

March 12, 2018 Working Group Notes

Present:

Commissioner Susanne (Sue) Vaughan, EUC

Commissioner Jim Boyle, EUC

Commissioner Mickey Maia, WWWC

Commissioner Nhat Ho, WWWC

Kerry Overton, Deputy General Manager and Chief Customer and Compliance Officer, AE (by phone)

Elaine Veselka, Vice President, Customer Account Management, AE

Drema Gross, Water Conservation Division Manager, AW

City Attorney

[Commissioners were escorted to a conference room at the Austin Energy headquarters. When we came into the room, there was a telephone in the middle of the table. The meeting began with a Staff member adjusting the phone so that we could hear the voice on the phone.]

Kerry Overton, Deputy General Manager of Austin Energy – Mr. Overton identified himself on the phone as Deputy General Manager of Austin Energy. He said that he was on Spring Break vacation, but he thought it was necessary to personally call in to the meeting to tell us that the meeting was “confidential”. [No reason for confidentiality was given, no limits on confidentiality were identified. Commissioners were reminded at least twice by Staff at the meeting that the meeting was confidential. No formal agreement from Commissioners for confidentiality was sought or offered. Staff offered no explanations for requiring confidentiality.]

At least 2 Corix meter readers put info into the system with some idea of previous reads. Staff doesn't know whether it was in the management system or the readers had their own information. No City employee falsified their reads. Corix is not providing any information. The City will look at legal options. Corix workers are contract employees. [REDACTED]

[REDACTED]

[REDACTED]

Elaine Veselka (AE) – The falsified reads were close enough to earlier reads to avoid flags for high/low usage.

Jim Boyle (EUC) – There were missing performance reports from Corix for August. The City meter readers were next door to the contract meter readers. Corix documents show that they were short by 13 meter readers. They never got caught up on having full personnel.

Veselka – We backed up on “soft services” (e.g., hanging door notices on cut offs, etc.). The EUC stopped cutting people off in 2015 because of the problem with high bills. It would be better to change contracts in some other time of year than summer.

Jim Boyle – Was there any mismanagement of the contract?

Veselka – The contract was properly managed.

On the horizon, AMI meters will be installed for Austin Water. Oracle will be used to work on notifying anomalies in usage. However, there is no ability to text customers.

Drema Gross (AW) – It will be a five-year process to fully achieve AMI.

Push notification = notification through an app that doesn't affect phone message time.

Dropcounter app = Monthly information will download on a phone app. It may not be contemporaneous (there may be a three-week lag).

Code Red = Reverse 911 for major emergencies (e.g., boil water notices).

Jeff Vice (AE) – We hope to bring information on reading falsification to the next EUC meeting.

Jim Boyle – We need some sort of flag that is not just high/low, but that also flags anomalies in a neighborhood or on a route basis.

Gross – Regarding Code 15-141 and 15-142: Staff wants to make leak bill adjustments the same as administrative adjustments. Customers would be refunded all except expected volume (calculated the same under both circumstances). Staff is going to move toward using four months rather than two years of usage data.

[After the Staff finished briefing the Commissioners, they told us that time was up, that the conference room had other reservations and that Staff had other meetings. Commissioner Boyle said he had two quick questions, and he was told firmly by Mr. Vice, “No, really, you have to get out now”, while other Staff left the room. Mr. Vice then escorted the Commissioners down the elevators to the back door leading to the parking lot.

At the next WWWC meeting, I gave the Commission a report on how this “confidential” meeting was conducted without reporting the content. Ms. Veselka was in attendance at the WWWC meeting and said that the confidentiality of the meeting applied only to anything said by the

attorney. To the contrary, limitations on confidentiality were never voiced by Staff during the Working Group meeting, nor was confidentiality politely requested rather than mandated. Other than the text that I redacted above (attorney routine and nonspecific comments), nothing said in the meeting seemed sensitive enough to withhold any information from the public.

Ms. Gross apologized in the WWWC meeting for poor scheduling of enough time for the meeting. The Working Group meeting was completely set up by Staff, including the date, time, and place, and with knowledge of any scheduling requirements of their own staff and conference room logistics. Commissioners were never asked about their availability for the meeting, so the meeting was not scheduled in consideration of Commissioner convenience or request. Staff obviously knew they were only going to allow one hour for the meeting, and they took that entire time while Commissioners waited, ultimately without success, for them to finish speaking in order to ask questions.

Future meetings were at Austin Water headquarters.]

May 17, 2018 Working Group Notes

Present:

Commissioner David P. Tuttle, EUC

Commissioner Susanne (Sue) Vaughan, EUC

Commissioner Jim Boyle, EUC

Commissioner Mickey Maia, WWWC

Kerry Overton, Deputy General Manager and Chief Customer and Compliance Officer, AE

Elaine Veselka, Vice President, Customer Account Management, AE

Monica Joiner, Quality Management Process Manager, AE (Retail customer services when AE cannot solve issues (dealing with escalations; customer hearings; water loss))

Drema Gross, Water Conservation Division Manager, AW

Alice Flora, customer service manager (don't have formal title), AW (taps office, investigators for taps, installation of meters)

Other City Staff

Question 13 – How did Staff access high/low usage information? [Question 13 was the primary focus of discussion at the meeting; most other questions or requests for data/documents were provided in backup material.]

Gross – When AMI meters are put in, it may help resolve issues, but AMI does not prevent the issues.

Veselka – Corix said they could not see previous reads. When AE Staff had seen the Corix system, the previous readings were not shown.

Log-in for two meter readers was found to be outside of normal hours. They had obtained the password of staff who did have legitimate access to system information (which enabled them to enter fake readings within the high/low parameters to avoid detection).

Overton – The two offending readers did not go to work with Bermex when the new contract with Bermex began. Originally, about 20 former Corix readers went from Corix to Bermex, but that number is down to less than 10.

Questions and Responses

Working Group-Water Billing

Question #13:

- a) How did Corix and/or Corix meter readers obtain data on "flag" boundaries from the AE billing system that allowed them to enter fraudulent meter readings undetected?
- b) Given Corix's GPS system that Corix said would take a reading on the position of their meter readers every two minutes, why did the GPS readings not alert Corix managers or AE of a period of non-moving meter reads?
- c) How did AE determine that the two meter readers entering non-existing meter reads into the system were the sole source of low-August/high-September billing problems?

Response:

a) Based on Austin Energy's conversations with Corix, Corix meter readers did not have access to the read range or the previous month's read. Corix communicated that the two meter reader's ascertained access to files showing previous reads and the read range.

The current vendor, Bermex, does not have access to the read range or the previous month's read. AE has met with management and executives with the current vendor (Bermex) to review their access protocol to ensure that this breach would not occur with the new vendor.

