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Items #1, #2, #3 and #4

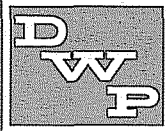
Date: 11/20/13
Submitted in EE Committee
Council File No: 13-1475-52
Item No.: 3
Deputy: Adam R. Lid

New Customer Information System Post Go-Live Status

Energy and Environment Committee Meeting
November 20, 2013



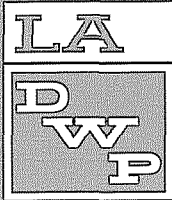
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Agenda

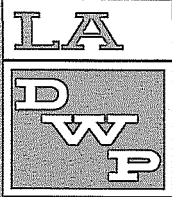
- Background
- Current Status
- Action Steps
- Questions and Answers
- Appendix



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Background

- LADWP replaced its 40 year old legacy Customer Information System (CIS) with current and industry standard CIS system on September 2, 2013;
- Project required replacement of the core CIS system and Field Dispatch, Meter Reading, Meter Read Routing, Water Trouble and other related systems;
- CIS systems is the core system that manages a utility's Meter-to-Cash process and all customer facing operations, including, but not limited to, meter reading and field services; billing; payments; credit and collections; and on-line/web capabilities;
- LADWP provides a 'City' bill that currently provides services for four (4) commodities: electricity, water, sewer and solid waste, complicating the CIS replacement and subsequent stabilization;
- Commercial customers are read and billed on a monthly basis, residential customers are read and billed on a bi-monthly basis; and
- CIS replacements typically require 18-24 months to stabilize, with the bulk of the issues identified after the first full bill cycle (60 days).



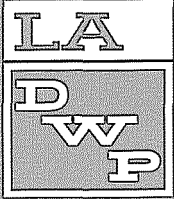
Current Status

• What's Working:

- Two (2) million plus bill generated post go-live or approximately 98% of required bills;
- Revenue generated is 94.7% of department's approved revenue plan;
- Customer Service Representatives are generally upbeat about the new system and learning everyday how to serve customers better; and
- Our web self-service is available and stabilized with the same features as always such as bill view, account management, and other services.

• What's Not Working:

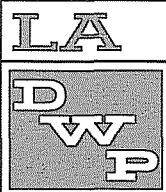
- Customer wait times too long;
- Number of estimated bills with some estimates higher than customer's historical usage;
- Various system capabilities not functioning as designed or change request needed, driving up call volume and transaction time;
- Large, summary bill customers are experiencing challenges getting a timely and complete bill; and
- Residential solar customers are frustrated with some outstanding billing issues caused by data transition and recent meter change-related issues.



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Action Steps

- **Decrease Wait Times**
 - Explore “Virtual Hold”/Call Back Feature;
 - CSR Training and Efficiency;
 - Contact Center Assessment;
 - Optimize Various System Functionality;
 - Align Organization; and
 - Increase Channels.
- **Minimize Estimated Bills**
 - Add 12 Meter Readers; and
 - Optimize Various System Functionality;
- **Monthly Billing**
 - Stabilize;
 - Evaluate; and
 - Implement.



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Questions and Answers

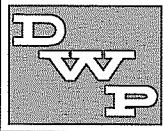
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Appendix

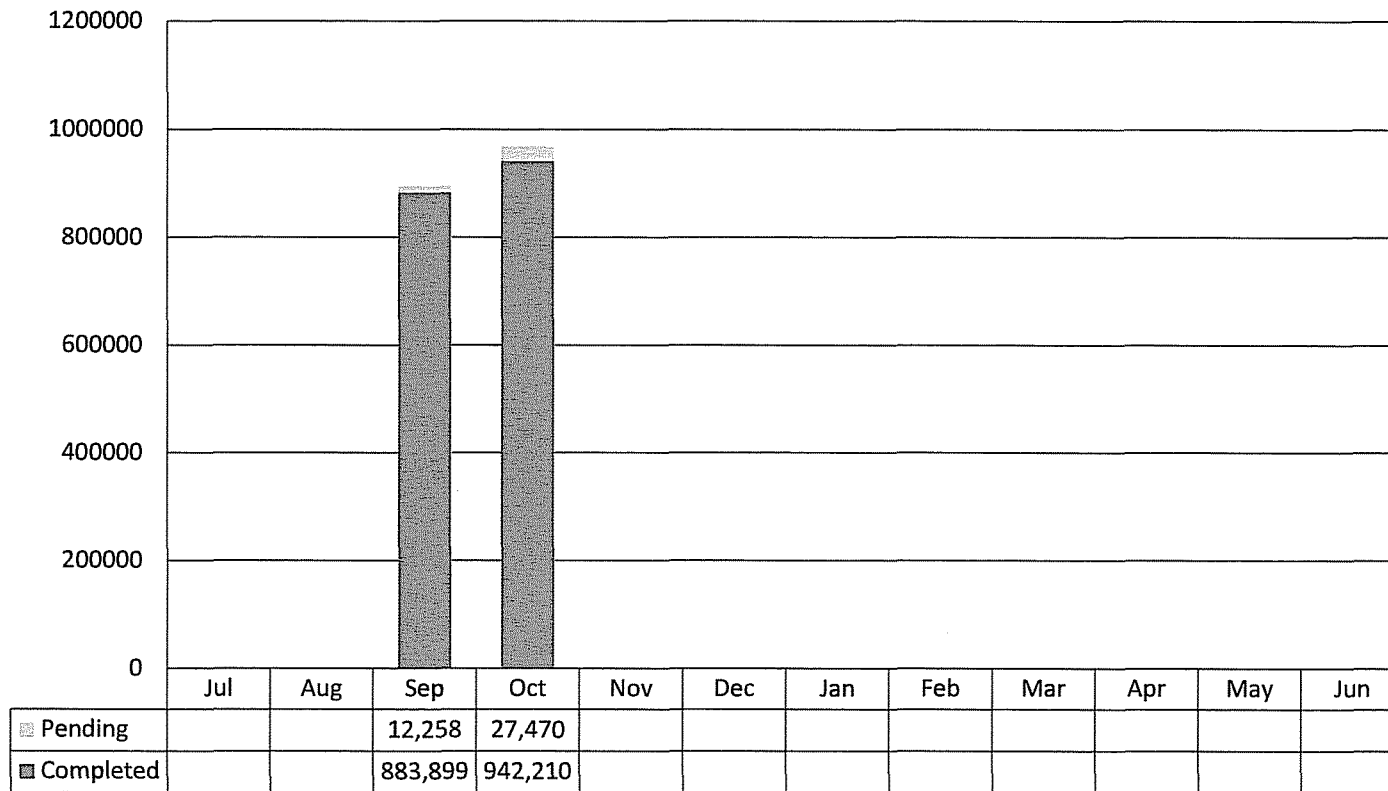
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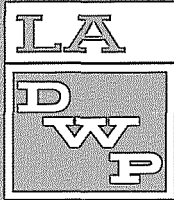
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Current Status Bills Generated from New CIS

