EXH. CLW-10
DOCKETS UE-22___/UG-22___
2022 PSE GENERAL RATE CASE
WITNESS: CAROL L. WALLACE

BEFORE THE
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION, Complainant, v. PUGET SOUND ENERGY, Respondent.	Docket UE-22____ Docket UG-22____

NINTH EXHIBIT (NONCONFIDENTIAL) TO THE
PREFILED DIRECT TESTIMONY OF

CAROL L. WALLACE

ON BEHALF OF PUGET SOUND ENERGY

JANUARY 31, 2022

PUGET SOUND ENERGY
The Energy To Do Great Things

PSE 2030 Digital Experience (Customer Workstream)

Seeking Initiation Funding

Corporate Spending Authorization (CSA)

Before starting: Contact the Capital Budget team (CSA-TeamMail@pse.com) for any clarification needed and review the CSA Standard when completing this template.

The sections provided expand / are not limited to one row. **Ensure you provide adequate information and back-up documentation to support your business case.** If a section or item is not applicable, enter N/A; if unknown, enter TBD. The gray fields are provided as prompts; do not leave these fields with instructions visible.

Date Submitted:	1/20/2022
Officer Sponsor:	Andy Wappler
Project Director:	Carol Wallace
Responsible Cost Center:	4044

I. Project Overview

Update each section with high level information as applicable, noting any changes from the previous request/Gate.

Business Need:

The Clean Energy Transformation Act ("CETA") requires the elimination of coal-fired electricity by 2026, carbon-neutral electricity by 2030, and 100% of electricity from renewable or non-carbon-emitting sources by 2045. These goals will require PSE to offer new products, programs, and services to customers (e.g., residential solar generation, battery storage).

The Get to Zero program established PSE's digital foundation with a focus on customer self-service for core transactions (e.g., bill pay, start/stop/move service, outage reporting, and account management) across digital channels (i.e., website, app, IVR, and VIVR). The PSE 2030 Digital Experience program will build on that foundation by adding features to support the new products, programs, and services needed for our green energy future by enhancing the following key areas:

1. Product / Program / Service Education & Enrollment – We will build a product / program / service "portal" within the www.pse.com website that enables customers to view information, join interest lists, enroll, manage options, cancel enrollment, and manage consents / communications. We will also build the capability for Customer Care agents to assist customers with these actions when they call PSE for assistance.
2. Interactive eBill – PSE will achieve CETA compliance and support green energy adoption by expanding usage of distributed energy resources (e.g., rooftop solar, community solar, battery storage), offering new rate structures (e.g., time of use rates), and helping customers manage their usage. Currently, PSE's online bill (i.e., "my bill" page on www.PSE.com) provides basic account balance and billing information. PSE will build an enhanced, interactive eBill that includes customers' energy generation, energy usage, data from DERs, information about rates (e.g., time of use), and personalized energy saving recommendations.
3. Product / Service Communication and Management – PSE's customer communications include physical mail, email, text messaging, app alerts, and phone calls. Communication with

customers is essential for both new product/service adoption and customers' on-going management of the products/services that they sign-up for. The Digital Experience program will enable PSE's continued compliance with customer privacy guidelines by expanding customers' ability to add/revoke consent for new products/services and by minimizing data shared with third-parties for all customer emails.

4. Website / App Personalization – When customers login to the PSE.com website or myPSE app, they land on the "my account" page, which includes basic billing information and links to billing and energy programs. The PSE Digital Experience program will add personalized information to the "my account" page to help customers manage their energy usage and PSE products/services, including energy usage/generation information, energy saving tips, and recommendations for products/services or support (e.g., payment assistance).
5. Customer Care - As PSE offers more products / services to meet CETA and support green energy adoption, customers' interactions with PSE will increase and become more complex (e.g., energy generation, energy storage, time of use rates, etc.). Currently, PSE Customer Care provides live agent customer support via email and telephone. To meet future customer needs and service levels, the PSE Digital Experience program will expand Customer Care to include live agent chat and virtual assistance (chat bot) support.
6. Customer Construction Services – The shift to green energy will increase construction activity for PSE customers (e.g., solar panels, battery storage, electric vehicle chargers, etc.). Currently, customers must download, complete, and email PDF forms to PSE Customer Construction Services for residential and commercial projects. And, customers must call PSE with questions about those PDF forms or status. PSE will create an online customer construction portal that enables customers to start, save, submit, and track status/progress of construction services applications.