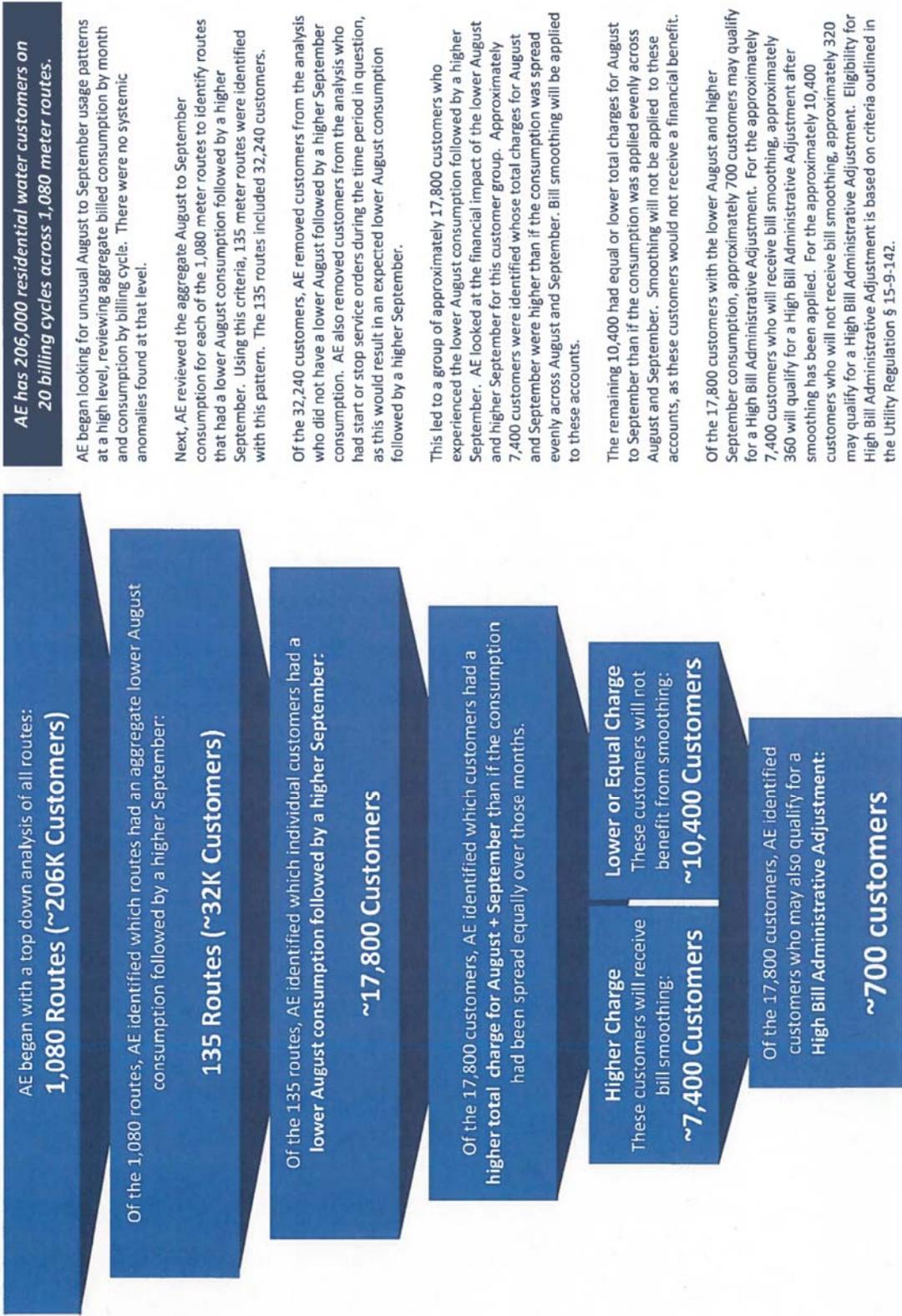
b) Corix used truck based GPS system data. Meter Readers will usually leave the vehicle and walk the route. Austin Energy did not have direct access to the GPS system used by the vendor, Corix. Corix did not alert Austin Energy of any anomalies regarding GPS data.

The current vendor, Bermex, has technology that uses Google map coordinates and cellphone location. The GPS location of meter read entry and meter reader id is captured and tracked by the vendor.

c) Individual water usage can vary greatly from month to month as well as seasonally, due to a variety of factors including irrigation systems, number of people in the household on any given day and leaks. Because of this natural variation, it is difficult to identify an anomaly at a granular level. Austin Energy began looking for unusual August to September usage patterns at a reviewing aggregate billed consumption by month and consumption by billing cycle. There were no systemic anomalies found at that level. Next, Austin Energy looked at the meter route level, and identified 135 routes that had unusual usage patterns. Austin Energy began working with Corix to further investigate the meter readers in question. Corix looked at log in, log out, and break times for all meter readers during August and September. Those same anomalies did not exist with other employees.

Please see Appendix (7) for a detailed explanation of the route to customer analysis and customer resolution.

Methodology for Route to Customer Analysis



AE has 206,000 residential water customers on 20 billing cycles across 1,080 meter routes.

AE began looking for unusual August to September usage patterns at a high level, reviewing aggregate billed consumption by month and consumption by billing cycle. There were no systemic anomalies found at that level.

Next, AE reviewed the aggregate August to September consumption for each of the 1,080 meter routes to identify routes that had a lower August consumption followed by a higher September. Using this criteria, 135 meter routes were identified with this pattern. The 135 routes included 32,240 customers.

Of the 32,240 customers, AE removed customers from the analysis who did not have a lower August followed by a higher September consumption. AE also removed customers from the analysis who had start or stop service orders during the time period in question, as this would result in an expected lower August consumption followed by a higher September.

This led to a group of approximately 17,800 customers who experienced the lower August consumption followed by a higher September. AE looked at the financial impact of the lower August and higher September for this customer group. Approximately 7,400 customers were identified whose total charges for August and September were higher than if the consumption was spread evenly across August and September. Bill smoothing will be applied to these accounts.

The remaining 10,400 had equal or lower total charges for August to September than if the consumption was applied evenly across August and September. Smoothing will not be applied to these accounts, as these customers would not receive a financial benefit.

Of the 17,800 customers with the lower August and higher September consumption, approximately 700 customers may qualify for a High Bill Administrative Adjustment. For the approximately 7,400 customers who will receive bill smoothing, approximately 360 will qualify for a High Bill Administrative Adjustment after smoothing has been applied. For the approximately 10,400 customers who will not receive bill smoothing, approximately 320 may qualify for a High Bill Administrative Adjustment. Eligibility for High Bill Administrative Adjustment is based on criteria outlined in the Utility Regulation § 15-9-142.

Veselka – Said that she and Overton had a conversation with Bermex to ask them to look at the process and see if it could be tightened.

Overton – If there were a breach, the offender would have to get beyond the photos that are now taken. The GPS log now gets very close to the actual location of the meter reader, and not just where their truck is parked (which was the GPS system for Corix).

Boyle – We've had billing issues back to at least 2012. Even though there were audits in the past, the problems did not get addressed. Jim has looked into "lessons learned" documents around the country due to his personal experience with Bastrop fires. Back in February, Jim talked to Kerry Overton and the AE General Manager about preparing a "lessons learned" document.

Commissioners do not have the role of running the utilities, but they do have the role of oversight. If we had a lessons-learned report, we might be able to shorten the process we're in.

There are also "After Action Reports", which may be shorter than lessons-learned reports.

Veselka – We have After Action reports and applied the same methodology to customer service. We have a draft of the document but haven't released it yet. While we are negotiating, we don't want to release the After Action report before a settlement is made.

Overton – We have Quality Control people that look at many issues. We have issues down to a very detailed level. We are having discussions with AW.

Boyle – (Spoke about the possible need for confidentiality for legal reasons.)

Overton – There is nothing that would be a problem to be released.

Veselka – The situation is close to being resolved.

Regarding Question 13 ...

Boyle – This should have been an easy situation to analyze. (Long discussion followed.) The audit was not useful.

Veselka – The audit was done for very specific reasons. It was done a few years ago. [? Note, it was dated March 2018.]

Kerry – The audit still has value.

Gross – Only during the August read cycle was there the anomalous behavior of the log-in/log-out behavior. She referred to anomalies in July that Jim Boyle has brought up and said that she does not see those as anomalous.