Total Bills Generated
Since Go-Live
September 2, 2013



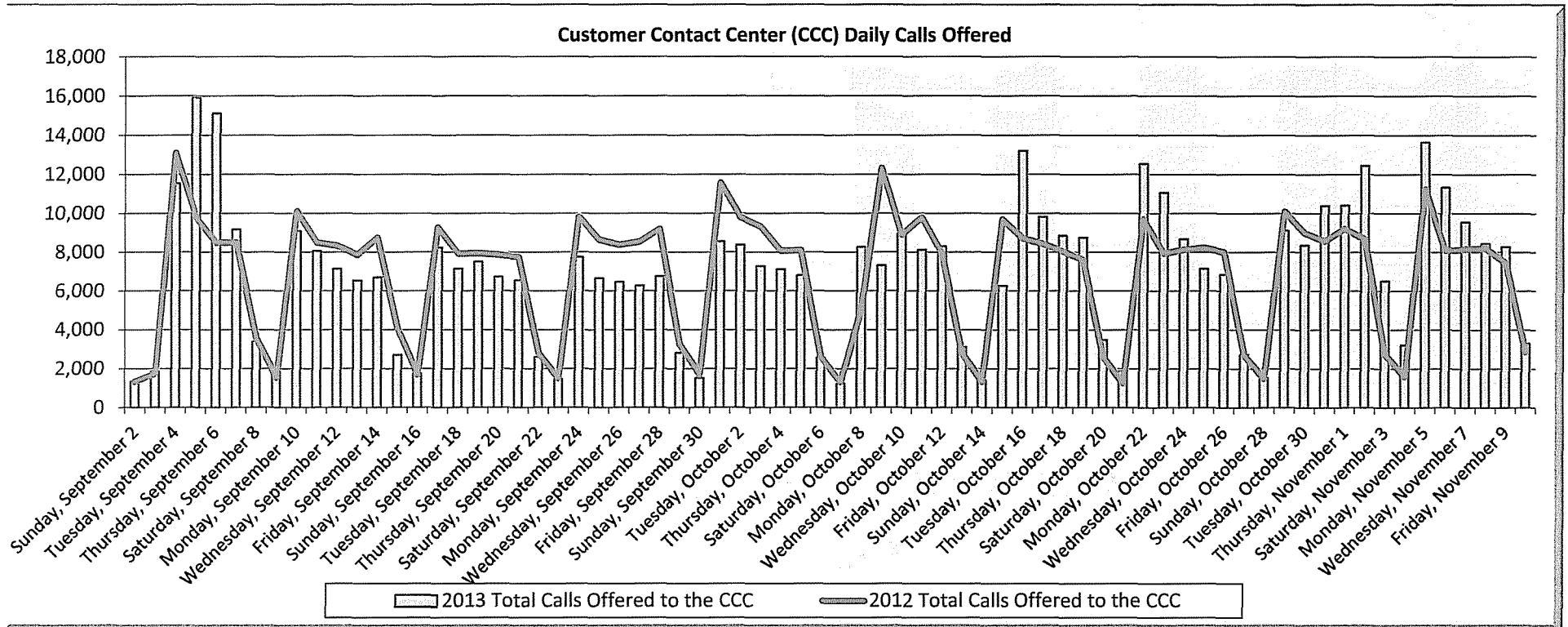
**Pending or delayed bills account for less than three percent (3%)
of the total bills required during period.**

