

ELECTRIC ENERGY

SPOTLIGHT ON THE CUSTOMER EXPERIENCE

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The Rapidly Changing
Electric Utility Customer
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The Future of Customer Experience
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Intelligence at the Edge

Tucson Electric Power's Customer Care
and Customer Convenience Initiatives



TUCSON ELECTRIC POWER

INCREASES CUSTOMER CONVENIENCE WITH PERSONALIZED TOOLS

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WITH PHRASES SUCH AS “time poverty,” “time famine” and “leisure gap” increasingly creeping into the vocabulary of our overscheduled culture, customer convenience is no longer merely an option—it’s a necessity.

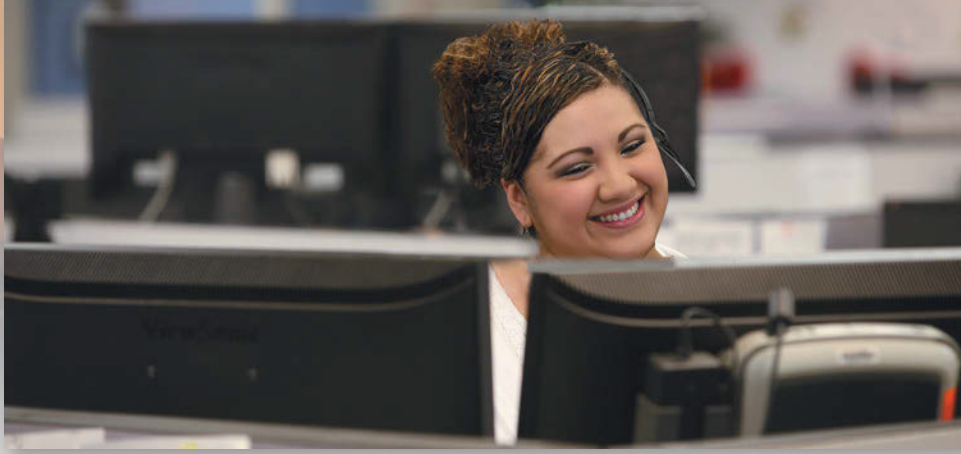
The customer convenience revolution has created one-click purchase and delivery, rides on demand and meal kits delivered right to the front door. It’s not just keeping retailers up at night.

Even as utilities are in the midst of a transition to meet customers’ expectations around cleaner energy portfolios, they’re also looking for ways to provide faster, convenient, seamless service.

Tucson Electric Power, which has a 127-year history of delivering safe, reliable, affordable—and increasingly sustainable—electric service to its 428,000 customers in the Tucson metropolitan area, has rolled out more modern online and self-service tools to meet those customer demands.

“We have always emphasized strong customer service,” said Denise Richerson, TEP’s Director of Customer Care. “But what we know is that the energy industry has a lot of complexity. Our customers are looking to us not only for our expertise but they’re also looking for ways to save money and make their lives easier. These tools are helping us build a better customer experience.”

Andrew Cole, TEP’s Brand Communications Manager, said utilities must provide a range of communication channels to reach busy customers. “Most customers start with online when they’re looking for information, so web pages are critical in providing general information



to customers,” said Cole, who oversees the company’s website. “There are some limitations, however. We were looking for other options to help customers get individualized, objective and accurate advice regarding their options.”

Consider pricing plans. TEP offers a range of residential plans that can provide cost-effective solutions for customers based on their energy patterns, including standard, time-of-use (TOU) and demand-based options.

“By helping customers make wise energy choices and take advantage of off-peak hours, they’re not only saving money, but helping us manage peak demand and use our existing energy sources more efficiently,” Richerson explained.

It can be a complex calculation, however. Asking customers to break out the calculators and pore through their previous bill history wasn’t a viable option.

“Utility rate structures may be second nature to those of us in the utility industry, but it can be confusing and frustrating for our customers,” said Ted Burhans, Director of Emerging Technologies and Innovation at TEP. “The team felt that an interactive tool that reflected an individual customer’s situation could provide the education and confidence customers need to make a smart decision that fits their lives.”

At the time, Burhans was leading a team developing a solution to a related challenge: helping customers evaluate solar power options. Rooftop arrays are relatively popular in sunny Tucson, and many residents were looking to their local utility for objective information about their potential costs and benefits.