Boyle – Many customers had lower use in July than in December, suggesting that July readings may have been anomalous.

Gross – Some strange reads have to do with timing of the read related to Hurricane Harvey. There is not enough evidence that there is a meter reading problem.

Veselka – We went back three years looking at patterns.

Gross – Folks in Circle C irrigate rye grass in the winter.

Flora – AW does thousands of re-reads.

Boyle – Wanted to address the “700 customers”.

Maia – Asked for a definition of “escalations”. Was told that an escalation is a referral to the supervisor level, a group of 25 people. At that point, the customer is no longer on the line, and Customer Service goes back to receiving calls.

Noted that there are anecdotal complaints from customers that when they are “escalated”, they report not receiving call backs, and then they have to call in again and start the process all over, usually with another Customer Service representative that they did not talk to previously.

All of the Commissioners present said they heard many similar complaints.

Joiner – Reported that there was new training to emphasize “empathy”. Strongly asserted that anecdotal reports of failure to receive call-backs or a customer having to start the complaint process again for failure of AE response was impossible because they had procedures and a tracking process.

Gross – Asked for agreement from the group that the Working Group would deal with customer service at the next meeting and high bill adjustments the next meeting after that.

June 20, 2018 Working Group Notes

Present:

Commissioner Jim Boyle, EUC

Commissioner Mickey Maia, WWWC

Commissioner Mary Bell, WWWC

Commissioner Nhat Ho, WWWC

Kerry Overton, Deputy General Manager and Chief Customer and Compliance Officer, AE

Elaine Veselka, Vice President, Customer Account Management, AE (attended by cell phone)

Jerry Galvan, Vice President for Customer Care

Drema Gross, Water Conservation Division Manager, AW

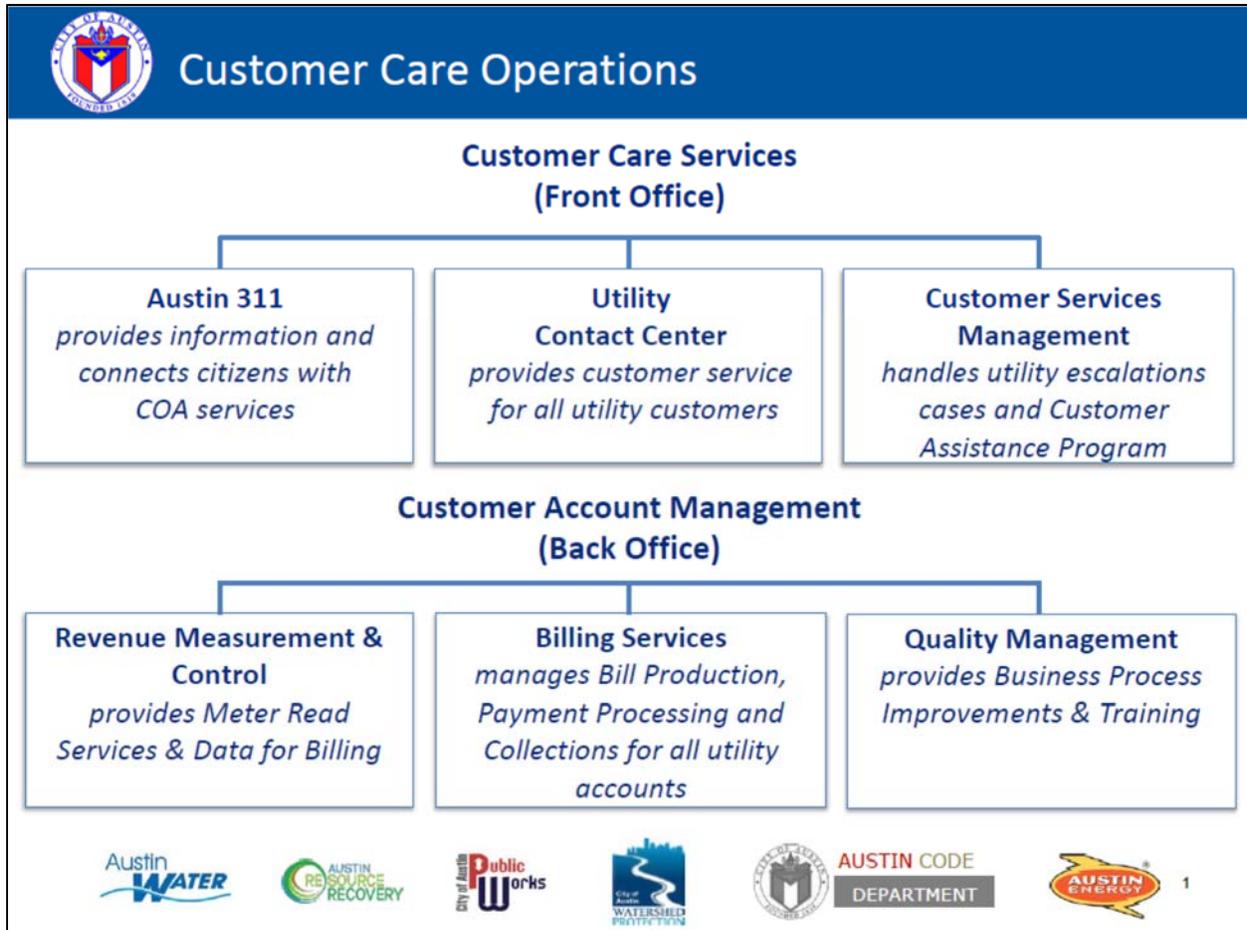
Alice Flora, customer service manager (don't have formal title), AW

Gross – Said that the next meeting will be about “escalations”. Later we will talk about what to do about going forward.

Galvan – Talked at length about Customer Care operations. He referenced the first three pages of the backup materials provided by AE. (This information was not requested by the Working Group but volunteered by Mr. Galvan in a lengthy presentation).

