

# Get to Zero

Improving the customer experience



PUGET  
SOUND  
ENERGY

# Serving our customers for over 100 years

**Headquarters:** Bellevue, Washington, USA

**Employees:** 2,700

**Customers:** 1.1 million electric customers  
790,000 natural gas customers

**Service area:** 6,000 square miles (15,500 sq. km), in Western Washington



# CEO Challenge: “Get to Zero!”



# In response PSE created “Get To Zero”

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At the programs' inception we received

**4 million calls**

That meant our customers had

**4 million problems**

We want to:

**Prevent problems** before they happen

**Notify & enable customers** to easily self-serve

**Quickly help them** when they do call



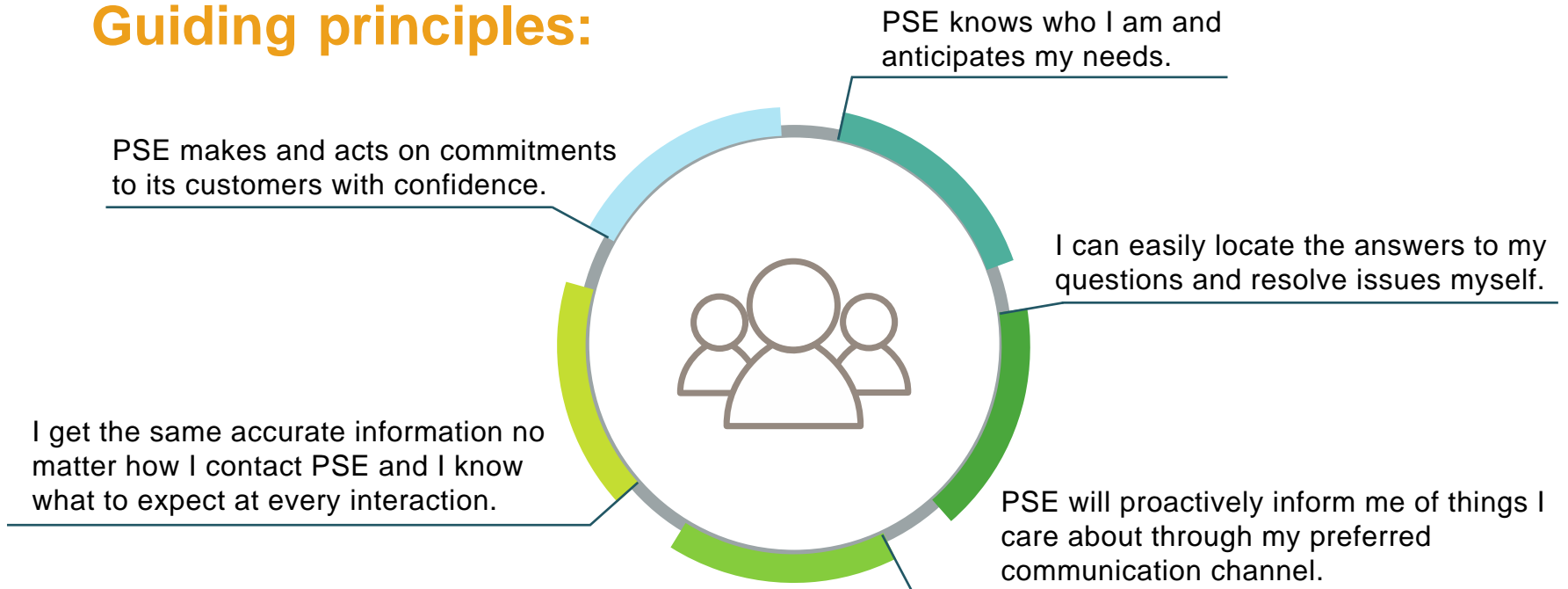
In other words: **Get To Zero**

# Mission and Vision

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To become our customers' energy partner of choice, GTZ will transform the customer experience by proactively addressing their need to call through innovative tools, systems and processes.

## Guiding principles:



# Data Quality: Hindered our vision and mission

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## Inconsistent or missing information

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**73%**

Without email  
address

**23%**

Phone numbers  
mismatched between  
customer and business

**15%**

Non-standard  
phone numbers

## Multiple sources, duplicative and obsolete information

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**27**

Sources of customer  
contact information

**3%**

Duplicate  
customer data

**82%**

Customer  
Records are  
inactive

# Dis-Integrated Work Management: The cause and effect

NO WORK VISIBILITY		CAN'T MEET CUSTOMER COMMITMENTS		NO SYSTEM INTEGRATION
<b>1,600</b> Lost or mixed meters in 2015	<b>2-6 mo.</b> To map new construction	<b>67 min</b> Restoration variance on average 2-hour outage	<b>110</b> Average projects per PM per year	<b>28%</b> Customer construction reschedule rate
<b>0%</b> Information available from the field to the customer	<b>3 weeks</b> Average time to respond to power quality issues	<b>100's</b> Work types handled manually in 20 separate datasets	<b>50%</b> New leaks caused by outside contractors	<b>20</b> "Phantom" outages per day