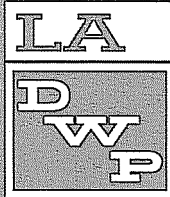


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Customer Impacts Daily and Weekly Call Volumes

Daily View September 2 – November 9, 2013





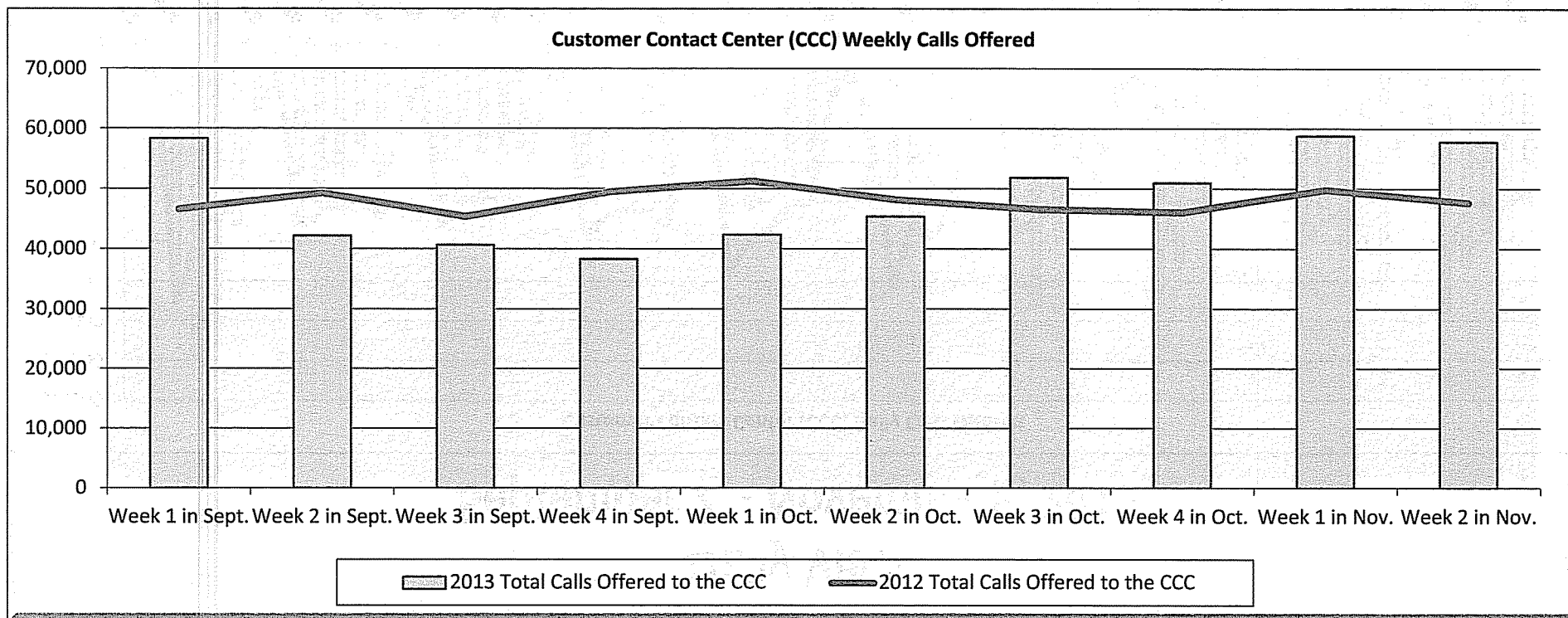
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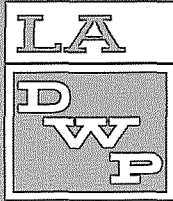
Customer Impacts