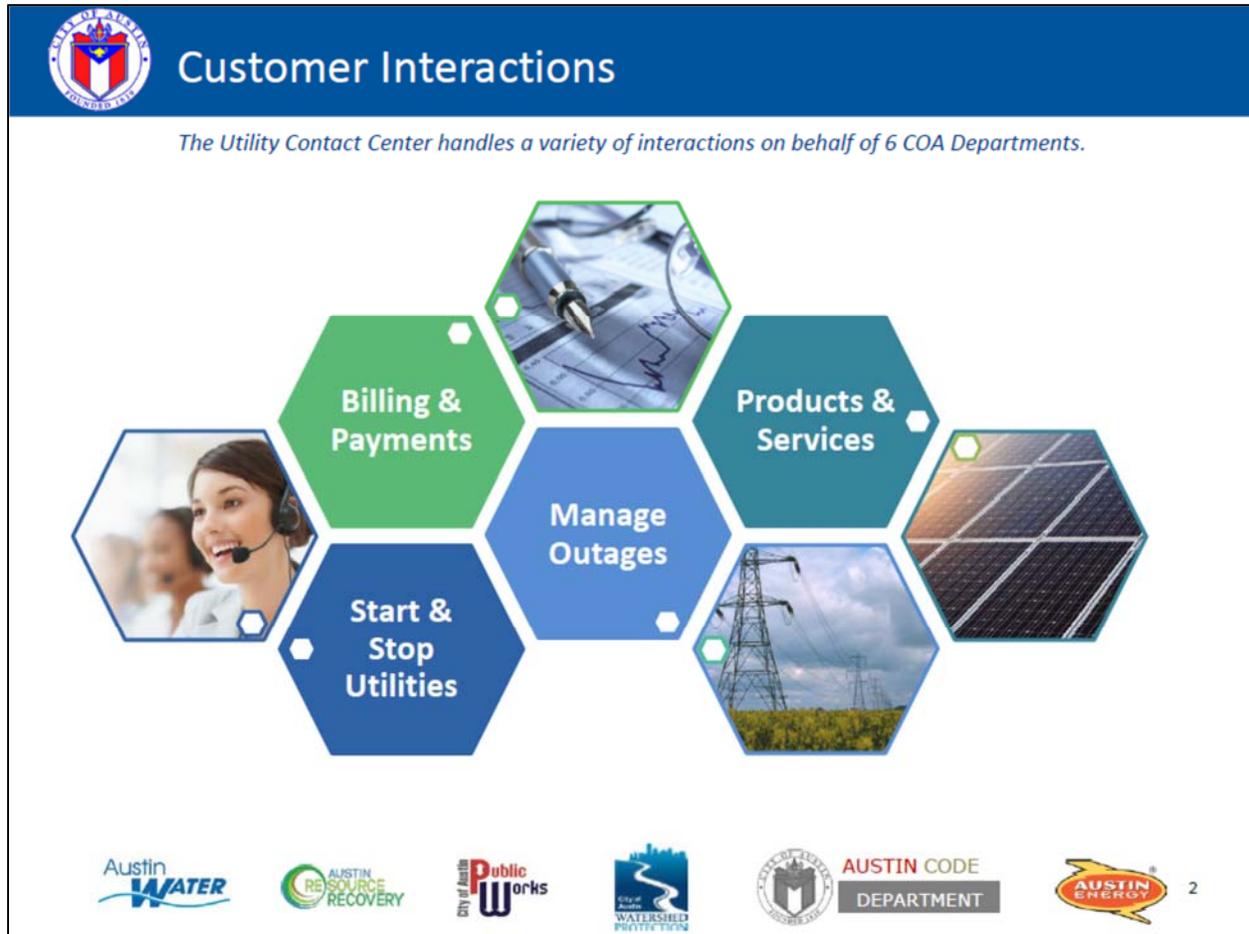
Regarding Page 1, “Customer Care Operations” organization chart, he explained that he (Mr. Galvan) is in charge of “Customer Care Services” (otherwise known as the “Front Office”). He supervises Austin 311 for the whole city (located at Hwy 183 and Cameron Road); the Utility Contact Center (which is the customer’s first contact at 512-494-4400, and includes supervisors which are sent some referred calls); and Customer Services Management (which deals with more complex situations, 1% of calls).

Customer Services Management includes the Customer Solutions Team, which deals with “escalations”. It is the Customer Assistance Program group (?). Customers that are referred to this group are not transferred by phone, but are told that someone from this group will call them back at a later date. Thus, customers that do not get resolution with the Utility Contact Center cannot finish addressing their problems until a worker in the Customer Services Management area actively places a call to them.



Elaine Veselka supervises a different organization, Customer Account Management, also known as the Back Office. Within that organization are Revenue Measurement and Control; Billing Services; and Quality Management.

Regarding Page 2, “Customer Interactions”, Mr. Galvan talked about the variety of calls that they receive.



Regarding Page 3, Mr. Galvan spoke at length about the very large percentage of callers (not including customers that come in person or communicate through internet, or via Councilmembers or Commissioners) that are satisfied with their service. 90% of contact is via phone calls.

Of the 1.53M customers that contact the Utility Contact Center, only 20,000 (23%) are “escalation” cases. These are not all upset customers. Of the 20,000, 4,600 are water bill escalations. Of the 4,600, only 307 request administrative hearings (for all purposes). 71% of the 307, or 218 customers, requested administrative hearings related to water. Mr. Galvan emphasized that this is a very, very small percentage of the interactions of their call center, and that the vast majority are satisfied.



Calls with Customer Services Management are recorded and retained for a period of time (maybe a month). When requested, Staff makes transcripts of a call, and redacts sensitive information. [This process was used by the reporter in writing the story with the Saustrup family that watered livestock and typically had a \$7 water bill.]

Overton – We had about three cases in which everything that could go wrong, did go wrong.

Overton – We are already seeing fewer hearing requests due to changes just made in ordinance (where a hearing is an appeal rather than one of two paths for remedies).

Boyle – Noted that it was necessary for the customer to meet criteria before they could go to hearing.

Gross – Responded that Staff changed the criteria so more people are able to appeal now.

Boyle – Said that the process takes a long time. You may have thousands of complaints, but only a few appeals because of the time and resources that it takes.

Flora – It costs \$400-\$500 to the utility to have a hearing.

Gross – We want to get to a point where more and more customers get resolution at their first call. We will see the effect of our changes over the next few months.

Maia – Said that her concern, as a WWW Commissioner, is whether AE is a good choice, as a forced, monopoly contractor, for AW customers. There have been concerns in the past about costs that have been charged to AW. One of the theoretical benefits of having another City department do the billing for AW is that all the departments should work together to the overall benefit of the City. During the drought, when AW lost approximately \$100M, and AW Staff reduced their own budget by \$30M, AE continued to increase charges to AW rather than tightening their belt like AW was doing. It seems that from the top, from the Manager, the Budget Office, and AE, no one supported AW in their struggle to keep from raising rates even higher, although all parties are supposed to working together. And now we have concerns about quality of services.

Overton – AE has to charge actual costs because of the potential for rate challenges. We charge AW a very fair market price.

Maia – Asked what he meant by “market” price. Asked whether AW was charged whatever AE put in their budget document, or whether they charged AW actual costs as they occurred during the year.

Overton – Said that AW is charged actual cost. In response to Maia question about whether “market” cost included profit (since most comparable utilities are for-profit utilities), Overton said they charge no profit other than Transfers to the General Fund.

Overton said that the City had decided that they wanted everyone that called into the call center to be immediately answered by individuals, rather than go through an automated system. AE offers a very efficient system in terms of personnel costs. He said it is a good bargain because they respond to all types of calls about charges (for all the departments that are on the City utility bill) at all hours of the day, so it is a “good bargain” for AW.

He said that there is a true-up at the end of the year and AW only pays for its own actual costs.

Since January, he said that AE has brought in an outside firm to do “soft skill” training in empathy. AE found that people actually were not getting callbacks (this may be a response to statements from Commissioners last month that customers sometimes do not get callbacks from the escalations group, to which supervisor Ms. Joiner asserted that allegation to be untrue), just as the customers said.

Boyle – Are you having a lot of turnover? Are you paying your workers enough?

Galvan – Many are contractors and we do lose a lot.

Suggested the meeting move from Page 3 to Page 11 of Staff's document.

Maia – Wanted to back up to address the intervening skipped pages, the first of which was requested glossary of terms and acronyms (Page 4 of the Staff document, May Question #4). (This was one of the questions actually asked by the Working Group).

Questions and Responses
Working Group
Question: Please provide a glossary of terms and acronyms used in AE/AW reports and documents. (May Question #3).
Answer: A copy of Customer Care Services Functional Thesaurus has been provided.

Boyle – Asked where the glossary terms came from.

Galvan – The Business Process Quality Management Group. It's a website. Most of the terms are related to electric work. [The five-page, small print list is made up almost entirely of acronyms. The vast majority of the list have nothing to do with Working Group work. Jargon is generally not included in the list.]

Veselka – [Unintelligible]

Flora – There are missing acronyms. [She seemed to suggest she will read through them to check the completeness of the list.]

