EXH. JJJ-3 DOCKETS UE-19\_/UG-19\_ 2019 PSE GENERAL RATE CASE WITNESS: JOSHUA J. JACOBS

#### BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

#### WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION,

Complainant,

v.

Docket UE-19\_\_\_\_ Docket UG-19\_\_\_

**PUGET SOUND ENERGY,** 

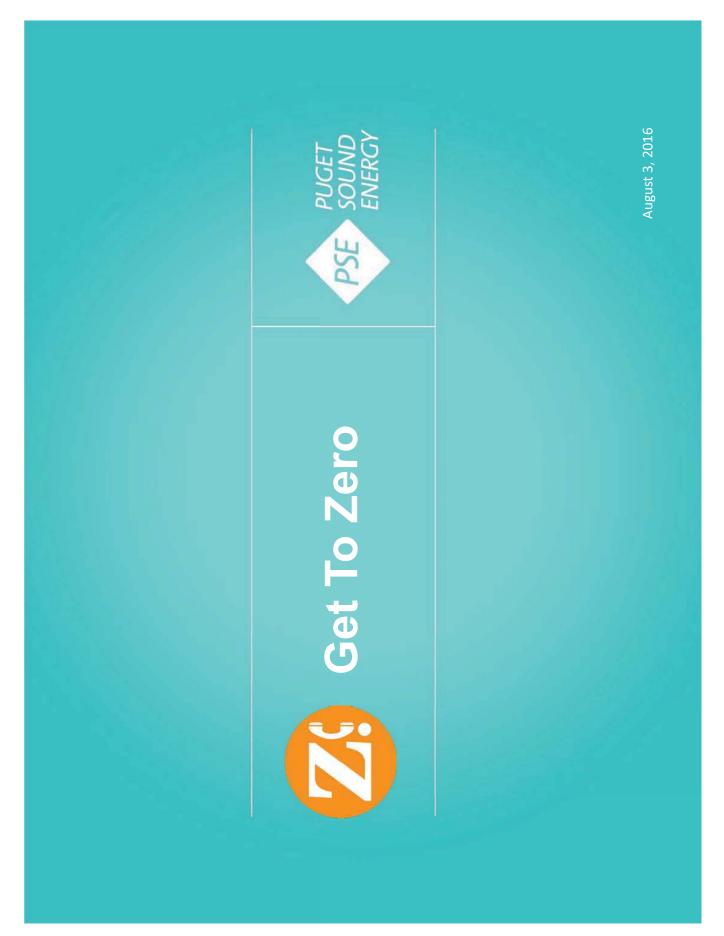
Respondent.