# Customers couldn't easily get the help they needed

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## Bill payment assistance for low-income customers

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**20%**

Eligible for income assistance, only 5% served

**4 calls**

minimum number of phone calls to PSE to process a single pledge

**\$7.9M**

Unallocated to eligible population

**30,700**

Estimated phone calls from low-income

## Payment arrangements & budget plans

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**200,685**

Calls to request payment arrangements

**373,000**

Payment and installment arrangements

**\$36M**

Defaulted by customers

**\$128.5M**

Total payment arrangements

**73%**

Arrangements administered by Call Center agents





# Processes impeded our success

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## Credit collections, field collections

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<b>275,000</b>	<b>70,000</b>	<b>55,000</b>	<b>150,000</b>	<b>55,000</b>	<b>10-15 min</b>
Annual disconnect orders issued	Disconnect orders expire due to inaction	Disconnections completed	Payments taken in the field	Customer calls to re-connect service	Time with customer, plus 20-minute drive time

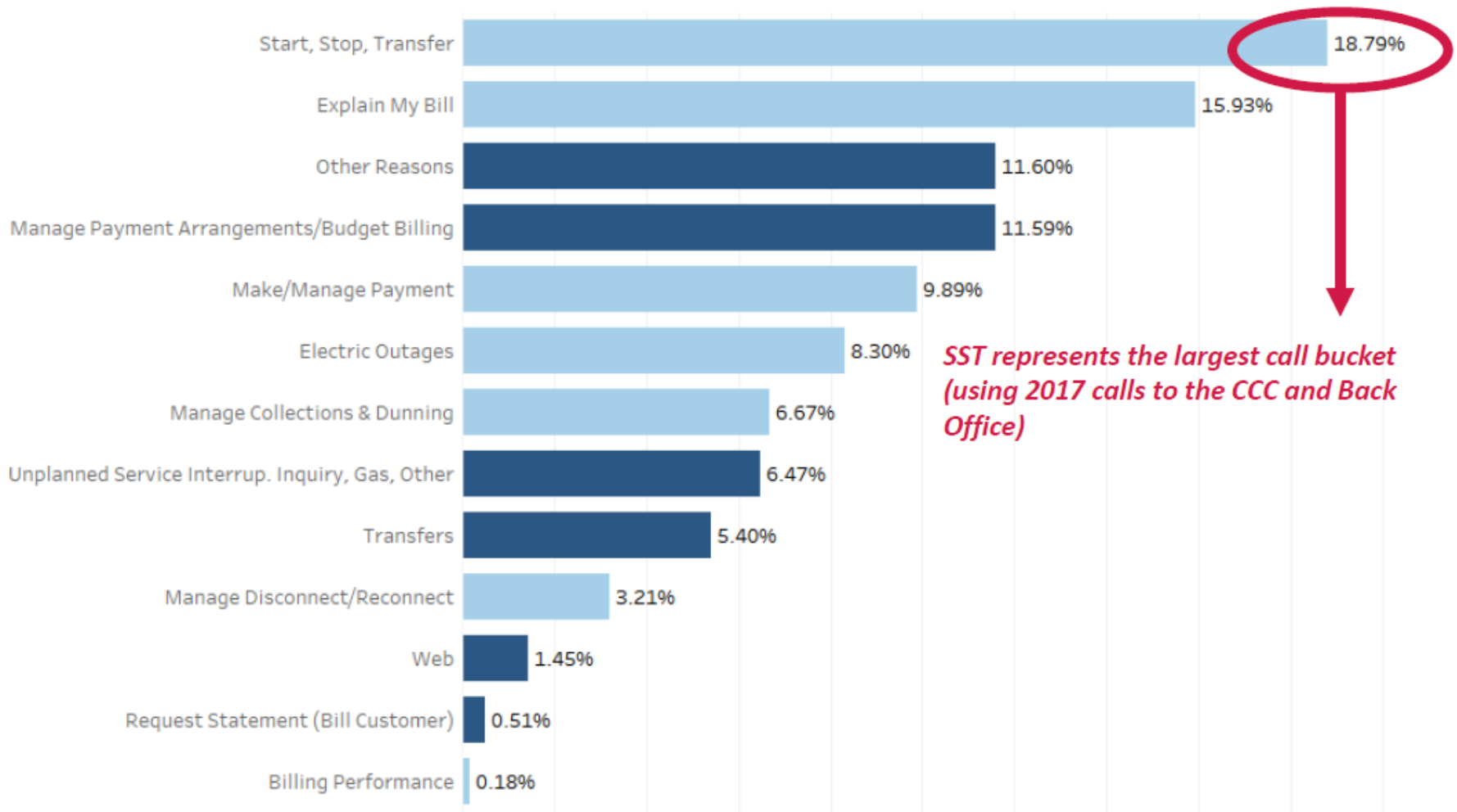
## Billing and payment

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<b>70%</b>	<b>15.9M</b>	<b>220,000</b>	<b>811,170</b>
Bills delivered via US Postal Service	Payments made through 13 separate channels / parties	Billing exceptions annually: 13 per 1,000 bills	Total payment and billing phone calls from customers



# Why are customer calling PSE?



Light blue = GTZ impacted area; Dark blue = area where GTZ has not implemented any projects.

