

September 23, 2021

**TO** Debra Smith, General Manager and CEO

**FROM** Marcus Jackson, Customer Operations Director

**SUBJECT** Billing Audit Update for September 2021

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### **REPORT SUMMARY**

The Customer Operations Division is pleased to report progress has been made on all the recommendations received from the City Auditor's Office. However, impacts from the pandemic, along with competing priorities from major technology projects, have delayed the anticipated completion date on some of the recommendations as outlined in the attached Billing Audit Dashboard. Some key efforts we are focused on in the next six months include:

- **Customer Satisfaction Survey** – Originally, we planned to field a customer satisfaction survey in 2020. However, given the emergence of the COVID-19 pandemic, we decided to postpone the survey until fall 2021 since 2020 would not have been a good year to collect baseline data.
- **System Upgrades** – The utility is in the midst of a major upgrade to its Customer Care & Billing (CCB) and Meter Data Management (MDM) systems (i.e., Fusion Project), which is scheduled to occur in November of this year.
- **AMI Strategy** – The utility will be implementing the rest of its Advance Meter Infrastructure (AMI) strategy, which will introduce time-of-day billing and customer access to meter read and consumption data in intervals of 5-minutes (commercial customers) and 15-minutes (residential customers). This expanded usage data will continue to provide customers with more robust account data.
- **Credit and Collections** – One of the division's highest priorities is preparing to restart its credit and collections policies and procedures in early 2022 after a hiatus of over five years. There will be a huge focus on equity and ensuring customers are aware of financial assistance programs that can help them manage overdue account balances.

## **BUILDING ON KEY ACCOMPLISHMENTS**

The launch of the Utilities Customer Self-Service Portal in May 2020 has substantially improved the digital customer experience. With this technology, customers are able to conduct a wide variety of utility transactions and service requests online, many of which can be completed without employee support or interaction. The Portal has also improved the accuracy and timeliness of certain internal processes, especially those related to customers moving within our service area. More customer-friendly features are scheduled to come online in 2021 and 2022.

The Customer Advocacy Team (CAT) pilot demonstrated the successful use of PowerPath, a customer relationship management (CRM) tool to help provide a better and more responsive customer experience for our residential customers who are in crisis. This pilot model is the foundation for the permanent Customer Service Escalation Team we will launch in early 2022 to address the most challenging circumstances faced by our customers.

## **ANTICIPATED CHALLENGES AHEAD**

Due to the need to bring the Fusion Project to a successful completion, certain elements of the work plan for addressing the audit recommendations have been delayed in 2021 and 2022. This includes deploying technology to improve our returned mail process.

Lastly, with the planned resumption of City Light's Credit and Collections activities, which will include the resumption of electric service disconnections for non-payment in 2022, we expect to have an unknown, but substantial increase in the number of our residential customers in need of assistance.

cc:

Mike Haynes, Assistant General Manager  
Michelle Vargo, Chief Operating Officer  
Jen Chan, Chief of Staff  
Craig Smith, Chief Customer Officer  
Customer Operations Division – all  
Kristi Mauck, SCL Internal audit  
Jane Dunkel, City Auditor's Office

Attach:

Seattle City Light Billing Audit Dashboard (Updated 9/23/2021)

## Seattle City Light Billing Audit Dashboard (Updated 9/23/2021)

Auditor Recommendations	City Light Response	Latest Update	Target Deadline & Implementation Status
<b>1. Decrease the number of consecutive estimated bills</b>	SCL will change this setting in MDM from 12 to 3 consecutive estimated bills permitted.	SCL has changed this setting in MDM so that any estimated bills over three consecutive estimated bills will not automatically bill and must be worked as exceptions.	Target: 2/10/20 <b>Completed 2/8/20</b>
<b>2. Lower high consumption variance</b>	SCL will change this setting in MDM from 600% to 400%.	SCL has changed this setting in MDM to 400%.	Target: 2/10/20 <b>Completed 2/8/20</b>
<b>3. Track seasonal workloads</b>	SCL will develop a plan to monitor and trend seasonal workloads to allow for better staff planning and fewer backlogs.	To track seasonal variations in workloads, SCL is tracking number of completed and pending transactions for Start/Stop bills, refunds, delayed bills and other relevant transactions to establish baseline activity. Reports are reviewed weekly and are part of discussions with impacted work groups.	Target: 2/8/20 <b>Completed 6/20/20</b>
<b>4. Develop a seasonal staffing plan</b>	SCL will use OOC and temporary employees seasonally to prevent backlogs from growing once more.	SCL has established and implemented a seasonal staffing plan to address annual "moves season" from May to October.	Target: 6/1/20 <b>Completed 6/20/20</b>