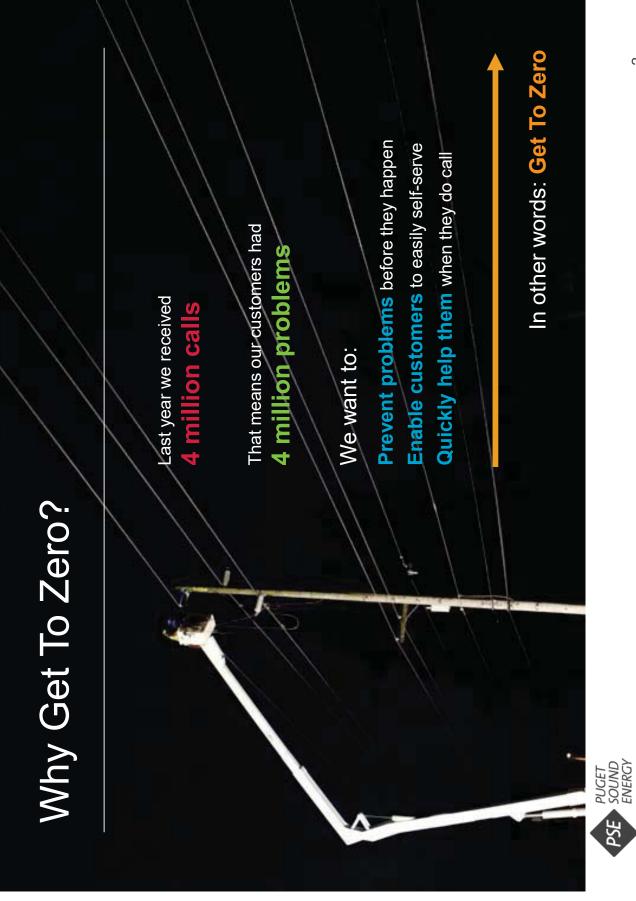
SECOND EXHIBIT (NONCONFIDENTIAL) TO THE PREFILED DIRECT TESTIMONY OF

JOSHUA J. JACOBS

**ON BEHALF OF PUGET SOUND ENERGY** 

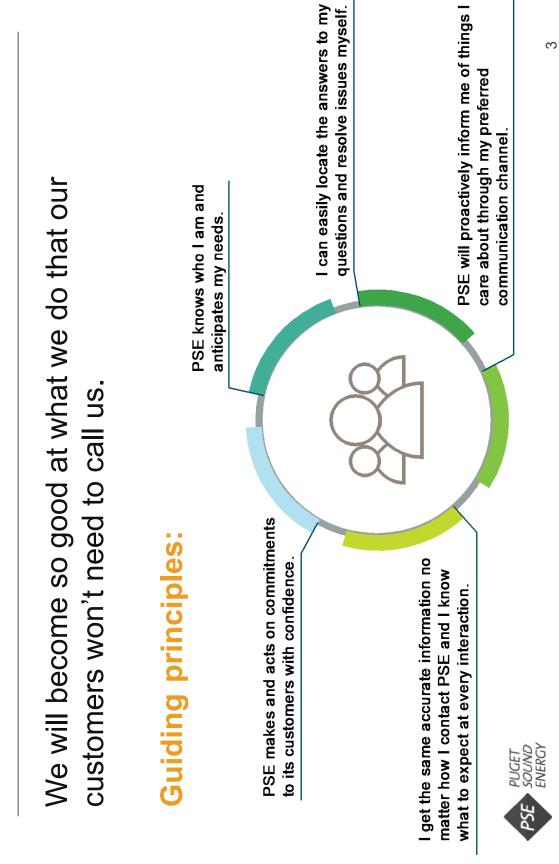
JUNE 20, 2019



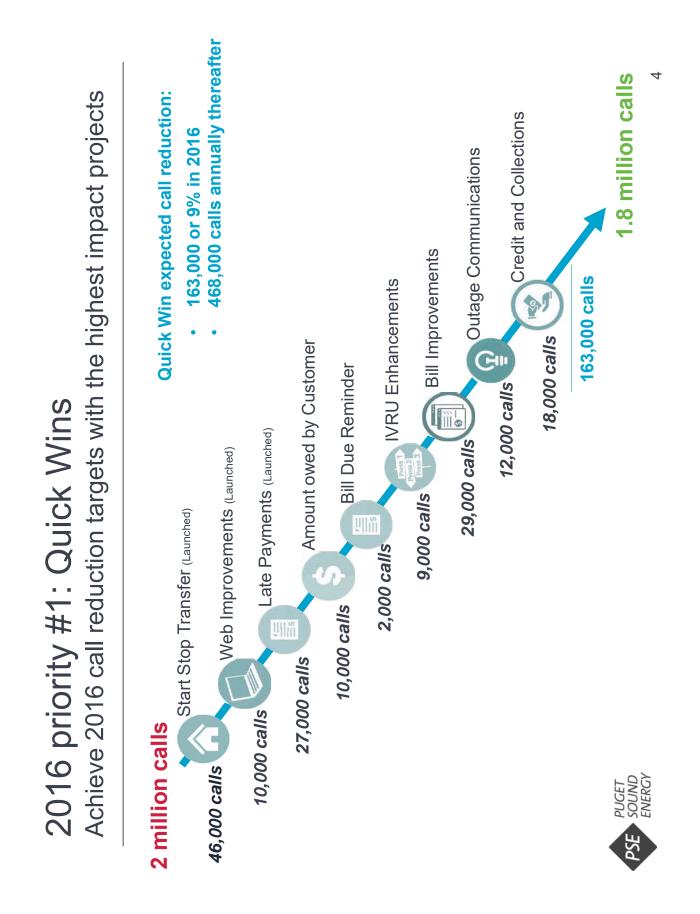


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GTZ mission and vision



Curre Obstr	Current Data Quality: Obstructs our Guidinę	Current Data Quality: Obstructs our Guiding Principles	S	
Inconsi	Inconsistent or missing information	nformation		
	73%	23%	15%	
	Customer email addresses stored in neither SAP nor Opower, thus preventing proactive notifications.	