



January 13, 2021

Kansas Corporation Commission  
1500 SW Arrowhead Road  
Topeka KS 66614

RE: In the Matter of the Investigation into the Sustainability Transformation Plan of  
Evergy Metro, Inc., Evergy Kansas Central, Inc., and Evergy Kansas South, Inc.  
(collectively Evergy); Docket No. 21-EKME-088-GIE

To whom it concerns:

Pursuant to the Commission's Order Establishing Procedural Schedule in the above-referenced docket, Evergy is filing with the Commission and providing the attached materials to the parties in advance of the workshop regarding customer experience, scheduled for January 20, 2021.

Sincerely,

A handwritten signature in blue ink that reads "Cathryn Dinges".

Cathy Dinges,  
Corporate Counsel



# Sustainability Transformation Plan (STP)

*Enhanced Customer Experience*  
*Chuck Caisley*





# Discussion Topics

**STP and Related Benefits Overview**

**STP Customer Strategy & Near-Term Priorities**

**STP Vision of Customer Experience**

**Continuous Delivery Model**

**Summary**

# What is Evergy's Sustainability Transformation Plan?



Evergy's five-year strategic plan accelerates work on creating a **forward-thinking, customer-centric and sustainable energy company**

Focused on additional **decarbonization, grid modernization, improved customer experience and cost competitiveness**

Positions the company to increase **operational efficiencies, optimize capital allocation and deliver attractive investment opportunities**



# Stakeholder Benefits from the STP

## CUSTOMERS

- ✓ **Maintains Affordability**
  - Capital investments targeted to enable long-term and sustainable cost savings of an expected ~25% non-fuel O&M reduction by 2024
  - Significant fuel and purchase power savings of ~\$145M from 2019 through 2024
- ✓ **Improves Customer Experience**
  - Enables automated outage communications
  - Expands digital communications, transactions and customer self-service options
  - Modernizes rate structures to offer additional rate options tailored to different types of residential customers
- ✓ **Improves Reliability & Resiliency**
  - Capital investments in grid automation, data handling and analytics capabilities and communications infrastructure to improve grid reliability, reduce restoration times and increase overall grid resiliency

## COMMUNITY

- ✓ **Provides Regionally Competitive Rates**
  - Cost savings minimize rate increases over the period of the plan and is expected to improve regional rate competitiveness
- ✓ **Enhances Economic Development**
  - Job creation as a result of investments in grid modernization projects and renewable generation
  - Investments in renewable energy and grid modernization will help attract companies by improving cost competitiveness, reliability and overall sustainability
- ✓ **Honors Community Commitments**
  - Maintains Evergy's 'People First' culture
  - No merger-related involuntary layoffs
  - Maintains local control and current community involvement and investments
  - Honors existing regulatory agreements while providing a safe work environment for employees and meeting the needs of customers

## ENVIRONMENT

- ✓ **Delivers Cleaner Energy**
  - An Integrated Resource Plan that builds on Evergy's focus on sustainability with increased investment in renewable energy, including solar energy, and battery storage and expanded energy efficiency programs
  - Pursues legislative and regulatory policy changes that would allow for more rapid decarbonization through accelerating retirement of coal plants
  - Investments in grid modernization will enable easier access to and development of distributed generation and customer facing grid-edge technology
- ✓ **Engages Stakeholders**
  - A robust process to engage our customers, regulators, employees and shareholders in Evergy's transformation to a low-carbon, resilient utility



# Key Areas of STP

1 **Grid Modernization:** Create detailed plans to execute on grid modernization which promotes improved resiliency and grid capabilities

2 **Cost Efficiencies:** Achieve O&M savings through well-documented and robust plans to improve efficiency

3 **Customer Experience:** Deploy technology and programs to enhance customer experience, reduce cost and increase consumer options

4 **Decarbonization:** Develop an Integrated Resource Plan (IRP) which balances the needs of various stakeholders

