strategy and jump start our company into creating transformative tools for our employees, we need a few capabilities to put us on the right path for success. The platform that will be created supports all customers (both electric and gas in all service territories) through the call center, field workers, and other departments that interact directly with customers in all corners of our service territory.

The work to build a platform called the Customer Experience Platform will include the following, and associated business cases:

- **Customer Experience Platform (CXP) Strategic Business Case** – Implementation of the Customer Relationship Management (CRM) system to support the first two capabilities (Customer Preferences and Case Management). These are considered strategic due to the fact that they are the catalyst we need to jump start the enablement of the overall customer experience.
- **Customer Facing Technology Business Case**[1] – This business case contains the initial work for CXP. This includes the implementation of the customer data portion of the data and analytics platform (DaaP). This includes the replication of data from our customer information and billing system into the CRM. This data in the CRM provides a holistic 360 degree

[1] The costs related to CXP will be transferred out of the Customer Facing Technology Business Case and moved into the new CXP Program business case sometime during the first half of 2020.

view of our customers. We are also using Amazon Web Services (AWS) which is the platform for the DaaP. The DaaP provides a single place to house all data and information about a single customer. This data will be used to provide insights into how we can better serve our customers. This also includes the development of APIs to get other information from the back-end customer information and billing system. These Application Program Interfaces (APIs) add additional information into the 360 degree customer view as mentioned above. This business case also includes the development of technology to promote software (code) from one environment to another (testing environment to production) into two new platforms: the DaaP and the CRM. Other technology components like the encryption and auditing of customer data in the new cloud platforms are also included.

This business case (CXP Strategic) will cover the initial work to implement two capabilities that employees and customers will use: 1) Customer account and contact preferences, and 2) Case Management along with the technical system integration to other foundational systems.

Customer account and contact preferences will provide the ability to gather, modify, and take action on customer preferences in a central repository that will be used in communication with our customers in both reactive and proactive situations. These preferences will also be utilized through the various communication channels, such as text, email, or voice. For example, a single customer may want to be notified of an outage through a text, but receive all other communication through email and choose not to receive any voice/phone calls. These nuanced preferences can improve or deteriorate customer experience. In fact, if these preferences are not in alignment with our customer's expectations, they can even frustrate them in getting unwanted texts, calls, or emails.

Additionally, Avista employees will be able to assist the customer more efficiently by seeing all communication sent to a customer through the 360 degree view in the CRM.

Case and incident management will provide the ability to track and manage interactions initiated by or on behalf of a customer. These cases may be used to manage follow-up activities and provide support for complex issues as well as to record activity resolved within a single interaction. Cases or incidents will include a workflow and escalation rules to provide visibility on their status to any of our employees working the case or incident. For example, if a customer has a complaint and we have several employees follow up on that complaint, our employees will be able to see who is following up and what the status is. If the customer requests information on the status of their case, we will be able to provide them with an accurate status.

This platform will enable our employees by providing the missing tools to empower them to put our customer at the center, resulting in an improved employee experience; as a result, it will improve the customer experience. By doing this we

Customer Experience Platform Business Foundation

are going to accelerate the capabilities that put the customer at the center. Without this platform we cannot put the customer at the center or be able to build upon previous customer interactions, which can often result in call-backs, subsequent visits, missed calls, voicemail tag, and overall inefficiency in solving problems as quickly and efficiently as possible.

Figure 1 below shows the value our customers and employees will receive as part of all the aforementioned work.

Customers will experience a tangible difference in 2020

Brings Employees and Customers together	Gives our employees a single, shared view of every customer	No need to repeat information if they talk to a different person in our company

Case Management		Customer Communication Preferences	
Transparency	A single view for employees opens communication lines between departments allowing customers to be served efficiently	Transparency	Employees can see actual communication sent to a customer
Continuity	Customer inquiries (cases) can be routed to the appropriate group to streamline resolution	Personalized	Right communication - at the right time - in the right channel
Escalation	If inquiries are not being handled quick enough, they will automatically escalate which will allow others to follow up.	Ease	One central place for employees to manage customer preferences (customers can already self-serve)
Trust	Assures that customer inquiries do not fall through the crack	Simplify	Combine separate communication systems into one
Real-time Status Updates	We will proactively notify customers of the status of their inquiry		

Figure 1: CXP Value

3 PROPOSAL AND RECOMMENDED SOLUTION

The proposal is to implement tools that our employees and customer will utilize to serve our customers. These tools will be available to employees beyond just customer service and will be used across the enterprise.

Option	Capital Cost	Start	Complete
Do nothing	$0		
Recommended Solution	$5,000,000	11/1/2019	4/30/2020

Alternatives Considered:

The alternative considered was not doing anything. As you can see with the information provided above, doing nothing puts us at risk of not meeting employee and customer expectations, hindering our ability to respond to customer contact preferences and managing cases or incidents for prompt resolutions.

Customer Experience Platform Business Foundation

Costs for the recommended solution were estimated based on internal labor needed to build these tools as well as professional services estimates.

Timeline:

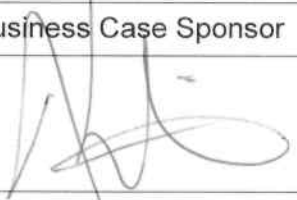
The work will start in October 2019 and will end in 2020.

4 APPROVAL AND AUTHORIZATION

The undersigned acknowledge they have reviewed the Customer Experience Platform Business Foundation Business Case and agree with the approach it presents. Significant changes to this will be coordinated with and approved by the undersigned or their designated representatives.

Signature:		Date:	2/18/2020
Print Name:	Stephanie Myers		
Title:	Customer Solutions Manager		
Role:	Business Case Owner		

Signature:		Date:	2/18/2020
Print Name:	Kelly Magalsky		
Title:	Director, Products & Services		
Role:	Business Case Sponsor		

Signature:		Date:	2/19/2020
Print Name:	Kevin Christie		
Title:	Sr VP External Affairs, Chief Customer Officer		
Role:	Executive Business Case Sponsor		

5 VERSION HISTORY

Version	Implemented By	Revision Date	Approved By	Approval Date	Reason
1.0	Stephanie Myers	10/3/2019			Initial version
1.1	Stephanie Myers	10/30/2019			More focused on deliverables
1.2	Stephanie Myers	2/14/2020			Additional content regarding employee & customer value

Template Version: 03/07/2017