Customer phone numbers mismatched between Customer and Business Partner which prevents self-service.	Customer phone numbers are non- standard, invalid or missing which slows communication.	
Multiple	Multiple sources, duplica	duplicative and obsolete information	Iformation	
	27	3%	82%	
	Different sources of customer contact information impedes automation.	Customer data is duplicated based on name, address, postal code which prevents self-service.	Customer Records are inactive which slows real-time information availability.	
PUCET SOUND ENERGY				2J

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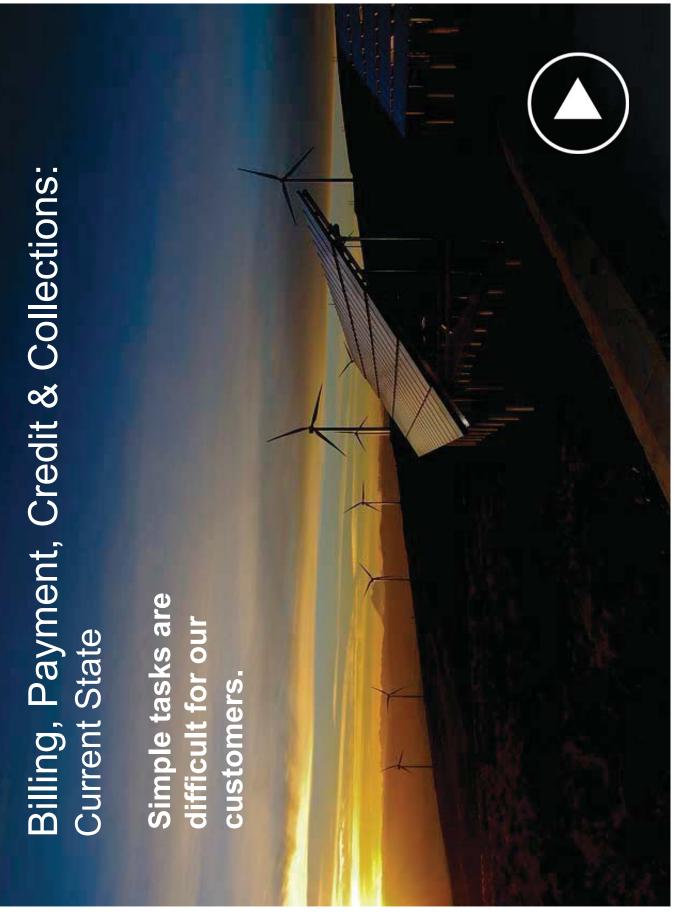