Daily and Weekly Call Volumes

Weekly View

September 2 – November 9, 2013

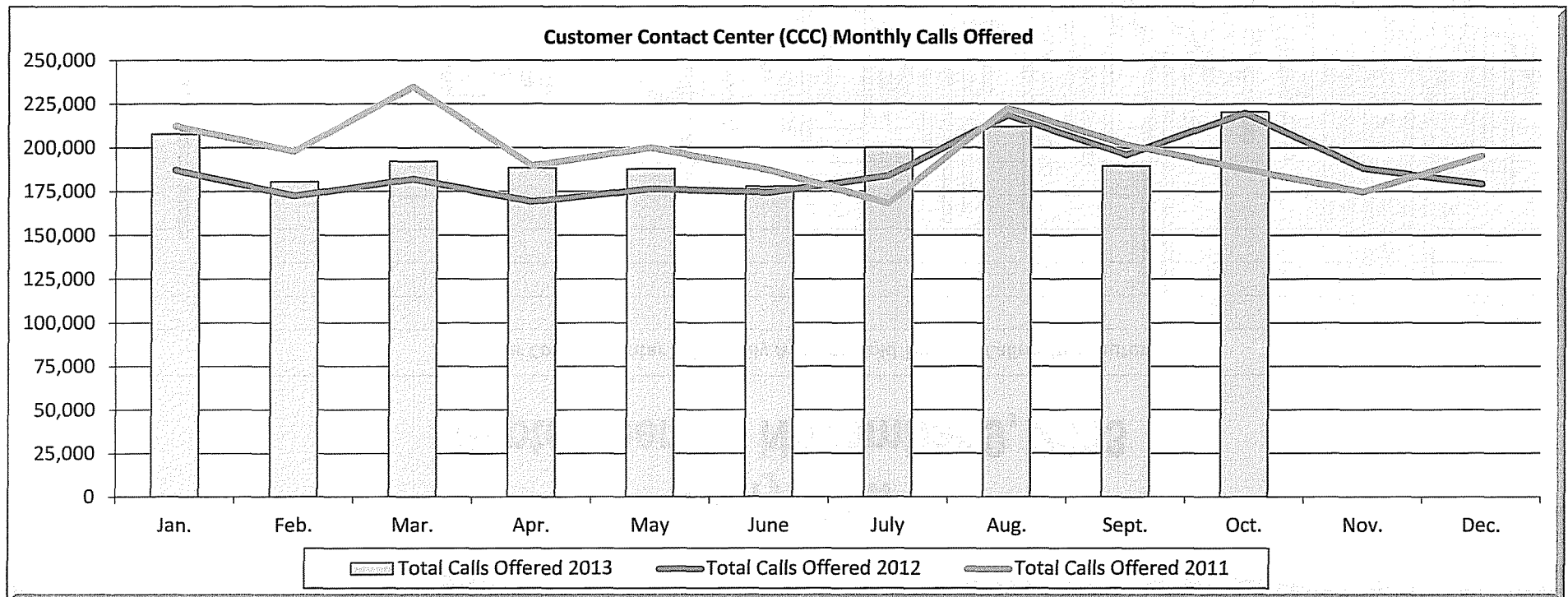


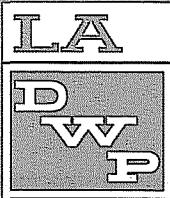


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Customer Impacts Monthly Call Volumes

Monthly View 2011 – October 2013





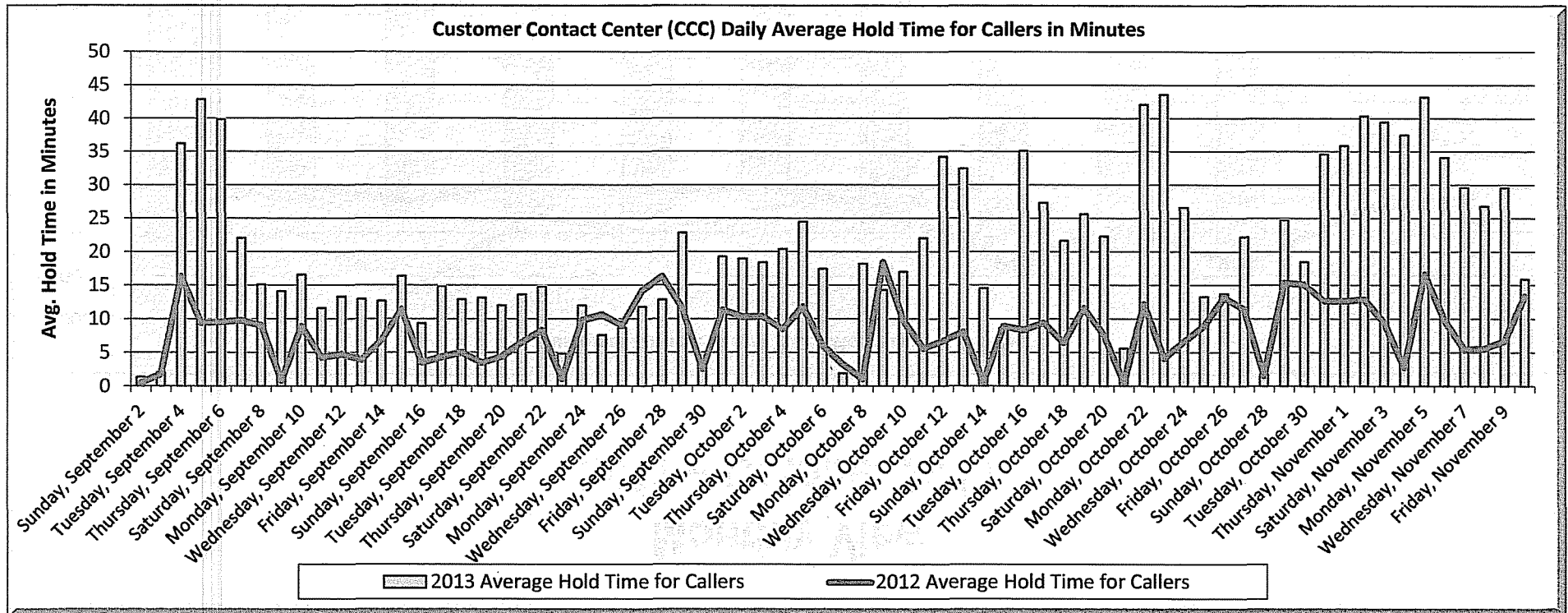
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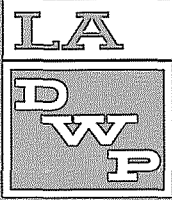
Customer Impacts