*Decarbonization will be discussed through IRP Stakeholder meetings*

# STP Customer Strategy and Near-term Priorities

# STP Customer Strategy Guideposts



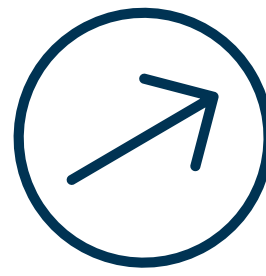
## STEADY IMPROVEMENT IN CUSTOMER EXPERIENCE

- Create a true omni-channel customer service and interaction
- An increasing focus on both digital self-service and value-added human interactions
- A five-year roadmap with one-year executable increments.
- Non-industry benchmarking with outcome-based KPI's and metrics
- A collaborative roadmap for needed policy changes



## O&M REDUCTIONS BEYOND EXISTING SYNERGIES

- Hard cost reductions over a five-year period achieved through:
  - Increasing automation
  - Increasing digital external and internal functionality
  - Universal customer service
  - Streamlining dependent processes
- Using a portion of the incremental O&M savings to fund or offset rate impacts of investment in customer experience improvement strategy



## BENEFICIAL REVENUE GROWTH

- Increasing traditional regulated revenue through:
  - Expanded economic development efforts
  - Beneficial electrification
  - Modernized rate structure
- Increasing non-traditional or performance-based revenue, such as energy efficiency programs



## TARGETED CAPITAL INVESTMENT

- Maximize utilization of core platform investments like AMI and customer information systems
- Create an IT and capex roadmap that reduces bolt-on projects
- Create an agile project team to work on continuously updating customer interface enhancements on a 4-to-8-week cycle
- Fund and improve data analytics and digital process automation





# 2021 Strategic Priorities

**Customer Forward:** Successful implementation in January of Customer Forward project, on budget and on time.

**Customer and Community Solutions (CCS) Reorganization:** realignment of CCS organization to achieve STP cost savings, agile project management and omni-channel customer interaction. Bring focus and significant improvement to Billing department. Enabling increased automation in Metering and Customer Contact areas. Streamline support areas.

**Customer Experience Enhancements:** Automation and self-service across key customer-related functions, including outage management and notifications; billing and bill inquiry; usage management; account opening/change; and other customer channels.

**Rate Design and Modernization:** Work with stakeholders to develop more advanced/modern rate structures. Areas of focus include time of use rates, distributed generation rates, pre-pay rates, beneficial electrification rates and subscription rates.

**Electrification:** Build stakeholder support for continued investment in and advancement of beneficial load building through electrification. Areas of focus include continued investment in retail charging particularly in areas at-risk or underinvested areas, fleet electrification, logistics electrification and home charging.

**MEEIA/KEEIA:** Continue MEEIA Phase 3 in Missouri. In Kansas advance energy efficiency programs, or if necessary, enabling legislation.



# Customer Forward Benefits to Customer Experience

*Consistent and enhanced levels of customer service*

- New customer portals for residential and business customers (including large customers), along with a portal for agencies / energy assistance.
- Easier for customers to manage multiple accounts.
- Enhanced customer alerts and notifications to include new outage notifications and improved messaging for start/stop service.
- Small commercial customers will have the ability to pay by credit card.
- Customers payments through real-time channels with automatically initiate reconnect
- KS Metro customers will move to KS Central's Automated Telephone system (ATS) in 2021

*\* Light blue indicates benefits to KS Metro customers.*



# Near-Term Customer Experience Initiatives

Optimize Use of AMI capability

Proactive outage communication and expanded billing and usage notifications

Enhanced online portal self-service for customers

Data analytics programs to better understand the needs of customers and help drive value-added customer solutions