		ployees. They are sibility for Elizabeth, who ne spends a lot of time leeds. Elizabeth is sues as they come up	Key Event Elizabeth and her husband are moving into their first home, so they need to cancel service at their apart- ment, and establish service at their condo. Strangely, they got two invoices, one for their condo association another one for the account of the condo association that covers the common spaces.	Mindset Because Elizabeth and her husband are contract employees, they like to maintain a positive balance at their various accounts as a hedge against any future shifts in their income. Elizabeth wants to solve problems for herself rapidly and without drama, as her husband is more likely to let issues drag on too long for her comfort level.			16 DRAFT Version 0.1 4/25/16 7
Customer personas: Take a walk in our customers' shoes	Elizabeth wants to self-serve but ends up uncertain	Elizabeth is recently married, and both she and her husband are contract employees. They are excited to be moving in to their first home. Home ownership is a new responsibility for Elizabeth, who handles all of the bills for her household. She has a large family locally, so she spends a lot of time driving to relative's homes, and caring for elderly parents who have special needs. Elizabeth is digitally savvy. She seeks to maintain control over her busy life by solving issues as they come up immediately from her mobile.	Ke filter the second se	Getting the bill was Getting the state accords and the cells was helpful and the rest was helpful and the rest was a short time on hold. There was no option there was no a short time on hold. Wy account deart there was no account deart	t feit good to get f dome - we versky to movel In movel In movel	mmentary We moved into our first home (condo) and 1. When I got our first bill, there were hur. One 1. I drive so much I make a lat of calls from There was dual or bad acount information 1. Iam waiting for another paper bill to any activity in the set our information our first home activity in the set our information in the set of any interval in the set of any interval into our first home activity in the set of the set our interval into our first home activity in the set of the set our interval into our first interval into our first into our fir	LET IND RGY
Cu Tak			Leehop account account		the term to m	Commentary We moved into ou "We rup our PSE Acco and easy. I normally publits bank."	PSE PUGET SOUND ENERGY

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## We're continuously listening to our customers

Transf (or (A)) (A) (A) (A) (A) (A) (A) (A) (A) (A	<b>Customer Voice</b>	Feedback	Data	Analyze	CapaDillites
711         Online Process E         Short Description of         Start Service Ineligal         Address not Found i         Stop Service Addres         BP can not be create         System         TOTAL ERRORS         Auto move-in failed,         When a parked docur         Submission, but trigge         Used the Online         Used the Online         Ubetter         do better         Easy on line services         Made sure there was i         Mode         Activity Date:         Easy to use and under	Target for <u>Calls Saved</u> , a 7/11/2016	as of	Actual <u>Calls Saved,</u> as of 7/11/2016	<u>eGain Saved</u> , as of 7/11/2016	
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Count of Interactions     Comments from Used the Online Used the Online       Used the Online     Used the envices       Used the envices     Online registration was       Used the envicence     Online registration was       Used the envicence     Activity Date:       Comment of the event announced     Easy rouse announced	or , rue Juni, to Cumulative Calls Saved	Cumulative Target Calls Saved		s created, the customer doesn't see an error and it is c internal process which requires manual work.	counted as a successful
What did we do well tr Easy process! do better Easy on line services nonline registration was hand Comment: Eas Activity Date: Easy to use ano unce	Interactions by Channel (7 day moving)	-			
Easy process! do better Easy on line services make sure there was 1 make sure there was 1 Comment: Easy to use and under			What did we do well to make	e you satisfied with your start/change experience?	F
do better Easy on line services Online registration was made sure there was 1 Mario Comment: Eas Activity Date: Easy to use and under		The second se	Easy process!		
Easy on line services Online registration was have sure there was 1 have Comment: Eas Activity Date: Easy to use and under			do better		
Online registration was make sure there was 1 kino Comment: Eas Activity Date: Easy to use and under			Easy on line services		
Eas Activity Date: Easy to use and under	ĕ		Online registration was easy make sure there was no laps	/. I called in to confirm dates, as I just bought a new h se in service. The representative was friendly, person	home and wanted to hable and
Activity Date: Easy to use and under	Mar 1, 16	Sep 1, 16	Jan 1, 17 Eas	ine registration was easy. I called in to co w home and wanted to make sure there v	onfirm dates, as I just was no lapse in ser
			Activity Date: July	representative was friendly, personable a 2, 2016	and knowledgeable
	Email and call savings are calculated by compar baseline period, normalizing for the total number	ring 2016 results to the equivalent days during to ftransactions, to take into account the		r me online torms. Confirmation of the request was also	so nice.