Customer Care Services Functional Thesaurus

Term or Acronym	Meaning
1Way	One Way Exchange Project
24's	Door hanger notice of pending disconnect for non-pay in 24 hours (24hr)
311	Austin 3-1-1
811	811 Barton Springs Road
ABC/M	Activity Based Costing/Management
ACCT	Account
ACH	Automated Clearing House
Active AR	Active Accounts Receivable greater than 30 days old. Customer must have at least 1 Service
ADI	Agreement that is actively billing
AE	Adjustment
AE Connect	Austin Energy
AECC	Austin Energy Learning Management System for eLearning
AETCC	Austin Energy Customer Care
Agencies	Austin Energy Technology Control Center
AIMS	3rd party collection agencies for inactive accounts
AMANADA	Austin Integrated Management system
AMI	Automated Management Data Application
AMP	Automated Meter Infrastructure
AMR	Arrearage Management Program
APPA	Automated Meter Read
AR	American Public Power Association
Auto-Pay	Accounts Receivables
ARR	An account that is set up to have its payments automatically drafted from a checking account monthly
AWU	Austin Resource Recovery
BaXfer	Austin Water Utility
BB	Balance transfer from one account to another account
BPC	Back bill
BPC, Sr.	Business Process Consultant
BPF	Business Process Consultant, Sr.
BPO&I	Business Process Framework documents
BPS	Business Performance, Quality & Improvement
Bueg	Business Process Specialist
BSM	Bill segment errors on account
BU	Billing Services Management
CAB	Business Unit
CAB	Credit Access Business
CAF	Change Advisory Board
CAM	Citizen Action Form
CAFs	Customer Account Management
CB	Customer Assistance Program
CBR	Call Back
CBT	Credit balance refund check
CC	Computer Based Training
CCC	Customer Care
CC&B	Customer Contact Center
CCR	Customer Care and Billing
CES	Configuration Change Request
CGI	Customer Energy Solutions
CIR	Can't Get In
CIS	Customer Information System
CISOps	Customer Information system operations
CK	Abbreviation for Check
CMO	City Manager's Office
COA	Complex Metering Operations
COA	Change of address
Collection	City Of Austin
COM	CCB process within collections work group that includes the mailing of assorted friendly reminder letters
Connect	Commercial Learning Management System for eLearning

Control Schedule	Document used in records management to identify records, inventory, vital records, determine custodianship, retention and disposition
CORB	CIS/CCSB Review Board
CQS	Corporate Quality Services
CSC	Customer Solutions Coordinator
CSG	Payment and Billing vendor as of 2014
CSH	Cash
CSM	Customer Services Management
CSP	Customer Solution Partnership
CSR	Customer Service Representative
CTM	Communications & Technology Management
CUJC	Customer Utility Service Center (branch offices)
CYC	Cycle
CYE	Calendar Year End
DABI	Data Analytics Business Intelligence
DB	Drop Box
DCN	Disconnect for Non Payment
DCS	Dynamic Computing Services
DCNNPAY or DCN	Disconnect for Non Payment
DERTE	Detailed Route Report
Disposition	Encompasses all actions taken regarding records no longer needed for current business
DIV	Diversion
DL	Disposition Log
DMDRT	Demand Reset
DNP	Disconnect for Non Payment
DRP	Disaster Recovery Plan
DTB	Database
DUF	Drainage Fee
EAF	Equivalent Availability Factor
EB	East Branch (Utility Service Center)
eBlz	Workgroup within the call center that handles virtual requests (web, fax, etc.)
EDCF	Employee Data Collection Form
EEF	Energy Efficiency Services
EEl	Edison Electric Institute
EFT	Electronic Funds Transfer
EIN	Employee Identification Number
EMR	Enhancement Maintenance Request
ENCMB	Encumbrance
ERCOT	Electric Reliability Council of Texas
ESD	Electric Service Delivery
eSeg	Bill Segment errors on account
Est Rd	estimated meter read
EUMSI	Electric Utility Meter Service Investigator
EXCH	Exchange
FA	Field Activity (ies)
FACTA	Fair & Accurate Credit Transaction Act
FCR	First Call Resolution
FIR	Field Investigation Report
FPP	Fayette Power Project
FRAU	Financially Responsible Authorized User
FSA	Field Service Automation
FT	Financial Transaction
FTE	Full Time Employee
FY	Fiscal Year
GIS	Geographical Information System
GPS	Global Positioning System
GWH	Gigawatt hours measure
GWP	Guidelines & Work Processes
Hanger	Other administrative door hangers which could also include a 24hr hold placed on disposition of a record at any time pending legal action, completion of PIR, Audits or Complaints
Hold-Disposition	
Hub	Customer Care Hub (internal reference website for Customer Care)
IKAM	Inside Key Account Manager
ICL	Image cash letter to bank for daily deposit
ILT	Instructor Led Training
Inactive AR	Inactive accounts receivable greater than 30 days old. Customer has no actively billings service agreements.
INV	Invoice
ITAA	Information Technology Application Analyst

IVR	Interactive Voice Response
JA	Job Aid (used in naming convention)
KO	Korreck Optical/Alan Baker
KWH	Kilowatt hours measure
L&G	Landis & Gyr
LCRA	Lower Colorado River Authority
LMS	Learning Management System
LOC	Letter of Credit/Reference
LPC	Late Penalty Charge also late fee
MA	Master Agreement
MAINT	Maintenance
MCF	Million Cubic Feet
MDMS	Meter Data Management System
MDNLRX	MVRS Download Corex
MEFIR	Meter Exchange Field Investigation Report
MMBTU	Million British Thermal Units
MOU	Memorandum of Understanding
MPP	Multi - Family Partnership Program
MR	Meter Read
MSR	Meter Services Representative
MSS	Meter Stuck Switches
MTG	Meeting
MTR	Meter
MTR MAINT	Meter Maintenance
MTRRDSCH	Meter Read Schedule
MU	Miller Uniforms
MUPLFS	MVRS Upload Files
MVR	Medically Vulnerable Registry
MVRS	Medically Vulnerable Registry Services
MVRS or MV-RS	Multi Vendor Reading System
MW	Megawatt hours measure
MWH	Megawatt hours measure
MWM	Mobile Workforce Management
NB	North Branch (Utility Service Center)
NCCAPAI	Non conformity, Corrective Action, Preventative Action, Improvement
NCCAI	Non conformity, Corrective Action, , Improvement
NERC	North American Electric Reliability Corporation
Nixie	Addressing error report
NSF	Payments that are returned for insufficient funds
NURV	Notice of Utility Service Regulation Violation
O&M	Operation and Maintenance
OCC	Office of the City Clerk
OCC	Online Customer Care
OJT	On the Job Training
OKAM	Outside Key Account Manager
OMC	Off-meter consumption
OPay	Overpayment Service Agreement
ORA	Operational Review & Analysis in Billing
OT	Overtime
OTC	One Texas Center
OUA	Oracle Utilities Application
PA	Payment Arrangement
PCR	Program Change Request
PI	Property Investigation
PII	Personal Identifying Information
PM	Process Manager
PM&N	Priester-Mell & Nicholson
Plus1	Customer Assistance Program administered through the City that distributes funds to qualifying utility customer accounts
PIR	Public Information Request
PO	Property Owner
POL	Policy
PP	Payment Plan
PPT	Power Point Presentation
Q1, Q2, Q3, Q4	Quarter
QA	Quality Assurance
Query	computer code or file of instructions for performing a search for data in a data base
RA	Records Analyst
RA	Research Analyst

