

Exh. AR-1T
Dockets UE-170033/UG-170034
Witness: Andrew Roberts

**BEFORE THE WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION**

**WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION,**

Complainant,

v.

PUGET SOUND ENERGY,

Respondent.

**DOCKETS UE-170033 and
UG-170034 (*Consolidated*)**

TESTIMONY OF

Andrew Roberts

**STAFF OF
WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION**

SQI No. 5

June 30, 2017

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1 **I. INTRODUCTION**

2

3 **Q. Please state your name and business address.**

4 A. My name is Andrew Roberts. My business address is 1300 S. Evergreen Park Drive
5 S.W., P.O. Box 47250, Olympia, WA 98504.

6

7 **Q. By whom are you employed and in what capacity?**

8 A. I am employed by the Washington Utilities and Transportation Commission as a
9 Regulatory Analyst in the Consumer Protection section.

10

11 **Q. How long have you been employed by the Commission?**

12 A. I have been working at the Commission since February 2014.

13

14 **Q. Would you please state your educational and professional background?**

15 A. I have a Bachelor of Arts degree in Political Economy and a Bachelor of Arts degree
16 in Urban Studies, both from the University of Washington. I have finished the first of
17 two years in the Evergreen State College's Masters in Public Administration
18 program. I have investigated over 300 consumer complaints against regulated utility
19 companies. I have completed Consumer Affairs training from Regulatory Partners,
20 LLC. The training was developed and presented in partnership with the NARUC
21 Subcommittee on Consumer Affairs. I have also completed the Western NARUC
22 Utility Rate School.

23

1 **II. SCOPE AND SUMMARY**

2

3 **Q. Please describe the scope of your testimony?**

4 A. My testimony covers Consumer Protection’s concerns with the proposed Service
5 Quality Index No. 5 (SQI No. 5) changes, as proposed in the direct testimony of
6 Greg Zeller. Staff is generally concerned that the changes to include transactions
7 customers have with the PSE’s automated response system in the SQI No. 5
8 calculation will result in a decrease to the quality of customer service. The proposed
9 SQI No. 5 revision will provide Staff with meaningless aggregated data while
10 making compliance with the SQI No. 5 benchmark easier for PSE.

11

12 **III. SERVICE QUALITY INDEX NO. 5**

13

14 **Q. Have successful Integrated Voice Response System (IVR) transactions exceeded
15 agent handled phone calls?**

16 A. PSE presents data which compares successful IVR transactions to agent-handled
17 phone calls.¹ The data show successful IVR transactions exceeding agent-handled
18 phone calls in 2015 and 2016. ² However, the data being compared are two vastly
19 different things.

20 An agent-handled phone call occurs when a customer places a phone call to
21 PSE’s customer care telephone number and selects to speak with a live
22 representative. No matter how many inquiries the PSE Customer Service

¹ Zeller, Exh. GJZ-1T at 14:2, Figure 6.

² Zeller, Exh. GJZ-1T at 14:2, Figure 6.

1 Representative (CSR) answers during the interaction, that phone call is counted only
2 once by the current and proposed SQI No. 5 calculation. A successful IVR
3 transaction is a transaction that is completed within the self-service system, without
4 the involvement of a CSR.³ The comparison concerns staff because any one phone
5 call that is routed to the IVR system can result in multiple IVR self-service success
6 transactions.⁴

7
8 **Q. How does PSE propose to revise SQI No. 5?**

9 A. PSE proposes to add IVR self-service success transactions to the SQI No. 5
10 calculation. PSE defines an IVR self-service success transaction as one where “the
11 customer completes the transaction within the Integrated Voice Response system
12 with no Puget Sound Energy live representative involvement.”⁵

13
14 **Q. Under PSE’s proposed change, is one phone call handled through the IVR
15 system counted the same as one phone call handled by a customer service
16 representative?**

17 A. No. One phone call handled through the IVR system could result in multiple IVR
18 self-service success transactions, whereas one phone call handled by an agent would
19 count only once. Every IVR self-service success transaction would be equal to one
20 phone call handled by a live person in PSE’s customer care center, regardless of how
21 many resolutions the live person helps a customer with. For example, a person can

³ PSE Response to UTC Staff Data Request No. 387.

⁴ PSE Response to UTC Staff Data Request No. 468.

⁵ PSE Response to UTC Staff Data Request No. 387.