Bill Payment A:	Bill Payment Assistance for Low Income Customers	v Income C	norminero	
20%	4 calls	\$7.9M		30,700
Of the population is income eligible for bill payment assistance but only 5% was served in 2015.	The minimum number of phone calls to PSE to process a single pledge.		HEAP (°	Total estimated phone calls from low-income customers in 2015.
Payment, Insta	Payment, Installment, Deposit Arrangements & Budget Plans	Arrangemei	nts & Budget	Plans
200,685	373,000	\$36M	\$128.5M	M 73%
Calls to request payment arrangements in 2015.	Payment and installment arrangements made in 2015.	Defaulted by customers (dunning initiated) on 138,000 installment plans.	Total payment, installment and deposit arrangements in 2015.	Arrangements administered by Call Center Agents versus 16% by IVRU and 11% via Web self-

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### Credit Collections, Field Collections

# 275,000 70,000 55,000 150,000 55,000 10-15 min

Annual disconnect Dia orders issued or

Disconnect orders expire due to inaction

Disconnections completed

Payments taken in the field

Customer calls to re-connect service

Average field collection time, with an additional 20-min drive time average per visit

#### **Billing and Payment**

#### **20**%

Bills delivered via US Postal Service

**15.9M** Payments made: 55% paid online. 30% by mail. 3%

Payments made: 55% paid online, 30% by mail, 3% via IVRU, 12% via third-party, non-contracted processors

#### 220,000

Billing exceptions annually. 13 per 1,000 bills (first quartile is 1-3 exceptions per 1,000)

#### 811,170

Total estimated payment and billing phone calls from customers in 2015.



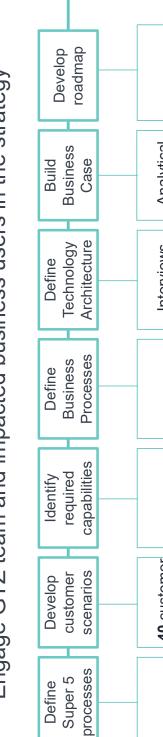
Integrated Work Management: **Current State**  Despite employees' hard work, systems and processes impede our ability to deliver on promises to customers.



NO WORK NUSIBILITYNO WORK NUSIBILITYNO WORK NULLNO SYSTEM NULLNO WORK NISIBILITYACANO NATER NULLNO SYSTEM NULLNO WORK NISIBILITYACANO NATER NULLNO SYSTEM NULL1,6002-6 mo.67 min1038%1,6002-6 mo.67 min11038%1,6002-6 mo.67 min11038%1,6002-6 mo.67 min11038%1,6002-6 mo.8 storation variance on ware out on storation with ware out on storation ware out on storation ware out on storation ware out on storation11038%100%3 WVS100%100%20%20%10mNorder out on storation ware out on storation out on storationNorder out on storation ware out on storationNorder out on storation ware out on storationNorder of storation100100%3 WVS100%50%20%20%100	Dis-Integrated Wor The Cause and Effect	Dis-Integrated Work Management: The Cause and Effect	Manageme	ent:	
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To map new construction with some customers left unmapped due to lack of work historyRestoration variance on average 2-hr outage (as of June 2016)Average projects per per year June 2016)3 WKS100'S50%3 WKS100'S50%	1,600	2-6 mo.	67 min	110	38%
3 wks100's50%3 wks100's50%Average time to respond to power quality issues per year ealaty issues per year100's50%Average time to respond to power quality issues per year ealatsets100's50%2016	Lost or mixed meters in 2015	To map new construction with some customers left unmapped due to lack of work history	Restoration variance on average 2-hr outage (as of June 2016)	Average projects per Project Manager per year	Customer construction reschedule rate, including customer- requested (electric)
Average time toDifferent workNew leaksrespond to powertypes handledwere causedquality issues per yearmanually in 20by outsideseparatecontractors indatasets2016	% <b>0</b>	3 wks	100's	50%	20
	Information available from the field to the customer	Average time to respond to power quality issues per year	Different work types handled manually in 20 separate datasets	New leaks were caused by outside contractors in 2016	Approximate number of single customer outages per day in 2016