Average Hold Time for Callers

Daily View

September 2 – November 9, 2013

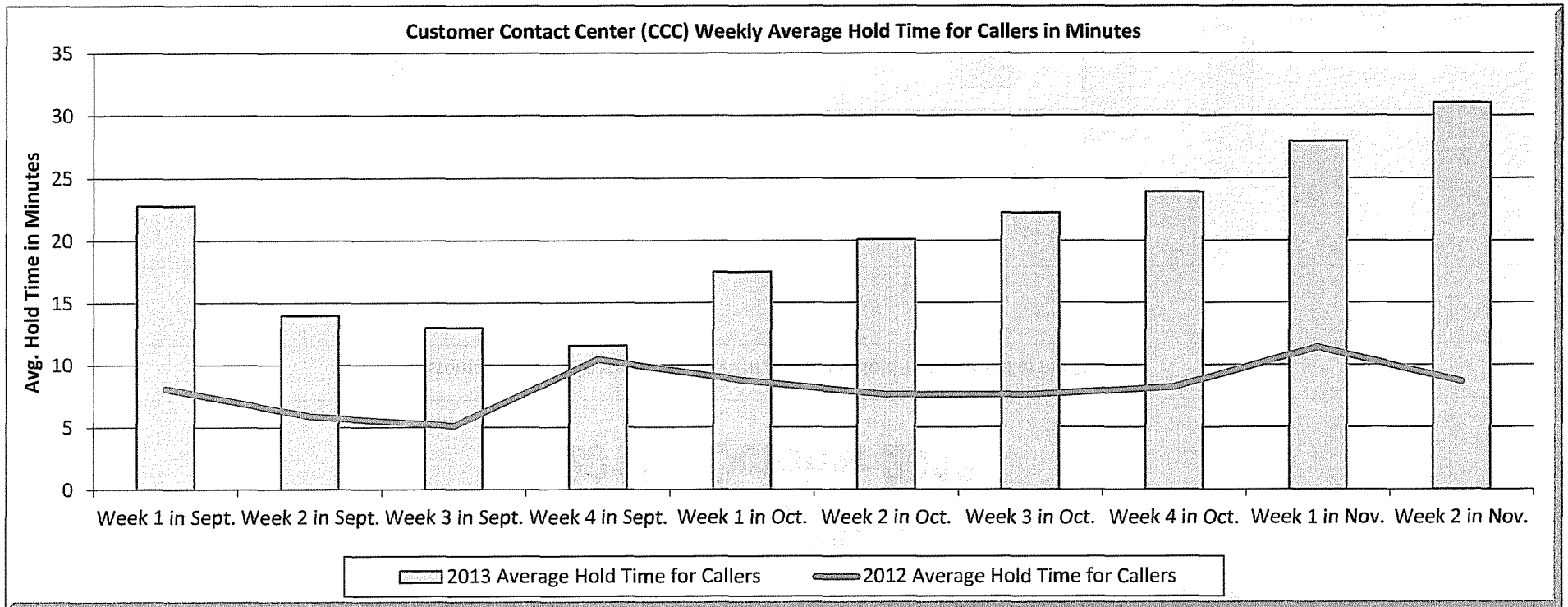


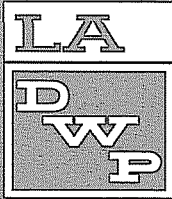


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Customer Impacts Average Hold Time for Callers