“Now we were introducing newer and even more complex terminology, combined with the need to evaluate a specific customer’s choice in technology investments. We had a vision but weren’t sure what was possible in the marketplace. We were crystal clear, though, on one thing: We had to get it right.”

The first step in that case was deciding whether to build or purchase an online tool. Cost was a key consideration, as TEP is committed to keeping rates affordable for customers.

While an internal solution could have been built from the ground up to meet the company’s specific needs, IT resources were in high demand. So Burhans’ team sought out an external software solution partner who could provide a web-based calculation engine, crunch up-to-date datasets and build an intuitive user interface that meets web accessibility guidelines and supports mobile devices.

WattPlan® Advisor, developed by Clean Power Research, was the only system that met TEP’s rigorous specifications. Based on energy valuation software models developed over two decades, WattPlan Advisor offered a broad solution set that could help TEP customers choose the best solar energy option.

An additional benefit of choosing WattPlan Advisor became clear when the TEP team realized that Clean Power Research could configure the tool to help customers choose the best pricing plans. While the team considered other outside options, the opportunity to provide customers with two robust online tools built on the same foundation was too promising to pass up.

The TEP Pricing Planner was launched first, in September 2019, providing personalized estimates of the average bills customers might expect to pay on each available TEP pricing plan. The goal was to help customers select a plan that works best with their lifestyle. Once TEP finalized activity on its side, the tool was live in less than three months of work time, from initial integration to launch.

Unlike some solutions that require significant custom software development, which can extend the rollout timeline, TEP was able to configure and deploy these tools efficiently because WattPlan Advisor is a proven software-as-a-service solution

specifically designed to reduce time-to-market, enable rapid configuration and ensure flexibility.

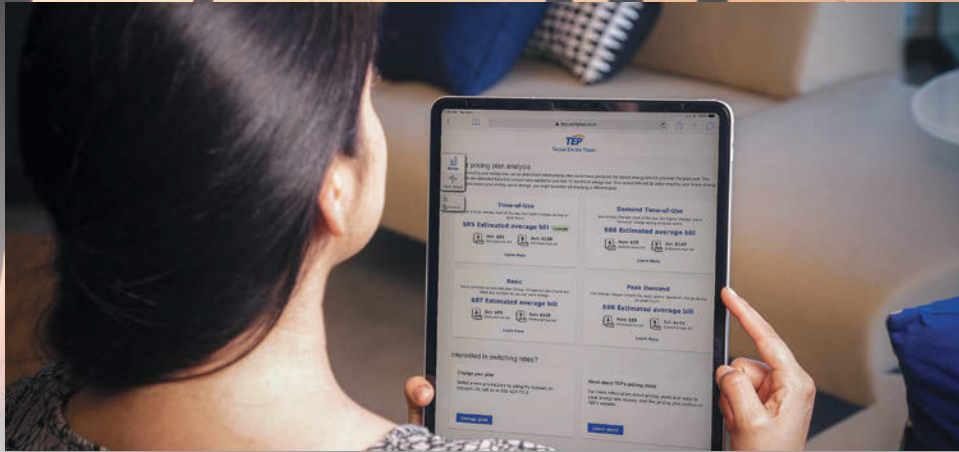
In November, the Solar Analysis tool launched, providing personalized estimates that compare the financial, energy and environmental impacts of various solar energy options. Choices include rooftop arrays as well as TEP’s GoSolar Home and GoSolar Shares programs, each of which allow customers to purchase shares in efficient community-scale projects.

Rolling out the tools in phases gave TEP the opportunity to build confidence in the tools’ value internally, asking employees to test the tool to ensure a positive end-user experience.

“The user interface was critical,” Burhans said. “If we had shared a tool that could handle detailed calculations but looked like a spreadsheet, it would not have been a winning formula and we would not have seen widespread utilization. What really impressed us was our ability to get the tool deployed quickly—in just a few months—and with an interface that guides the customer in a friendly way.”

Burhans added that the process of connecting TEP’s hourly usage data to WattPlan Advisor was smooth. “When we did have questions, the Clean Power Research team was immediately responsive. I’ve participated in more than a few software projects during my time at TEP, and this was one of the smoothest I have experienced. For customers, there’s a lot of credibility that comes from using 12 full months of their data. It builds trust that the pricing plan comparison is well-informed by a customer’s own usage patterns.”