Creating the GTZ roadmap



Engage GTZ team and impacted business users in the strategy



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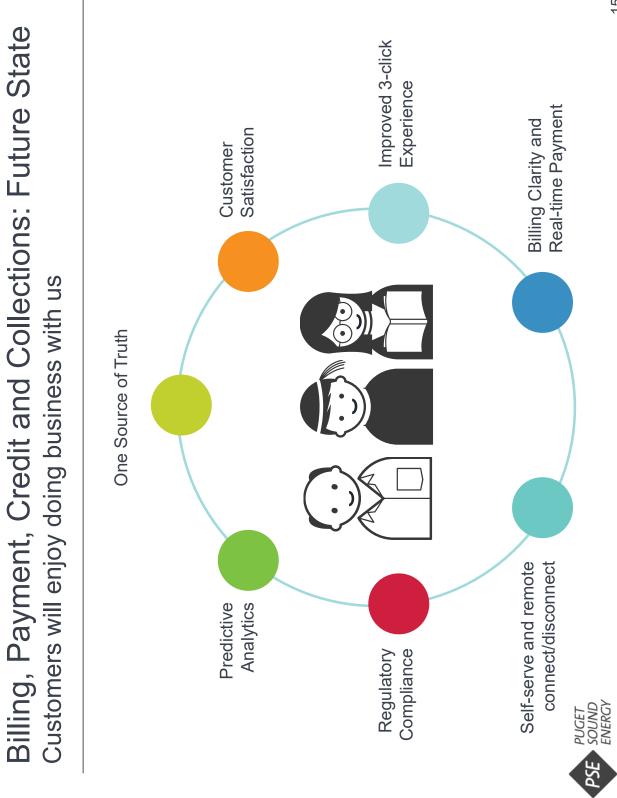
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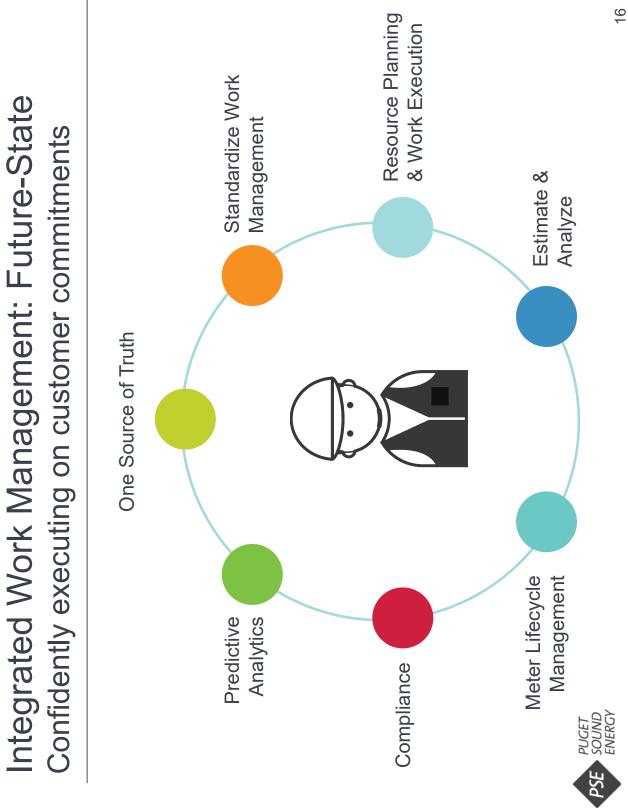
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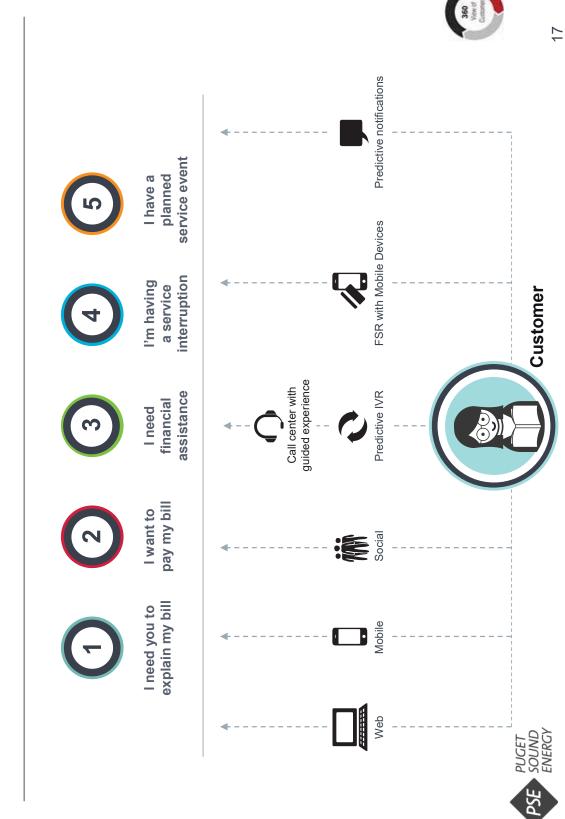
5 I have a planned aervice event