<p><b>5. Better manage returned mail</b></p>	<p>SCL will exploring both staffing and vendor support for this body of work.</p>	<p>SCL is pursuing a digital address update functionality that will allow uploading an address file to CCB billing system using a BOT (robotic process automation). However, a design flaw was discovered regarding using multiple address lines in CCB to update the address. Due to other project commitments, the citywide BOT team is currently unavailable, therefore completion date is now targeted for spring 2022.</p>	<p>Target: 5/1/22</p> <p><b>In Progress</b></p>
<p><b>6. Conduct regular customer satisfaction surveys</b></p>	<p>SCL will initiate regular satisfaction and transactional surveys.</p>	<p>City Light will begin fielding a longitudinal customer satisfaction survey (CSAT) in fall 2021. This survey will be repeated every other year and will alternate with an employee survey in the off years.</p> <p>SCL also surveyed 180,000 customers via email and received 4,522 responses regarding the Clean Energy Transformation Act (CETA) in August 2021. City Light received substantial feedback regarding customers' energy usage and interest in transportation electrification that will inform SCL's Clean Energy Implementation Plan (CEIP). This will be submitted to the Mayor and City Council for review and approval towards end of 2021.</p> <p>In addition to CSAT and CETA surveys, SCL plans to convene customer satisfaction focus</p>	<p>Target: 10/1/21</p> <p><b>In Progress</b></p>

		groups in early 2022, to better engage underrepresented groups.	
<b>7. Proactively provide customers data about their account</b>	The SPU/SCL Customer Portal will provide more data to customers about their account.	The joint utilities' Customer Self-Service Portal (Portal) successfully launched in May 2020. New self-service functions include pay plans, escrow, and identity verification to open and close utility accounts online. To continually provide customers with robust account data and better user experiences, the Portal will implement expanded usage data and other automated self-service functions through 2022.	<p>Target: Q1 2020</p> <p><b>Completed 5/24/20</b></p>
<b>8. Contact customers who call when an issue is resolved</b>	SCL & SPU will explore how best to address this recommendation by revising our approach to customer service.	City Light's Customer Advocacy Team (CAT) utilized a new customer relationship management (CRM) software called PowerPath to track and manage assigned customer issues. This software helps track communications with customers and other internal staff. It also provides dashboards highlighting issue statuses and amount of time it took to get to resolution. While PowerPath has been helpful, it is not integrated with SCL's billing system, resulting in staff needing to duplicate data entry. Absent an integrated CRM and billing system infrastructure, SCL will continue to use PowerPath, including for the permanent Customer Service Escalation Team to be established next year (see status for	<p>Target: 1/31/22</p> <p><b>In Progress</b></p>

		<p>recommendation #10). City Light is also in the process of developing a technology roadmap that may support additional improvements.</p>	
<p><b>9. Evaluate escalation team (aka Customer Advocacy Team)</b></p>	<p>REINVENT AS CAT</p> <p>We will evaluate the effectiveness of the escalation team process at year end.</p>	<p>City Light completed an assessment of the Customer Advocacy Team (CAT) pilot program in April 2020 that thoroughly evaluated all components of CAT including approach to managing customer issues. The ensuing report also includes data regarding business success factors and how the CAT performed against those factors. While the CAT did not meet all initial goals, the pilot yielded 10 recommendations to improve similar efforts in the future. A copy of the report will be shared with the auditors so the status of this recommendation can be changed to implemented.</p>	<p>Target: 12/31/20</p> <p><b>Completed 4/30/21</b></p>
<p><b>10. Incorporate lessons learned from the escalation team utility-wide</b></p>	<p>SCL will socialize the lessons learned from the escalation team evaluation.</p>	<p>The success of the CAT pilot confirmed this is a worthwhile model to adopt. As SCL looks to transform and improve the customer experience, especially as it relates to complex billing issues, the utility will establish a permanent team to handle complex customer issues from start to finish, as well as other specialized services. City Light will be hiring seven Senior Customer Service Representatives and a Supervisor for this new team that should be up and</p>	<p>Target: 1/31/22</p> <p><b>In Progress</b></p>