Proposed Solution:

Below is a description of the proposed PSE 2030 Digital Experience program development work.

1. Customer Product / Service Enrollment & Education Pages on www.pse.com (In Service by 12/31/2023)
   a. We will build a PSE product / program / service "portal" within the www.pse.com website that enables customers to view information, join interest lists, enroll, manage options, cancel enrollment, and manage consents / communications. Key features will include: (1) Central landing page with space for branding and messaging, personalized product / program / service recommendations, and tiles linking to specific pages. (2) Re-usable "back-end" business process flows that can be tailored to support specific new products / programs / services, including interest lists, cost / benefit info (e.g., calculators), sign-up, cancel, consents / preferences / Ts & Cs, and Communications. (3) Product / program / service page templates including educational "details" page, interest list and sign-up, personalized recommendations and cross-product/service marketing, sign-up, cost/benefits with billing explanation, cancel instructions/process, consent / preferences, & Ts & Cs.
2. Interactive eBill (In Service by 12/31/2023)

   a. Currently, PSE's online bill provides basic accont balance and billing information. We will enhance the My Bill page on the PSE.com website and PSE app to include energy usage, energy generation, data from DERs (if available), information about rates (e.g., time of use), and personalized energy saving recommendations.
3. Product / Service Marketing and Communications (In Service by 12/31/2023)
   a. We will enhance the customer notification Preference Center (/preference-center/notifications) on PSE.com and the PSE app to add consent categories (e.g., internal and external marketing), improve the storage and retrieval of consent status information internally (for PSE), and enable customers to revoke consent and request data removal (where appropriate).
   b. We will enable conintued compliance with customer privacy guidelines for marketing communications of new internal PSE products and services by minimizing customer data shared with third-party email platforms (e.g., Sendgrid) to customer email address and message content.
4. Website / App Personalization (In Service by 12/31/2024)
   a. Currently, when customers login to the ww.PSE.com website or myPSE app, they land on the My Account page, which includes basic billing information and links to billing and energy programs. We will add personalized information the My Account page to help customers manage their energy usage and PSE products / programs / services, including:
      i. Customer usage data
      ii. Rate and Billing information with easy access to the interactive My Bill page
      iii. Personalized energy saving tips
      iv. Personalized product / program / service recommendations
      v. Easy access to manage products / programs / services that the customer is enrolled in
      vi. Personalized energy or bill assistance recommendations (when applicable)
5. Customer Care Live Agent Chat (In Service by 12/31/2024)
   a. The PSE Digital Experience program will expand Customer Care to include live agent chat support.
6. Customer Construction Services (In Service by 12/31/2025)
   a. PSE will build or buy and integrate a Customer Construction Services portal within the PSE.com website. The portal will enable customers to start, save, submit, and track status/progress of construction services applications / requests, upload documents, provide signatures, and ask questions. The portal will includes “case management”, enabling PSE Customer Construction Services advisors to see everything related to customer requests and provide help to any customer.
7. Customer Care Chat Bot (In Service by 12/31/2025)
   a. The PSE Digital Experience program will expand Customer Care to include automated chat (chat bot) support for common customer inquiries.

Project Outcome/Results:

1. Ability to support products and services needed to comply with CETA and other green energy / decarbonization legislation.
2. Increased adoption / sales of PSE products and services.
   a. Enable email marketing for PSE products / services.
   b. Enable personalized recommendations of products / service on My Account and My Bill.
3. Improved customer experience on Construction Services applications / requests.

OCM, Process & Training Impact:

○ N/A ○ Low Impact ○ Medium Impact ● Significant Impact

The PSE 2030 Digital Experience Program will have a significant impact in terms of change management, process changes, and training.

Work Area	Change Management	Process Change	Training
Marketing	N/A	Small	Small
Personalization	N/A	Small	Small
Interactive eBill	Small	Small	Small
Customer Construction Services	Large	Large	Large

Primary ISP Alignment:	Customer	ISP strategy descriptions
Portfolio Description:	Strategic	Capital Allocation Definitions
Project Complexity:	○ Straightforward and well understood ○ Complex and well understood ● Complex and not well articulated	

II. Key Schedule and Financial Information

Expected Start Date If Funded:	01/2023
Expected In-Service Date:	12/31/2025

High-Level Schedule *Enter Expected # of Years and Months*

Duration				
Planning	**Design**	**Execution**	**Total Project**	**Anticipated Closeout date**
6 months (2 months per year)	**6 months (2 months per year)**	**24 months (8 months per year)**	**36 months (3 Years)**	12/2025

Initial Estimated Funding % by Phase as of 04/30/2021: *Enter values to include both O&M and Capital in the cells below for percentage of funding to be used in each phase of the project.*

Initiation	Planning	Design	Execution	Closeout
0%	**16%**	**16%**	**68%**	**5%**

Initial Grand Total Estimate (contingency included and in $000s): **Contingency Standard**	**Capital: $16,420,431**	**OMRC/Project O&M: $** (Not including O&M Tail)

*Contingency is less than standard at this phase; assumed to be 15% based on prior Agile project working on these platforms.