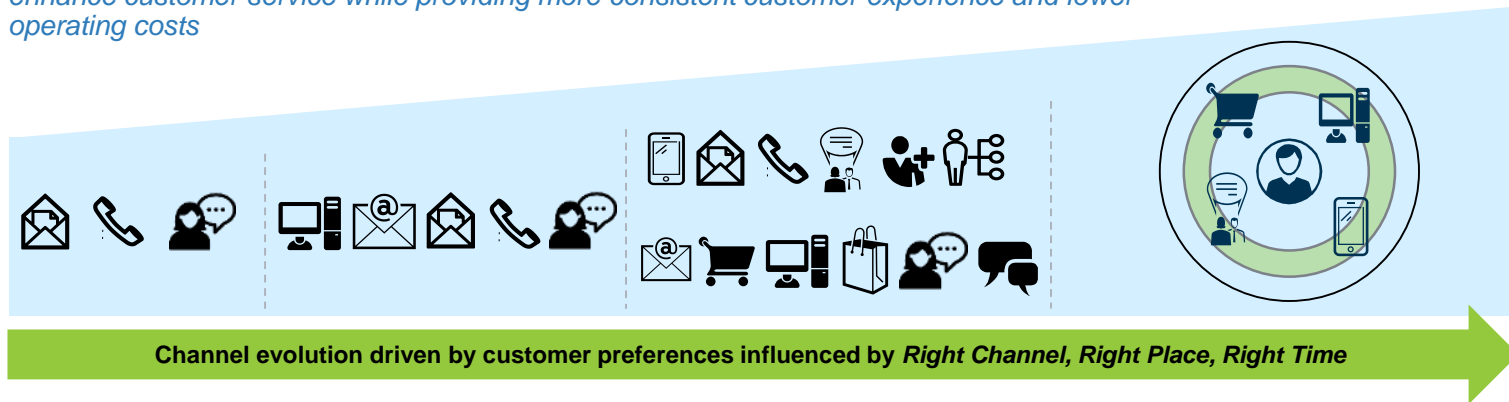
Consolidated bill design focused on simplifying the customer experience

# STP Vision of Customer Experience Enhancement



# Future Customer Experience Channel Mix

Optimizing channel mix based on consumer needs and accelerating digital transformation will enhance customer service while providing more consistent customer experience and lower operating costs



## Single Channel

### **Traditional**

Phone, direct mail and/or face-to-face interactions

## Blended Channel

### **Transactional**

Physical and digital channels working independently for customer interactions

## Multi-Channel

### **Combination**

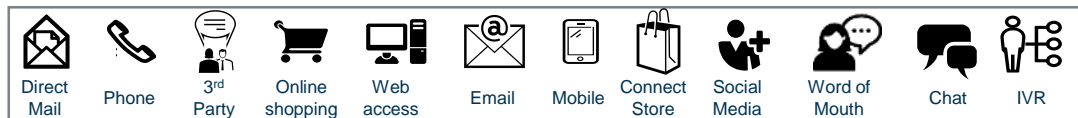
Single view of customer, with multiple touchpoints seen as part of the same brand, but functions operating in silos

## Omnichannel

### **Experiential**

Consistent and united customer experience with a brand across complementary channels within the purchase journey

### Legend





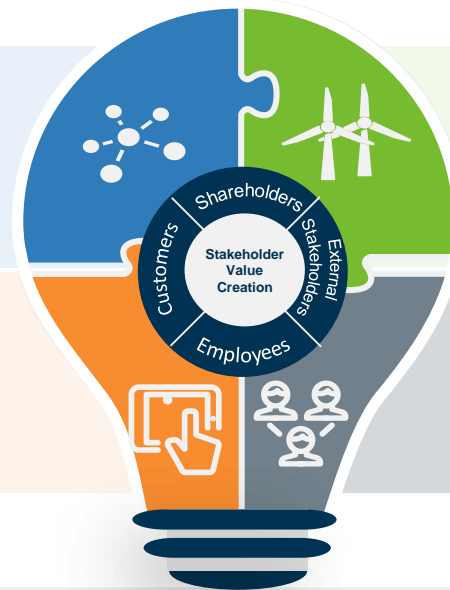
# Customer & Community Solutions (CCS) Vision Blueprint

## KNOW YOUR CUSTOMERS

- Enhanced customer engagement (CRM)
- Personalized and differentiated experiences
- Providing customer choice

## EASY TO DO BUSINESS

- Improved digital interactions
- Proactive customer engagement (360 view)
- Omnichannel (3-5 key channels)
- Nextgen contact center technologies