Weekly View September 2 – November 9, 2013

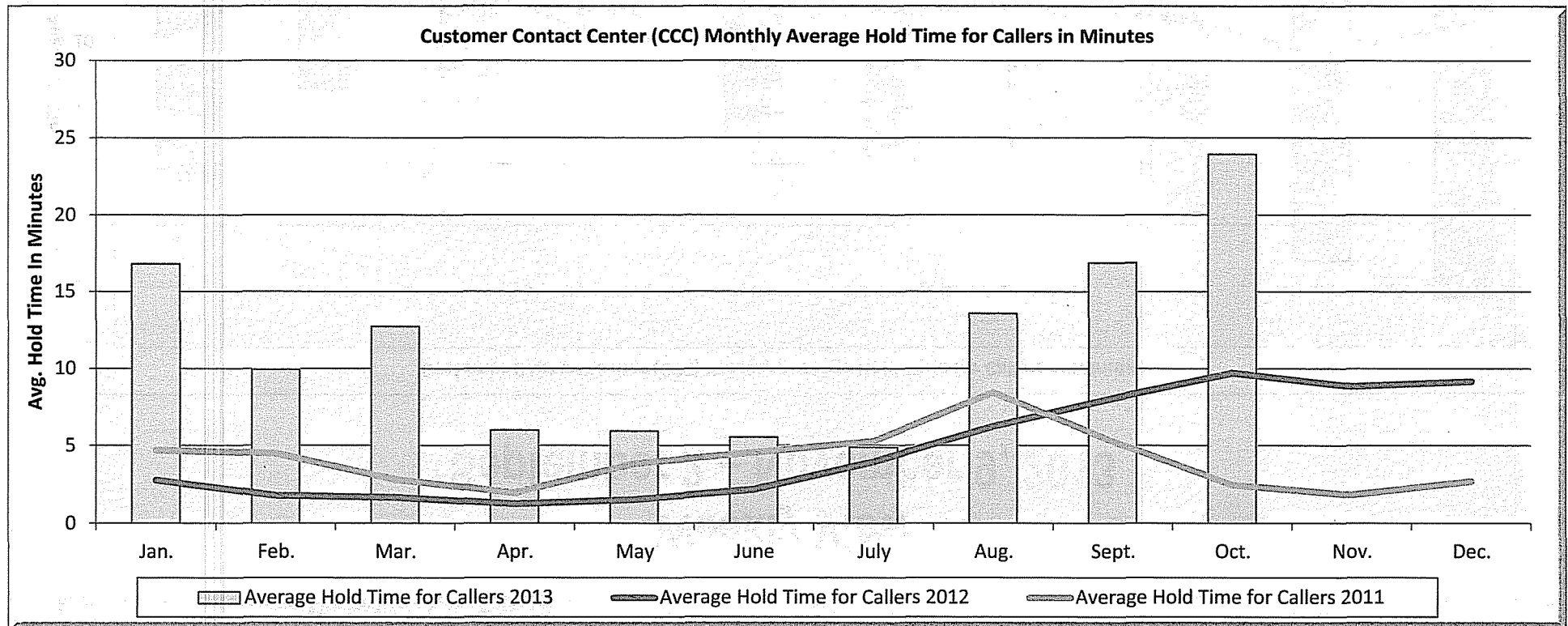


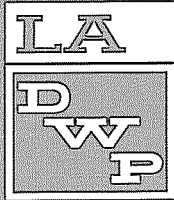


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Customer Impacts Average Hold Time for Callers

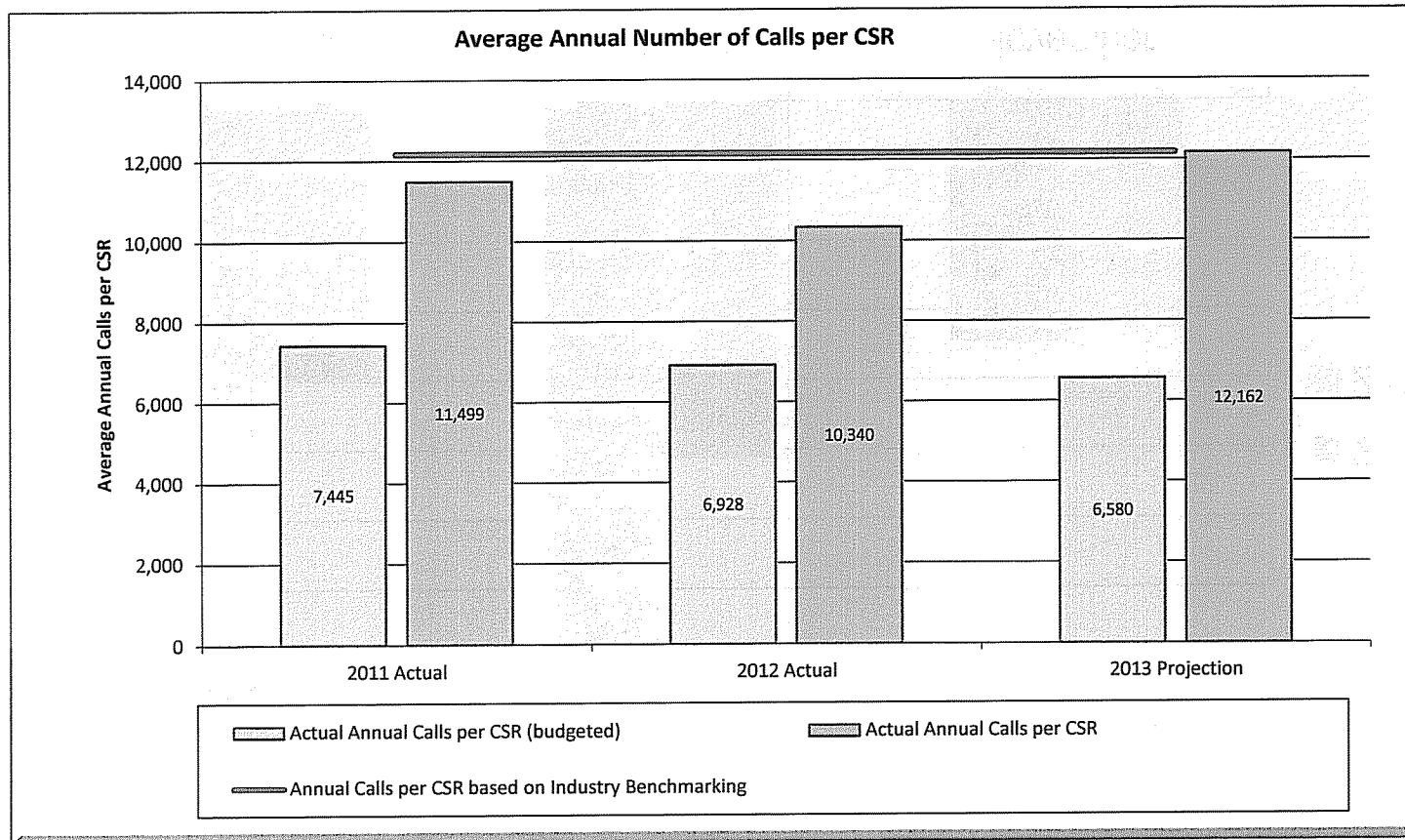
Monthly View 2011 – October 2013





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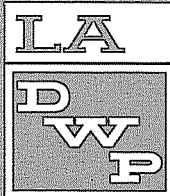
Customer Impacts No. of Calls Per CSR



Even with staff shrinkage, calls per CSR consistent with industry benchmarks.