I need you to explain my bill









## Digital Core: Enabling the Super 5

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jital Core: Enabling the Super 5	amatic corporate transformation by 2018
Digital	Dramat

Benefits	<ul> <li>Call reduction</li> <li>Customer satisfaction</li> <li>Bad debt reduction</li> <li>Increase use of PSE HELP</li> </ul>	<ul> <li>Reduced call handling time</li> <li>Auto disconnect/reconnect</li> </ul>	<ul> <li>Enablement</li> </ul>
Impact	Transform Customer Experience	Enable the Call Center	Build the Foundation
Q3/Q4 2016 2017+		<b>* *</b>	
2017 Initiatives	Cross Channel Experience Web + Content Management Mobile Application Platform Preference Center Comm. Gate + Proactive Msg IVR Natural Voice Call Me Back Automation	CSR Guided Experience SAP CRM Multi-Channel	Customer 360° Web Analytics Data Governance and Analytics IWM GIS and SAP Enablers Advanced AMI



#### Future State

We'll become so good at what we do that our customers won't need to call us.



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		rear		CAPEA		OF CF CF		lotal
	0	2017	ഗ	70,400,000	Υ	22,500,000	မ	93,000,000
	2	2018	မ	61,800,000	မ	25,400,000	မ	87,200,000
	2	2019	မ	32,300,000	မ	24,900,000	မ	57,200,000
	2	2020	မ	17,700,000	မ	25,200,000	မ	42,900,000
	•	Total	\$	182,200,000	\$	98,000,000	\$	280,200,000
Ke	Key Assumptions/Notes:	<u>otions/No</u>	ites:					
•	10% cor	10% contingency						
•	AMI met SAP/AM	AMI meter deployment is SAP/AMI advanced functi	ment is d func	AMI meter deployment is outside of GTZ; however costs associated with e SAP/AMI advanced functionality, and strategic deployment are within GTZ.	vever c depl	costs associated wi oyment are within G	ith er 3TZ.	outside of GTZ; however costs associated with enablement of capabilities, ionality, and strategic deployment are within GTZ.
•	\$29 milli	on of the 2	2017-2	\$29 million of the 2017-2020 total spend associated with post-implementation O&M	ociated	1 with post-impleme	ntatic	n O&M
•	Expecte	d GTZ ong	going (	Expected GTZ ongoing O&M post 2021 to be \$12.6 million	\$12.6	) million		
•	Digital C	ore repres	sents c	Digital Core represents over 70% of the GTZ investment.	invest	ment.		
E SCE	PUGET SOUND ENERGY					Shaded informa per Protective C and UG-180900	atior Drde	Shaded information is designated CONFIDENTIAL per Protective Order in WUTC Dockets UE-180899 and UG-180900

Budget



### Requested Board Action: Confirm we're on the right track to meet future customer needs





# The PSE Customer Journey: Future-State