## GROWING THE BUSINESS




- Economic development
- Beneficial electrification (customer, utility)
- Flexible rate choices
- Unlock customer benefit through value added solutions

## MASTERING THE BASICS

- Data-driven operations (KPIs, Analytics)
- Continuous process improvement (Automation)
- Employee enablement (Knowledge mgmt. tools)
- Outcome-based culture

Align our core strengths – people and capabilities for providing energy – with new products/services and digital enablement to improve our stakeholder experience

-  Increased O&M efficiency
-  Increased regulated revenue
-  Partner enablement

-  Increased non-regulated revenue
-  Customer & employee engagement
-  Shareholder value

# The CCS Vision Blueprint and STP Alignment

## 2025 Vision Blueprint

KNOW YOUR CUSTOMERS



GROWING THE BUSINESS

EASY TO DO BUSINESS

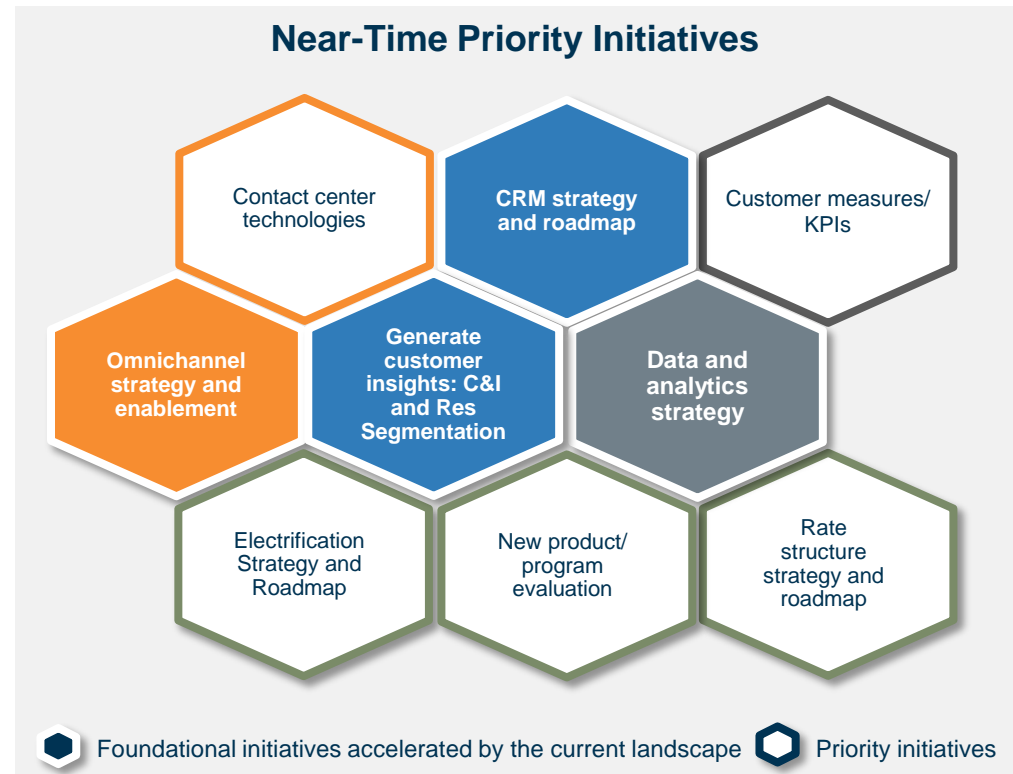
MASTERING THE BASICS

## Roadmap Themes

- Build core sales, service and marketing capabilities*
- Drive regulated value-added customer solutions*
- Drive product development and value-added customer solutions*
- Build digital experience and self-service capabilities*
- Establish organizational efficiencies*

# Setting the Foundation

- Build core sales, service and marketing capabilities
- Drive regulated value-added customer solutions
- Drive product development and solutions
- Build digital experience & self-service capabilities
- Establish organizational efficiencies