RCNT	Reconnect
RD	Read
Re bill	
Records Lifecycle	Life span of a record from creation to final disposition
Reg Rd	regular meter reading
Report	the output of an executed query
REQ	Request/Request Form
RES	Residential
Retention Period	time record is to be kept
Retention Trigger	trigger that will start disposition process of record
REV	Revised/Revision
RFI	Request for Information
RFP	Request for Proposals
RHP	Records Handling Procedures
RIA	Release of [Customer] Information Authorization
RIM	Records and Information Management
RMC	Revenue Management Control
RMT	Records Management Team
RP	Remittance Processing
RP	Responsible Party
RPA	Remittance Process Area
RPRT	Report
RS	Review Sheet
RSS	Remote Service Switch
RTE	Route
RTW	Return To Work
SA	Service Agreement
SAIDA	System Average Interruption Duration Index
SAIFI	System Average Interruption Frequency Index
Sev	Severance includes 24 hour door notices and disconnects for non-pay
Severance	Severance includes 24 hour door notices and disconnects for non-pay
SFTP	
SKP	Skip
SKPRR	Skip Read Reports
SLA	Service Level Agreement
SO	Service Order
SOP	Standard Operating Procedure
SOW	Scope of Work
SP	Service Point
SQL	Structured Query Language
SS	Safety Supply
SSPR	Success Strategy Performance Review
SSRS	SQL Server Reporting Services
STP	South Texas Project
STPLS	Staples
SVC	Service
SYDD	Set Your Due Date
TLC	Town Lake Center
TMS	Talent Management System
TONFLWU	Turn On Follow Up
ToDo	a work item, or name for a thing that needs to be done, a task to be assigned in CC&E
TOU	Time of Use
TRN	Training
TUF	Transportation User Fee
UAA	Utility Account Analyst
UAS	Utility Account Specialist
URR	User Role Request
USC	Utilinet Solution Center
VA	Vehicle Agreement
VENDRR	Vendor Re-Read
Vital Record	Record that is essential to the operations and/or survival of an organization, necessary to recreate the departmental legal and financial position, and necessary to preserve its claims and rights
VLTMTR	Volt Meter
VMO	Vendor Management Operations
VQAR	Vendor Quality Assurance Reads
VQJR	Vendor Quality Image Validation
VRL	Vital Records List

WO	Write-off CCB process within collections work group that includes the collection of inactive utility account debt through a third party collection agency
WO	Work Order
WP	Workplace documents
WPD	Watershed Protection Department
Write Off	Write-off CCB process within collections work group that includes the collection of inactive utility account debt through a third party collection agency
WS	Work Sheet
XMTR	Cross meter

[Galvan proceeded to Page 11 of the Staff document, skipping page 10 of the Staff document, in which May Question #4 was asked regarding lists of periodic reports from AE and AW regarding customer care; the contact center; and the resolution of billing disputes.

Questions and Responses
Working Group
Question: Please provide a list of the reports produced by AE and AW on a periodic basis that relate to (a) customer care, (b) the contact center and (c) the resolution of billing disputes. (May Question #4)
Answer AE and AW produce several customer care, contact center and billing resolution reports including:
<ul style="list-style-type: none"> • Volume of Utility Contact Center Water/Wastewater inquiries • Water related Escalation Cases (High Bill, Tampering, Meter Issues, etc.) • Water High Bill Administrative Adjustment Requests and Resolutions • Tracking of Administrative Hearing Requests and Resolutions • Operational Reporting as part of the AE / AW Service Level Agreement

Commissioners were unable to ask questions or request copies of these reports because Mr. Galvan spent a large amount of time on Page 11 of the Staff document (May Question #7, below), regarding a request for a list of customer satisfaction surveys regarding billing and other customer service, and requesting the results of those surveys for the past two years. Actual copies of survey documents were not provided because Staff maintained that they were contractually bound not to release those. When he finished his long discussion of surveys, no time was left for further discussion of questions that Commissioners actually asked.]

Questions and Responses
Working Group
Question: What types of customer satisfaction surveys are conducted by AE and AW regarding billing and other customer service? Please provide copies of the results of those surveys for the past two years. (May Question #7)
<p>Answer: Austin Energy conducts four customer satisfaction surveys:</p> <p>After Call Survey</p> <ul style="list-style-type: none"> • Internal, Transaction Specific • Customer stays on the line to provide immediate feedback • Customer Service Representative rating on a scale of 1 to 5 (5 being highest) <ul style="list-style-type: none"> ○ FY 2018: 4.8 (50026 responses) ○ FY 2017: 4.8 (38,425 responses) <ul style="list-style-type: none"> ▪ FY 2017 data is from June 2017-Sept 2017 • Overall opinion of AE on a scale of 1 to 5 (5 being highest) <ul style="list-style-type: none"> ○ FY 2018: 4.4 (56,768 responses) ○ FY 2017: 4.4 (31,895 responses) <ul style="list-style-type: none"> ▪ FY 2017 data is from June 2017-Sept 2017 <p>First Call Resolution</p> <ul style="list-style-type: none"> • Internal, Transaction Specific • Outbound call to customer, 7-10 days after transaction • Measures whether customer issue was resolved during the call • Dec 2017-April 2018: <ul style="list-style-type: none"> ○ 88.88% (2104 responses) reported issue resolved • Calendar 2017: <ul style="list-style-type: none"> ○ 87.53% (12,111 responses) reported issue resolved <p>Voice of the Customer</p> <ul style="list-style-type: none"> • Overall satisfaction with Austin Energy • Ranks what matters most to the customer • Perceptions of the CSR <ul style="list-style-type: none"> ○ Courteous ○ Acknowledged issue or concern ○ Eagerness to help ○ Ease of doing business with the contact center <p>JD Power</p> <ul style="list-style-type: none"> • Benchmarking and ranking against other utilities • AE had a significant increase in ranking for south midsize utilities since 2016

Galvan – Said that AE conducts 4 surveys:

- Staying on the phone after a phone call (After-call survey)
- First Call Resolution – Conducted 7-10 days after the transaction. “We consider these positive responses are higher than virtually any utility in the country.”
- Voice of the Customer – Survey conducted by outside contractor for “Corporate Analytics” (a group within AE). Management does not have input to the manner in which questions for this report are developed.

- JD Powers – Ranks and benchmarks AE and AW. This is third party ranking of utilities. AE increased significantly since 2016. We were 17 out of 19 utilities (when Galvan came to AE). Now we are up to the middle range. Our customers were less happy with AE in September and October when we had negative publicity.

Boyle – The EUC got a presentation earlier this year on surveys, and some of the results were pretty negative. [Those surveys are not shown in Staff's list.]

Gross – JD Powers will not allow the results to be published. They solicit information from customers and sell information to utilities or other businesses. They began in 2015 for residential water customers. The end of their fiscal year is March. Customer Service = 8% of their ranking. Water scores are in the 4th quartile except for conservation and delivery. So obviously AW has a problem with customer satisfaction.

The four areas that AW Management decided to work on are:

- Stakeholder understanding (affordability)
- Infrastructure stability (maintenance/planning)
- Leadership development
- Customer satisfaction (Drema's area)

All Staff are working on these every month and are trying to get these improved. AW is working with AE on this: How can we communicate better with customers?

Flora – We are headed toward many more payment options.

Boyle – Re: affordability, people see the bill as a whole.

Gross – We don't have a survey to show to the Working Group. We don't have one central number that customers can call. We're going to work on improvements.

AW used to be the 3rd from the bottom; now we're 5th from the bottom of our comparison group. Across the board, AW is the worst water utility in Texas per JD Powers.