1 place one phone call to the IVR system and complete multiple transactions such as
2 check their account balance, set up an installment plan, and make a payment; all
3 without hanging up the phone.⁶ If all three of these inquiries were handled within the
4 IVR system, without a live representative, the result would be three IVR self-service
5 success transactions, which would all be counted by the Company in its SQI No. 5
6 calculation. A customer could also accomplish all three of these things during one
7 phone conversation with a PSE customer service representative, but PSE’s proposed
8 calculation would only count that actual phone call once; excluding any additional
9 inquiries the customer service representative handles. In both examples, the
10 consumer accomplishes the same goals, but the IVR interaction would be given three
11 times the weight given to the agent-handled interaction in the Company’s proposed
12 SQI No. 5 calculation.

14 **Q. What would PSE’s proposed revision to the SQI No. 5 calculation look like?**

15 A. The current calculation is:

16
$$\text{Call answering performance} = \frac{\text{aggregate number of calls answered by a company rep within 30 seconds}}{\text{aggregate number of calls received}}$$

17 PSE proposes to include IVR self-service transactions “in both the numerator and the
18 denominator” of the formula.⁷ According to PSE’s response to UTC Staff Data
19 Request No. 43 the proposal would result in the following calculation.

⁶ Zeller, Exh. GJZ-1T at 11:11-13.
⁷ Zeller, Exh. GJZ-1T at 17:14.

$$\begin{array}{l}
 1 \quad \text{Call answering} \\
 \text{performance} = \frac{\text{(aggregate number of calls answered by a} \\
 \text{company rep within 30 seconds)} + \text{(IVR self-service} \\
 \text{success transactions)}}{\text{(aggregate number of calls received)} + \text{(IVR self-service} \\
 \text{success transactions)}}
 \end{array}$$

2

3

IV. EFFECT OF PROPOSED SQI NO. 5 REVISION

4

5 **Q. How would the proposed revisions affect the SQI No. 5 calculation?**

6 A. In 2015, 1,822,546 calls were answered by PSE customer service representatives;

7 1,266,971 of those calls, approximately 70 percent, were answered within 30

8 seconds, as illustrated by the following equation.⁸

$$9 \quad \frac{1,266,971}{1,822,546} = 69.5\% \approx 70\%.$$

10

During the same time period, there were 1,994,491 IVR self-service success transactions.⁹ PSE proposes to use the IVR self-service success transactions “in both the numerator and the denominator” of the formula.¹⁰ It is important to note that the denominator does not include all IVR transactions, only those deemed by PSE to be successful. Using 2015 call data and the Company’s proposed SQI No. 5 calculation, PSE would have significantly surpassed the 75 percent benchmark by 10 percent, as illustrated in the following equation.

11

12

13

14

15

16

$$17 \quad \frac{1,266,971 + 1,994,491}{1,822,546 + 1,994,491} = 85.4\%$$

18

In 2015, PSE fell below its 75 percent SQI No. 5 benchmark by 5 percent. If

19

PSE’s proposed calculation, including its method for counting IVR self-service

⁸ PSE Response to UTC Staff Data Request No. 43.

⁹ PSE Response to UTC Staff Data Request No. 40; PSE Response to UTC Staff Data Request No. 44.

¹⁰ Zeller, Exh. GJZ-1T at 17:14.

1 success transactions, had been used the Company would have exceeded the 2015
2 benchmark by 10 percent. This highlights the drastic difference and difficulty for
3 monitoring the Company's performance if the method for determining whether PSE
4 has met the SQI No. 5 benchmark is altered in the way the Company proposes. Staff
5 opposes PSE's proposal.

6
7 **Q. Would PSE's proposed SQI No. 5 calculation provide meaningful information**
8 **to the Commission?**

9 A. No. The Company proposes aggregating its data for IVR self-service success
10 transactions with the data of calls handled by customer service representatives.
11 Accepting the Company's proposal would allow the Company to obfuscate the data
12 to such a degree that the Commission would not be able to verify the actual
13 performance of PSE's call center. For illustrative purposes, if PSE had been allowed
14 to combine agent-handled calls with IVR self-service success transactions in 2015,
15 the Company would have met its 75 percent benchmark for SQI No. 5 while only
16 answering 48 percent of agent-handled phone calls within 30 seconds.¹¹ This result
17 would be unacceptable to Staff. Failing to answer more than half of agent-handled
18 calls within 30 seconds falls far below the current standards. The proposed
19 aggregation of data would allow PSE to significantly reduce call center performance
20 and allow the Company to more easily meet its 75 percent benchmark set for SQI
21 No. 5.