# Rate Modernization

## Drivers

Multiple service territories in MO and KS

Customers want choice

Implicitly promote beneficial electrification and grid benefits

Proper price signals that enable adoption of emerging energy technologies that are most beneficial to the grid

More equitable rates across diverging customer classes and subclasses

Commission interest around time-of-use and distributed generation rates

## Objectives

Create rates independent of end use requirements

Bring rate structures closer together across jurisdictions

Enable business growth

Simplify rates and increase pricing transparency

Provide greater customer choice

Increase customer satisfaction

Leverage CIS and AMI infrastructure

Develop price signals to increase grid efficiency

# Agile Project Management: Continuous Delivery Model



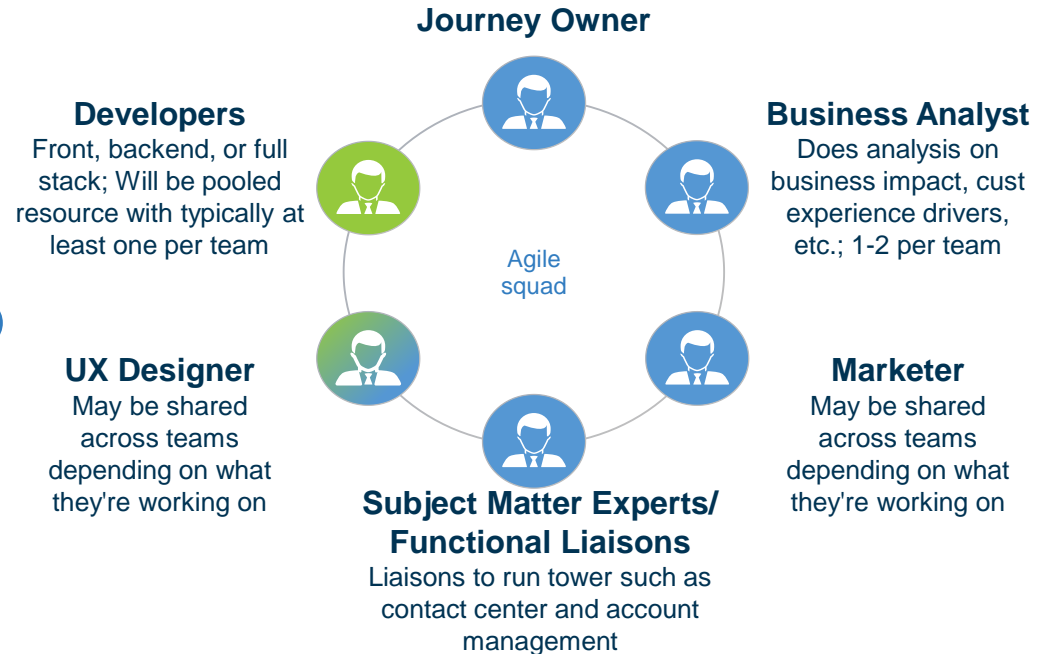
# Continuous Delivery Model Structure

## Principles for design

- 6-8 members in each squad
- Members from all key functions based on specific journey / outcome
- >80% time commitment to squad
- Strong performers that are highly respected within organization
- Each squad member has a specific role, but also has a collective squad objective to work towards
- Shared support resources are leveraged part time based on team needs



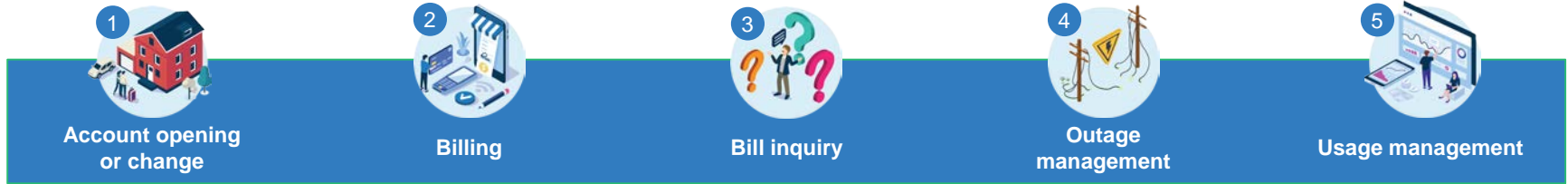
## Example of design



Note: some roles may be dotted line to other functions (inside CCS team or outside the division)