With positive feedback on both of those services from customers, TEP then turned to Clean Power Research to configure a third WattPlan Advisor tool—this one focused on electric vehicles. TEP, along with other utilities in Arizona, is focused on supporting the growth of zero-emission vehicles as one of the fastest ways to fight climate change.



Like the other applications developed by Clean Power Research, TEP's new EV Comparison tool—which made its debut in February—is focused on customers. The tool compares specific models of conventional gasoline vehicles to specific models of electric vehicles to help customers better understand the potential financial savings of driving electric and charging smartly.

With the implementation behind them, TEP is now leveraging WattPlan Advisor's reporting and analytics features and preparing for new capabilities coming soon.

"Data is the key to success in helping us better identify—and respond to—customer preferences," said Brand Manager Cole.

WattPlan Advisor's reporting capabilities are providing TEP with insight into customer behavior, allowing program managers to measure impact and optimize outreach and educational activities. As customers engage with the tools, TEP learns more about their preferences, enhancing the ability to predict program adoption and gauge interest in future offerings. "Ultimately, by better understanding each customer's end-to-end preferences and true savings potential, utilities can better plan their grid and programs for the future," said Brian Boler, Lead Product Manager at Clean Power Research.

Boler noted Clean Power Research continues to invest in WattPlan Advisor to drive even greater value to utilities with new features, enhanced user experiences and deeper analytics.

Customer convenience has driven other improvements as well. In 2019, TEP earned two national industry awards for improving service to its customers, both for redesigned bills as well as for enhanced customer service.

Recognized in October at Chartwell's Customer Experience Conference, the company earned a gold medal for updated bills that help customers manage their energy use more effectively. The team that redesigned the bill asked customers about their preferences and researched best

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practices to inform the project. The result? A colorful, easy-to-read bill that provides usage information over time and shares account features that might be worth exploring.

Feedback from TEP's J.D. Power Customer Satisfaction Scores indicate billing and payment satisfaction increased from 7.40 to 7.92 since the new bill went into effect, while the "usefulness" score on the bill increased from 7.53 to 7.85.

The company earned a bronze medal from Chartwell for its use of seasonal staffing to reduce hold times for customers. The program has reduced the average answer time at the call center from more than two minutes in 2017 to 1:24 this calendar year. The program also cut overtime expenses by more than \$100,000 and reduced customer complaints.

"Ultimately, we do this work to improve the experience we deliver to our customers, but it is an honor to be recognized at a national level for the strategies we've worked so hard to implement," said Richerson.

TEP continues to pursue customer service improvements. In late 2019, the company rolled out automated callbacks, giving customers an option other than waiting on hold when customer service call volumes are heavy. Instead of being tethered to the phone, they can now hang up and have a customer service representative call them when it's their turn to talk.

"We knew we could do more to increase the customer experience. We care about our customers' time and convenience; we want them to live their lives instead of waiting," said Edgar Jones, Manager of Customer Automation, Analytics and Digital Solutions.

TEP also wanted to make it easier for commercial customers to become more energy efficient, partnering with a local, longstanding business to provide busy contractors with an easy way to help their customers save energy and money with energy-saving LED lights.

With the Fast Checkout option, commercial customers and contractors can earn instant rebates on dozens of LED products. Contractors can participate by simply purchasing the discounted lighting supplies they need at Arizona Commercial Lighting. There's no need to use coupons, file for rebates or apply to become an official TEP trade ally to participate.

"It doesn't make sense to go through a formal process for every job," said Jessica Vega, Senior Program Manager of Commercial Energy Efficiency Programs and Services for TEP. "This makes it so much faster for our contractors and commercial customers to qualify for rebates so they can pass those savings on to customers. It's a win-win."

Burhans said TEP will continue looking for new ways to provide value to customers.

"The energy industry is incredibly dynamic, so we know customers will continue to turn to us for expertise and guidance in some of these new areas, such as battery storage, which will continue to evolve in the coming years," Burhans said.

"We also know there will be increasing work around improving management of peak loads as we rely more heavily on renewable resources, while also helping customers save money. It's an exciting time in the industry, and fortunately, we have tools we trust that we know can help us interact with customers in a productive way." **EE**