# Customer behavior when interacting with PSE

Category	Talked to Agent w/o trying to self-serve	Failed to self-serve in the IVR	Failed to self-serve online
Account Management	57%	5%	39%
Billing & Payment	61%	14%	24%
Energy Efficiency	63%	5%	32%
Late Payments	63%	17%	20%
Other	76%	6%	18%
Outages	59%	26%	15%
Start / Stop / Transfer	75%	5%	20%
Web Support	10%	3%	87%

# Super 5 processes: Providing the framework for GTZ's initiatives

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# Digital Core: Enabling the Super 5

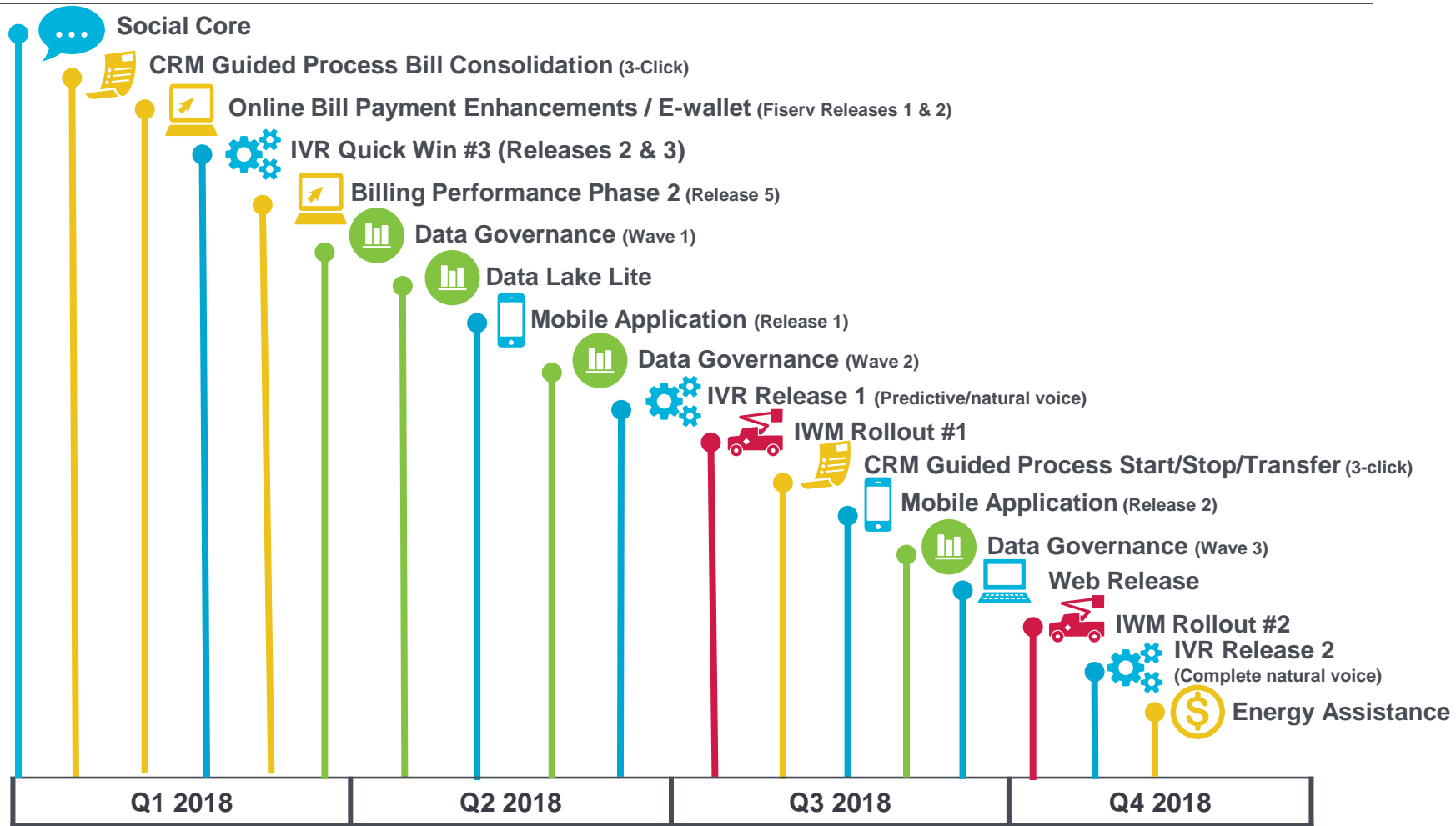