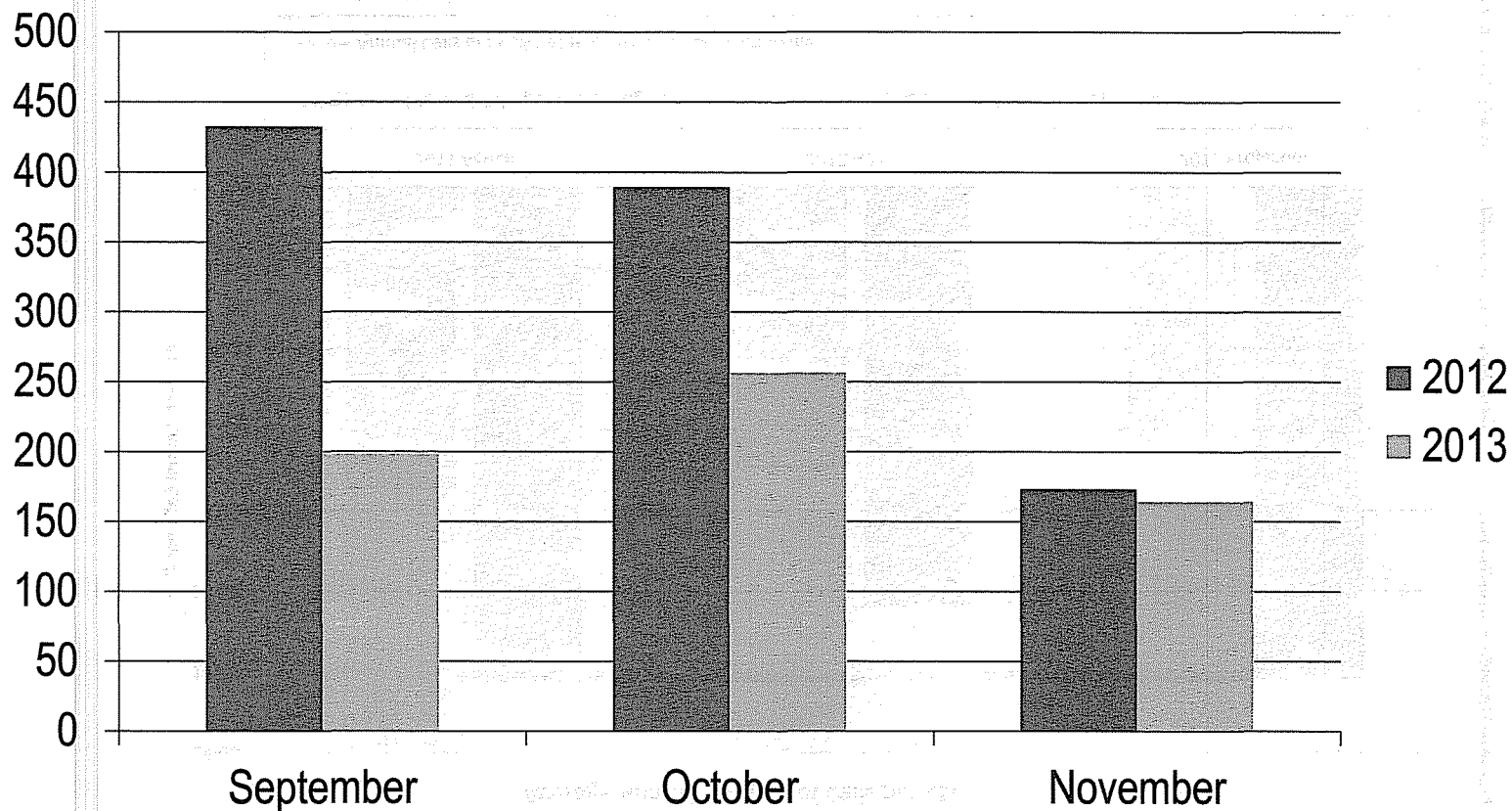
Chart based on industry benchmark data and actual annual calls answered in LADWP's Customer Contact Center.