22

¹¹ Roberts, Exh. AR-7.

1 **Q. Does PSE’s proposed SQI No. 5 revision conform to the original intent of the**
2 **SQI program?**

3 A. No. The SQI program is a product of the merger of Washington Natural Gas
4 Company and Puget Sound Power & Light Company. It was created with the
5 purpose to “provide a specific mechanism to assure customers that they will not
6 experience deterioration in quality of service” and “to protect customers of PSE from
7 poorly-targeted cost cutting.”¹² PSE claims that the proposed SQI revision will not
8 result in “any deterioration in service quality when [customers] call PSE.”¹³
9 However, as explained above, the proposed revision would allow for a significant
10 deterioration of call center response times and still allow PSE to meet its SQI No. 5
11 benchmark. This proposed revision could allow PSE to reduce staffing in its call
12 centers, which could be perceived by customers as poorly-targeted cost-cutting.

13
14 **Q. Does PSE’s customer communication preference survey appropriately**
15 **represent the experiences of people served by PSE?**

16 A. No. PSE’s customer communication preference survey was an online survey
17 processed through email.¹⁴ The survey was only available to individuals with internet
18 access. Vulnerable populations such as the elderly and the poor are, therefore, likely
19 to be under-represented. While Staff would agree that the online survey was easy

¹² *In the Matter of the Proposal by Puget Sound Power & Light Co. to Transfer Revenue from PRAM Rates to General Rates, In the Matter of the Application of Puget Sound Power & Light Co. and Washington Natural Gas Co. for an Order Authorizing the Merger of Washington Energy Co. and Washington Natural Gas Co. with an into Puget Sound Power & Light Co., and Authorizing the Issuance of Securities, Assumption of Obligations, Adoption of Tariffs, and Authorizations in Connection Therewith*, Dockets UE-951270 and UE-960195, Fourteenth Supplemental Order Accepting Stipulation; Approving Merger, 30 (Feb. 5, 1997) (internal citations omitted); *id.* at 32.

¹³ Zeller, Exh. GJZ-1T at 17:4-5.

¹⁴ Zeller, Exh. GJZ-1T at 21:4-5.

1 and efficient to conduct, Staff believes that disseminating the survey through
2 technologically-advanced methods such as the internet and email with the goal of
3 measuring acceptance of communication through another technologically-advanced
4 method like the IVR system is fundamentally flawed. Staff believes that it is notable
5 that according to PSE's own customer preference survey, IVR is one of the least-
6 preferred methods of communication within PSE's survey sample, with customer
7 preference for web and phone call transactions far exceeding IVR transactions.¹⁵

8 9 V. CONCLUSION

10
11 **Q. Should customer interactions with PSE's IVR system be included in SQI No. 5?**

12 **A.** No. Staff commends PSE on its efforts to expand communication options to meet the
13 changing preferences of the people it serves. But these additional options do not
14 belong in the SQI No. 5 calculation, which measures the annual average amount of
15 time it takes PSE's customer service department to answer the phone. These
16 alternative communication options are tools and cannot, yet, do all of the things a
17 real person performing customer service representative duties can. Calls placed to
18 the IVR system do not belong in the SQI No. 5 calculation. The IVR system has very
19 different capabilities when compared to live CSRs. For example the IVR system is
20 not capable of handling most if not all disputes and questions regarding service
21 reliability, disputed charges, retroactive billings, or inquiries around renewable

¹⁵ Zeller, Exh. GJZ-1T at 22:1, Figure 8.

1 energy programs.¹⁶ In sum, the IVR system is not and should not be considered a
2 replacement for a live customer service representative.

3

4 **Q. What is Staff's recommendation regarding PSE's proposal to alter the**
5 **calculation of SQI No. 5?**

6 A. Staff recommends that the Commission reject PSE's proposed revisions to SQI No.
7 5. Staff believes that accepting the proposed changes would result in a significant
8 reduction in service quality to PSE's customers while allowing PSE to meet the
9 benchmark set in SQI No. 5.

10

11 **Q. Does this conclude your testimony?**

12 A. Yes.

¹⁶ PSE Response to UTC Staff Data Request No. 386.