Estimated Five Year Allocation: *Enter values in the cells below for years anticipated, up to five years, plus any expected future years. Change "Year 1, Year 2, etc. to the relevant years for this project. Ongoing O&M begins after project close-out.*

Category:	**Year 1**	**Year 2**	**Year 3**	**Year 4**	**Year 5**	**Total**
Capital (contingency included)	**$3,559,750**	**$6,692,500**	**$6,168,181**			**$16,420,431**
OMRC / Project O&M	**$**	**$**	**$**	**$**	**$**	**$**

III. Ongoing Benefits

Summary Benefits (see Benefits realization plan for details):	1. Increased adoption/sales of PSE products/services to meet CETA goals and comply with other green energy / decarbonization legislation. 2. Reduced agent-handled calls / emails related to green energy and EV transition. 3. Improved customer experience and live agent scaling to support increased contacts related to decarbonization, green energy, and EV transition.

Category:	**Year 1**	**Year 2**	**Year 3**	**Year 4**	**Year 5**	**Total**
Ongoing O&M (to be funded by business)	**$**	**$**	**$**	**$**	**$**	**$**
Ongoing O&M (requesting $'s)	**$**	**$302,143**	**$701,095**	**$1,025,327**	**$1,051,327**	**$3,080,520**
Benefits	**$**	**$**	**$**	**$**	**$**	**$**
Net impact (= Benefits – O&M)	**$**	**$**	**$**	**$**	**$**	**$**
* Payback in Years	Years = Total Costs / Annual Cash Benefits					

* Enter positive amount or Not Applicable

IV. Risk Management Summary

Identify high level risk categories expected for the project. Consider Project Dependency, Project Timing and Resourcing, as well as Regulatory Risk.

Summary of high level risks sentence:	1. The pace of recovery from the COVID-19 pandemic for PSE, our customers, and our is difficult to predict and may limit funding for CAP projects. 2. Emerging State/UTC requirements related to COVID-19 recovery, decarbonization, green energy, and EV adoption may change or re-shape priorities within the 5-year plan.

V. Phase Gate Change Summary

Use this section for changes from: ***Planning to Design***, ***Design to Execution*** *or* ***Execution to Closeout*** *phases. To have a history of the changes at each phase gate change,* ***copy/paste the table below above the previous table.***

Phase:	Choose an item
Scope:	Describe the Scope changes since last submission/Phase Gate.
Budget:	Describe the Budget changes since last submission/Phase Gate.
Schedule:	Describe the Schedule changes since last submission/Phase Gate.
Benefits:	Describe the Benefits changes since last submission/Phase Gate.

Prepared by:	Adam Van Assche

VI. CSA Approvals

Add/remove rows as needed in the table below. Email approval is acceptable. To maintain a history of the changes at each phase gate change, ***copy/paste the table below above the previous table.*** *Send to the Capital Budget team at CSA-TeamMail@pse.com. For a project in the Strategic Project Portfolio (SPP) review the* Escalation Criteria *for appropriate escalation and approvals.*

For guidance on approval authority levels, follow CTM-07 Invoice Payment Approval Exhibit I Invoice/Payment Approval Chart

Project Phase	**Select Phase**			
Approved By	**Title**	**Role**	**Date**	**Signature**
Carol Wallace	Director, Customer Solutions	*Director Sponsor		
Brian Fellon	Director, IT Application Services	Other Key Director		
Andy Wappler	Sr VP Customer Ops & Communications	Executive Sponsor		
Margeret Hopkins	Sr VP & Chief Information Officer	Executive Sponsor		

*****Director Sponsor attests that all considered documentation has been approved.

Please direct any questions to either:

1. The Capital Budget team at CSA-TeamMail@pse.com, or
2. The Enterprise Project and Performance Project Practices team at EPP-ProjectPracticesTeam@pse.com