[Questions on Pages 12 and 13 of the Staff document (May Questions #10 and #11) requested a copy of changes to agreements between AE and AW for services to be provided to AW. Staff said that no changes had been made, and that review of any changes would begin in July. The Question on Page 14 of the Staff document (May Question #12) was also not addressed.]

Questions and Responses
Working Group
Question: Please provide a copy of the changes that were made to the AE/AW Utility Contact Center Service Level Agreement since September 2017. . (May Question #10)
Answer: No changes to the Service Level Agreement have been made since September 2017. The Service Level Agreement is reviewed and updated annually during the fourth quarter of the fiscal year. This year's review of the AE/AW Utility Contact Center Service Level Agreement is scheduled to begin in July 2018.

Questions and Responses
Working Group
Question: Please provide a copy of the changes that were made to the AE/AW Customer Services Management Service Level Agreement since September 2017. (May Question #11)
Answer: No changes to the Service Level Agreement have been made since September 2017. The Service Level Agreement is reviewed and updated annually during the fourth quarter of the fiscal year. This year's review of the AE/AW Customer Services Management Service Level Agreement is scheduled to begin in July 2018.

Questions and Responses
Working Group
Question: Please provide a copy of changes that were made after September 2017 to the scripts or instructions or protocols utilized or relied upon by Customer Care personnel when dealing with billing-related issues. (May Question #12)
Answer: Specific scripts are not provided for Customer Care personnel regarding high bill calls. Instead, training is focused on call flow and process. AE is currently expanding its Quality Assurance Call Monitoring and Coaching program as well as adding additional soft skills training with a focus on empathy. The Call Monitoring and Coaching program has increased call monitoring from 3 monthly calls per agent to 15 monthly calls per agent, which is above industry standard. Additionally, longer calls are now being included. Agents receive a scorecard outlining customer service goals and receive regular feedback regarding their performance through coaching sessions. The Empathy Training program was introduced on May 22, 2018. AE facilitators successfully completed certification on May 24, 2018. Multiple courses are planned to be delivered to the Utility Contact Center on an ongoing basis, beginning in July 2018. Initial topics will include the Principals of Empathy & Tone, the importance of Active Listening, Conversational Bookends & Word Choice and Handling High Bill Calls.

[A conversation started regarding previously unanswered questions, initially asked in January and February.]

Boyle – There are some questions that we actually need to get answered and we will work on those and send those to you.

Gross – We want to open things up and have you look at what we're doing. If we need to go back 8 months, we will; but it pulls Staff off other things.

Ho – I don't want to get buried in analytics and intricacies. I want to see changes in trends of perceptions.

Maia – Given the time, we could delay Page 10 and Page 14 (of the Staff document) discussion until next meeting.

Gross – We are agreed to go on to escalations etc. at the next meeting.

Overton – A lot of us have vacations in July.

Boyle – Asked AE if they were going to do After-Action Reports.

[Galvan and Overton said yes.]

Maia – Asked when the After Action Report would be done.

Veselka – Said they would have a date for that at the next meeting. [They didn't.]

Boyle – Asked if the Corix situation has been resolved.

Veselka – [Unintelligible.]

Boyle – Are we going to the courthouse?

Veselka – I don't know. [Said something unintelligible related to the DA's office.] We are asking for direct costs.

July 17, 2018 Working Group Notes

Present:

Commissioner Jim Boyle, EUC

Commissioner Susanne Vaughan, EUC

Commissioner Mickey Maia, WWWC

Commissioner Mary Bell, WWWC

Kerry Overton, Deputy General Manager and Chief Customer and Compliance Officer, AE

Elaine Veselka, Vice President, Customer Account Management, AE

Monica Joiner, Quality Management Process Manager, AE

Tiffany Webb, Manager of Escalations, AE

Lisa Tamez – Billing Service Management, AE

Drema Gross, Water Conservation Division Manager, AW

While waiting for other Commissioners to arrive, present Commissioners were given an “After Action Report” dated March 3, 2018 that was in draft form. Commissioners were told they could read the report for a few minutes (about 5 minutes), but those reports would be taken back up by Staff [at the close of the meeting] because the report was in draft form. From a practical perspective, there was no opportunity to completely read the report in the few minutes provided.

Reading the **Conclusion** first: [Not completely verbatim] Austin Energy and Austin Water are committed to improving customer confidence in our processes. We will continue our commitment to quality efforts, proactive communication and enhancing customer experience.

From the beginning and other scanning: In mid-2017, AE began to receive water bill inquiries. Water bills were not out of line with historical patterns. AE coordinated with AW to review.

The metrics validated no large-scale, system issues. Photos validated Corix fieldwork. There was no way for Staff to know there was anything wrong. [Several examples were given of why Staff could not know, in their view, about the scale or nature of the metering problems.] Escalations reached 2254.

Customers misinterpreted existing utility regulations, leaving some customers with no formal recourse regarding administrative hearings because they thought they could not appeal through

those hearings. Some customers disputed calculations within the utility regulations, asserting that 100% of unexplained usage should be credited and disputing some eligibility criteria.

*** Reading was interrupted at this point to conduct the meeting. The above is only a small portion of the report.

Jim Boyle conducted the meeting, unlike previous meetings which were conducted by Staff.

Boyle – We are expecting a repeat of 2011 weather conditions this year. [He talked about having a house in the Lost Pines, where he learned about fires and weather.]

When customers were heard at EUC meetings, I realized that we can get in a rut. My career has been in dealing with utilities, primarily private utilities. Dealing with the culture of customers is difficult to describe. Also there is high turnover [in meter reading and the call center]. Call centers are a difficult area to manage.

What attracted me was the customer testimonies. Public utilities should act differently from private utilities. Relations are different.

My biggest worry is that there is this feeling that customers should have a good experience in a different way than they do with private utilities.

I am also concerned about "After-Action Reports". I haven't committed the AE After-Action Report to memory [after reading a few minutes], but I think there are things in draft that could be improved. [He presented the Onion Creek Flood After Action Report as a good example of that kind of report. He also showed the Bastrop Fire After Action Report and left a copy with Staff as an example of a successful report.] I am a great believer in AA Reports; it's important to have something we can go back to in the future. Taking time to do it is important.

Looking at the AE report, we Commissioners do not see Staff as enemies. Our goal is to see you succeed.

I asked questions [earlier] about vendor management. I don't see anything in the report on that. I looked at contracts and the RFP for Corix. I am familiar with the history. I was worried about vendor management. In reading the contract and looking at what Corix did, they had deliverables. They had to send reports with an invoice, per the contract. I didn't see them file those reports. They had 2 highs and 2 lows and they weren't in the report for August. They shouldn't have been paid without the reports.

A bunch of customers went pretty high on their bills – not just moving to another rate tier – with bills 10 times as high as normal. But I didn't see any Corix reports on that.

In 2015, Corix was down by 12 meter readers and said they could not perform “soft services”. By the last month of their contract, they were down by 17 meter readers.

Corix said in a letter to AE that AE would have a problem if there was a transition to a new company [that, is, if AE changed to a different contractor, as it did in September 2017].

In regard to the false meter readings, there must have been someone else at Corix besides the two meter readers [involved in the falsified meter reads].

Vaughan – [Asked if the Corix lawsuit was over.]

Veselka – Contractually, AE can hold Corix accountable for 34,000 customers that had problems. In the lawsuit, we are also trying to recover for AE Staff time spent on this. The City Attorney works on AE’s behalf. Our old attorney moved, so we had to start over with a new attorney. Also, key Corix management has been on vacation. We hope they will agree to pay for the reads. If it goes to litigation, the burden of proof is on AE.

Vaughan – For the future, there will have to be additional monitoring for a time when there is overlap when contractors are changed.