# Sample Journeys and Features to be Deployed for Improved Customer Experience

SAMPLE FUNCTIONALITY NOT EXHAUSTIVE



- |  |  |  |  |  |
|--|--|--|--|--|
| <p><b>Account opening or change</b></p> <ul style="list-style-type: none"> <li>★ <b>Online enrollment expedition (SWIFT)</b> to provide error messages and automatically funnel exceptions to reps for support</li> <li><b>Adjusted incentives</b> to reward reps for accurate collection of email addresses</li> <li>★ <b>Smart dispatch tool</b> creates dense, high utilization schedules for field force and determines most efficient routes for travel</li> <li><b>Digital welcome packet</b> with opt-in to push comms tools</li> </ul> | <p><b>Billing</b></p> <ul style="list-style-type: none"> <li><b>eBill and online pay campaign</b> to advertise online payment tools through primarily owned marketing channels</li> <li><b>Smart bill redesign</b> to apply human-centric design principles and rigorous user testing; convey using easy-to-understand terms</li> <li><b>Continued site optimization</b> to improve speed, load time, and page responsiveness</li> <li><b>Fast authentication</b> via "voiceprint" to verify identity, reduce call times ~20-40 seconds</li> </ul> | <p><b>Bill inquiry</b></p> <ul style="list-style-type: none"> <li>★ <b>Chatbot → Intelligent agent</b> for basic questions, escalating queries when necessary</li> <li>★ <b>Robotic process automation (RPA)</b> allows for "zero touch" processes by replicating human actions across business flows</li> <li><b>Standardized payment plans</b> (e.g., cold weather, short term) available through self-service</li> <li><b>Proactive education on financial resources</b> when payments are missed</li> <li><b>Personalized video bill</b> tailored to customer's account and rates</li> <li><b>Adjustable due date for all customers</b>, not just those in federal income programs</li> <li>★ <b>Service order tracker</b> provides real-time updates (e.g., dispatch, est. completion)</li> </ul> | <p><b>Outage management</b></p> <ul style="list-style-type: none"> <li><b>Campaign to increase outage notification opt-in</b> for outage alerts via SMS</li> <li><b>Detailed outage notifications</b>, with estimated time-to-restore, link to outage map, and time to next update</li> <li><b>Full deployment of AMI capabilities</b> to detect outages across all service areas</li> </ul> | <p><b>Usage management</b></p> <ul style="list-style-type: none"> <li><b>High bill notifications</b> alert customers of abnormal electricity usage before end of billing period</li> <li>★ <b>Improved site search functionality</b> helps customers find the right information</li> <li><b>Sentiment analysis</b> uses NLP to help determine which customers to escalate</li> <li><b>Agent AI support</b> 'listens' to calls to generate transcription events and provides timely, relevant info to agents</li> </ul> |
|--|--|--|--|--|

★ Exemplar featured

← **Continuous feedback collected from customers** (e.g., time on page, error rates, number of hand-offs) to measure sentiment in real-time, enable dynamic interventions, and redesign touchpoints →

← **Integration** across currently siloed data sources and platforms →

# Summary



# Summary

## *STP Continues Progress Toward Enhanced Customer Experience*

Delivers omnichannel customer experience driven by customer preferences

Grows performance-based revenue

Investments in core systems maximizes benefit to customers

Builds processes that help us meet customers' needs



## Important Information

- *The Sustainability Transformation Plan consists of a number of forward-looking elements, including but not limited to capital investment plans, expense reduction charters, revenue generation plans and earnings estimates. These forward-looking elements are intended to be accurate when made but involve risks and uncertainties that could cause actual results to differ materially from forward-looking information comprising the Sustainability Transformation Plan. Consequently, such forward-looking elements of the Sustainability Transformation Plan are not known or measurable at this time.*