		running in Q1 2022. SCL is also working on identifying roles and responsibilities for this team and determining how it will integrate with existing teams.	
<b>11. Report back to City Council in 2020</b>	SCL will report back to its City Council committee in 2020 at the Committee Chair's convenience.	SCL met with the current and former Chairs of the Transportation Utilities Committee in September 2020.	Target: 2020 <b>Completed 9/2020</b>
<b>12. Provide all customer-facing staff authority to establish payment arrangements</b>	SCL & SPU are consulting on how to implement this recommendation.	Authority has been granted to SPU Contact Center staff to negotiate long-term payment arrangements with customers following guidelines communicated by City Light's Credit Manager. The Contact Center negotiates within those parameters and sends a request to the Credit and Collections team to set up the agreements in the billing system. This also provides visibility to Collections management to ensure agreements are made within established guidelines. Customers can also establish regular payment plans with a live agent and via the new Customer Self-Service Portal. SCL will be adding more functionality to payment plans in the Portal in 2022, such as down payment requirements and payment notification reminders.	Target: 12/31/20 <b>Completed 6/2019</b>

<p><b>13. Institute appropriate controls on this expanded staff payment arrangement authority</b></p>	<p>SCL &amp; SPU will establish internal controls on the exercise of authority by front-line staff to establish payment arrangements.</p>	<p>See status above related to recommendation #12.</p> <p>Additional guidance and authority will be given to SPU Contact Center staff for payment arrangements when City Light resumes its credit and collections activities in 2022.</p>	<p>Target: 2/28/22 (prior to resumption of utility disconnections)</p> <p><b>In Progress</b></p>
<p><b>14. Provide language translation options</b></p>	<p>The SCL/SPU customer portal will provide tier one language support in the April go-live.</p>	<p>City Light has implemented Google Translate on the updated website including Payment Arrangements, Pay Plans, and Payment Assistance. The Customer Self-Service Portal currently provides Google Translate functionality and supports all the City's tier 1 languages. This includes pay plan pages in the Portal.</p>	<p>Target: Q1 2020</p> <p><b>Completed 5/24/20</b></p>
<p><b>15. Conduct targeted outreach in the city's tier one languages on payment plans, payment arrangements and assistance programs</b></p>	<p>City Light will develop a targeted communication plan.</p>	<p>As the utility looks to resume its credit and collections work after a 5+year hiatus, SCL will implement a defined customer communications plan prior to resuming late fee assessments and restarting shut-off activities. The communications plan will be informed by lessons learned from the CAT pilot and include a key goal in sharing financial assistance programs available to support customers in crisis. SCL will implement the communications strategy via multiple channels including social media, bill inserts, ethnic news ads, SCL website, Portal,</p>	<p>Target: 2/28/22 (prior to resumption of utility disconnections)</p> <p><b>In Progress</b></p>



		and through community-based organizations to ensure communications reach vulnerable groups and in appropriate languages to support customer equity goals.	
<b>16. Implement best practices from our peers</b>	SCL has been engaging peer utilities in this discussion.	This is still in progress, pending upgrades to some critical systems scheduled for end of 2021. As part of SCL's comprehensive Road to Recovery planning effort, we will consider opportunities to implement a best practice from another jurisdiction. We have reached out to Tacoma, Snohomish, etc. to learn about their policies and practices around collections and may adopt one or more of their best practices if it fits our goals.	<p>Target: 4/30/22</p> <p><b>In Progress</b></p>

**COLOR LEGEND**

<b>Green</b>	<b>Yellow</b>	<b>Orange</b>
Implementation of recommendation has been completed	Implementation of recommendation is in progress	Implementation of recommendation has not started