Veselka – Kelly Sing is the new attorney.

Overton – Maybe the attorney could call in and we could ask her questions.

Boyle – I worry that someone at AE knew this was going on. When Corix was short [of meter readers], they wrote a letter and negotiated with AE to do less under their contract. I wonder who was doing the management on this.

Vaughan – Staff gets a chunk of data only.

Overton – The request for not doing soft services came when we were not going to do any cutoffs. [Notifying customers of impending shutoffs was one of the “soft services” that Corix was excused from performing when they notified AE of their staffing shortages.]

Veselka – No one knew the 2 meter readers were not doing the reads.

Gross – [Apparently to Boyle and Maia] We have been here from January through July, and it is the same request for documents. We explain that we don't have documents, and you still continue to ask for it. I don't know what you want me to do. So we got questions last week again and we keep arriving at this point. [*Personal Note: To my knowledge, we have never asked for documents repeatedly after having been told that such documents did not exist.*]

Vaughan – I am happy with the AA Report. People were treated like liars.

[There was a discussion of whether there would be future Working Group meetings, and the Commissioners at the meeting generally agreed that there was no need to meet after the current meeting.]

Maia – [I discussed my concerns about non-transparency and the failure to provide answers and documents that have been requested. I expressed concerns that AW is forced to use AE for meter reading and billing, and that the cost to AW is high, and we now know that there are also problems with the quality of service. I said it would be better if AW was able to gradually take over the services that AE is now providing, but I understood that it was a complicated process, and I had no recommendations on the specifics of the separation that might be partial or complete.]

Joiner – We [AE Staff] decided that Staff didn't want to spend the resources to answer old questions, so we are doing something else [instead of answering questions about the past].

Bell – [Disagreed with Maia. Said she always gets what she asks for from Drema.]

Veselka – We talked about some things that may not need to be answered any more. We don't want to be seen as nonresponsive.

Boyle – Where I was frustrated was in trying to look at monthly reports. I asked for reports a number of times, and those reports DO exist [addressing Drema], but they were not provided. We looked at data by zip code. I thought this was a simple request.

The other thing is that I was worried about the administrative process. Maybe we could learn something to look at the process.

Bell – For AW customer service, the ball was dropped big time. People were not listened to and were caused financial problems. We need to be reassured that our customers will be listened to.

Vaughan – The customer satisfaction survey ... does that cover AW?

Gross – The after-call survey applies to any of the services of the call center.

Vaughan – Is it improving?

Overton – It is all improving. The ultimate score is with JD Powers. The after-call surveys are improving, and also improving with call-backs.

Boyle – Tiffany [Webb] kept saying that things were happening in clusters and they were.

Gross – What do you mean by high bills? That could be different things.

Boyle – I was looking at the contract between AW and AE.

I thought everyone would know about whatever was in the report. We were going to do a report.

Bell – [Asked Maia about writing a report.]

Maia – [I explained that it would take a very large amount of work to put together a report, and since other Commissioners did not want to participate in writing one, it might be too large of an effort for me to do alone. I made no commitment to either write or not write a report.]

Overton – [Addressing Maia regarding my position that the root cause of metering and billing errors is the internal culture of Austin Energy that treats our customers with disrespect and minimizes them, and also doesn't deal with concerns about lack of transparency.] **If you want to transfer all customer service functions of AE to Austin Water, you are going to be disappointed.** AW will be answering calls for all departments, not just water. **Ms. Maia, you just do not want to accept it, but we take responsibility for the tone.** At the end of the day, the customers want adjustments. We can't agree to adjustments without an audit trail. We will successfully help you to separate the utilities; we take 5000 calls a day. An EUC Commissioner asked if the call center didn't get flooded [with calls]. The 200 [did he mean over 2000?] escalations were highly intense. 95% of the customers didn't even come in on this issue. We pulled in people that didn't even know that they were affected. We had zero complaints after people saw the data. [*Personal note: **This statement is contrary to testimony of numerous dissatisfied customers at several EUC meetings.***] Our job is to please the Commissioners, the Council and the customers.

Gross – **Let's not throw AE under the bus [to Maia].** AW is responsible for much of the problems because we did not monitor AE closely enough.

On the question of whether AW is getting appropriate value from AE: That's a fair question. I want unbiased information. The AA Report is short-term. [She asked what reports needed to be reviewed.]

We started looking at zero reads every month. It turns out that they are unused irrigation meters, as well as other normal circumstances.

Also, AW will be doing an audit of AE. **We have trusted AE, but now we justify.** We found one issue is Bermex; we were able to find what could be changed. We don't have money for our own call center. Especially with AMI, we are going to use AE or take over some of that.

[She discussed many details that AW is discovering in the metering area that AW is trying to address to get better metering results and to gain a better idea of what is happening in the field.]

Maia – [I said that I supported the various types of actions on the part of AW that Drema had described, as a part of a process for AW to take over a greater portion of the customer service for AW customers.] **AW needs to control the customer experience and billing with water customers.**

Boyle – **We need to deal with zero reads.**

Maia – [I referred to Staff’s answers to Question #17 in the meeting’s packet, which contained eight sub-questions about zero meter reads. I pointed out that Staff’s comments regarding Question #17 were nonresponsive, since no sentence in Staff’s comments actually related to any of the eight questions that were asked.]

Questions and Responses
Working Group
<p>Question: During the period of July-December, 2017, how many residential customers were billed zero gallons of use? What investigation has been performed by AE to determine whether the zero billings are anomalous? What investigation has been performed by AW personnel? What did you determine were the reasons for anomalous zero reads? What actions have been taken to resolve those anomalies? Have customers been ultimately billed for some amount of water following this type of anomalous reads? Have they been put on a payment plan? Are you applying late charges for these reads? (May Question #17)</p>
<p>Answer: In addition to system generated high / low flags in the aforementioned question, AE produces multiple reports to proactively identify potential anomalies such as zero reads.</p> <p>Below are some examples of daily reports used to identify and correct anomalies before the bill is sent to the customer:</p> <ul style="list-style-type: none"> • Pending Bills requiring manual review for completion • Same Usage in Consecutive Bills- Water • Zero Consumption – Water (new) • Zero Reads (new) <p>Customers affected by anomalous reads receive re-issued bills with corrected reads and are credited any overcharges.</p> <p>The City of Austin Utilities offer payment arrangements to any customer whose utility account is eligible. Examples of accounts who do not qualify for a payment arrangement are: the utility account has been stopped, the utility account has meter tampering charges on it, or the utility services have been disconnected for non-payment.</p> <p>The City of Austin Utilities do not assess late charges on reads. Late charges are assessed on utility bills that have generated but not been paid by the bill’s due date.</p>

Gross – We will never get rid of zero reads. [Gave examples of zero reads – vacationing owners, irrigation meters which are not used, etc.] There are too many zero reads (800 per day) to keep up with it.

At the beginning of the year, there was a backlog of over 3000 meters needing repair, but maintenance staff is catching up. That number is down to 900 currently.

Zero reads are less critical to me than estimated reads.

Boyle – What does it mean when you set your flag [thresholds for water meter reads that are abnormally high or low]?

Gross – High/low flags doesn't do much anymore since we are taking photos of all reads. *[The logic of this statement was not explained since a photo by itself does not alert the utility about an unusual read that may need investigation.]* We are looking at meter photos in a meter read validation project, which is a small sample of customers.

Overton – Bermex is doing a phenomenal job.

Vaughan – I don't think we need to meet for another 6 months.

Boyle – Thanked Staff for their work.

[All After Action Reports were collected by Staff.]