Source: Chartwell Customer Contact Center Metrics 2012 Report

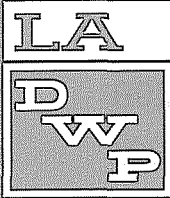


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Customer Impacts No. of Escalated Cases



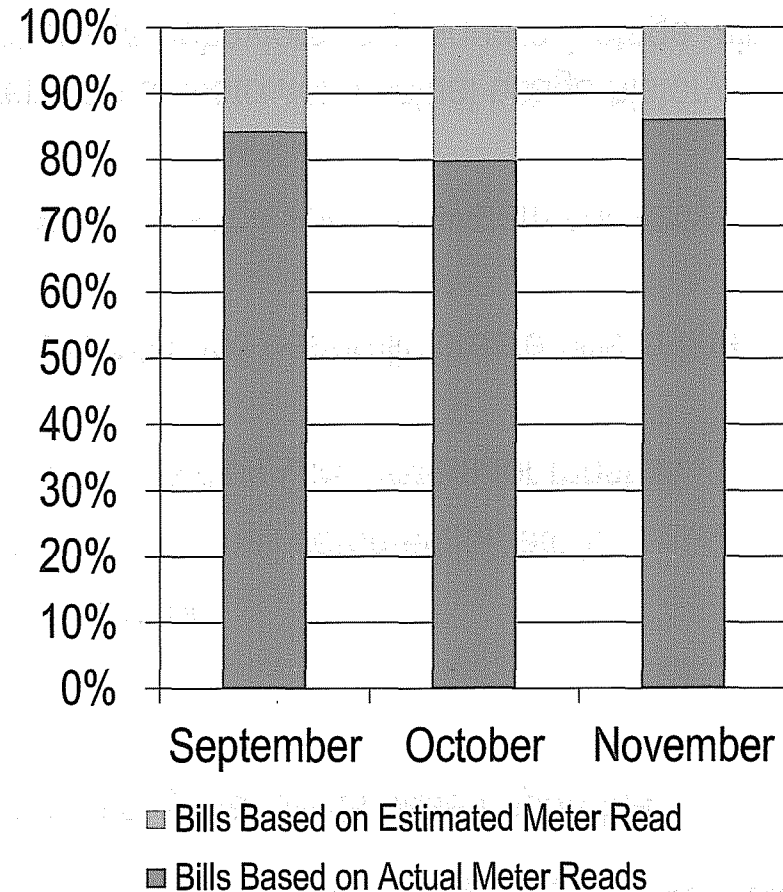
Escalated calls to LADWP's Customer Relations Office may be lower in 2013 since the Department temporarily suspended automated collection activity for the first 60 days post go-live.

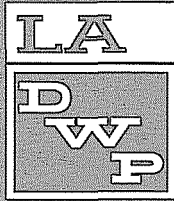


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Current Status Estimated Bills

- LADWP estimated 18% of the bills during September and October because actual meter read was unavailable during billing window;
- Meter read was unavailable for two principal reasons:
 - Issue No. 1: Actual meter reads in certain cases are held in a staging table and not making it through the billing process; and
 - Issue No. 2: Meter read routes were not completed due to new routing system being optimized.
- Issue No. 1: System fix in progress; and
- Issue No. 2: Management is:
 - Adding Meter Readers; and
 - Optimizing new meter reading routing software.

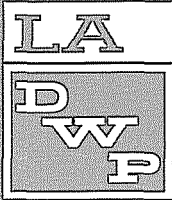




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Current Status Estimated Bill Process

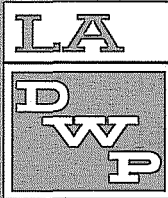
- New CIS estimation process works consistent with industry standards based upon the following rules:
 - Rule No. 1 -- Same period from a year ago;
 - Rule No. 2-- Immediate prior period from same year; or
 - Rule No. 3 -- Average of usage class (e.g. residential, small commercial, etc.).
- LADWP converted usage historical usage information in its new CIS system for most all LADWP customers;
- Rules No. 1 and No. 2 are used for most all estimated bills and generally create bills in-line with customer's prior usage and expectations;
- In limited cases, LADWP was unable to convert historical usage and the system correctly defaulted to Rule No. 3;
- Rule No. 3 may create an estimate higher or lower than a customer's actual usage history based upon the wide variances among residential usage behaviors (e.g. square footage, air conditioning, pool pumps, etc.); and
- LADWP current billing practices reconciles the customer's charges once the actual meter read comes in for the account, in the meantime though, LADWP cancels and rebills any estimated bill at the customer's requests when appropriate.



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Customer Impacts Conclusions

- Customer Service Representatives (CSR) staffing levels consistent with industry benchmarks even after considering staff shrinkage;
- Call volumes remain generally consistent over prior periods and call volume to CSR ratio consistent with industry benchmarks;
- Customer wait times have increased significantly and must be improved; and
- Extended wait times attributed to:
 - Organizational Readiness/Training -- CSRs still learning how to navigate the new system causing call to take longer; CSRs spending time off the phone to follow up the previous call increasing Not Ready percentages;
 - System Conversion/Functionality -- Certain system capability or data conversion not functioning as designed causing certain CSR/Customer transactions to take longer; and
 - New Meter Read Route and Field Dispatch Systems -- These two new complementary pieces to the new CIS system are being optimized to serve customers better.
- Estimation process is accurate and working as designed, higher estimates for certain customer due to historical billing information unavailable; and
- Higher number of estimated bills principally due to meter read routes not being completed as new meter read routing software is being optimized.



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Virtual Hold/Customer Call Back

- LADWP's Interactive Voice Response (IVR) Telephone system currently has this technical capability;
- LADWP is currently testing this functionality with its IVR vendor and evaluating implementation options;
- LADWP may implement this option for customers as a pilot in the coming weeks once the testing and evaluation process is completed; and
- Based upon the results of the pilot, LADWP may use this functionality going forward starting as early as December 2013.