# Four subprograms: driving strategic value across the enterprise

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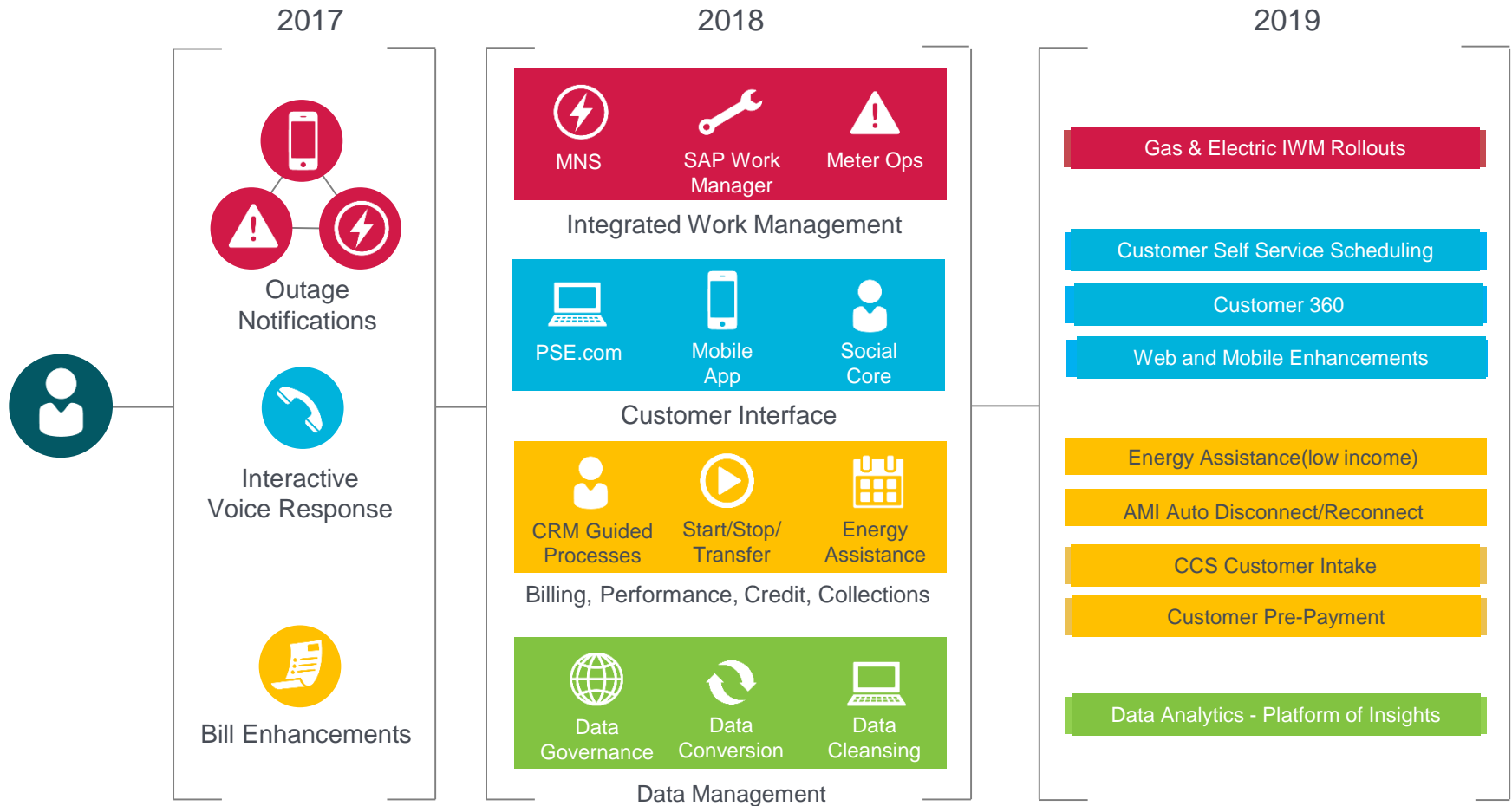
<b>Billing, Payment, Credit &amp; Collections</b>	<b>Customer Interface</b>	<b>Data Management</b>	<b>Integrated Work Management</b>
<ul style="list-style-type: none"><li>• Identify and remove obstacles and errors in the BPCC business processes</li><li>• Implement improvement opportunities to eliminate calls and reduce average handle time</li></ul>	<ul style="list-style-type: none"><li>• Redesign how customers transact with us</li><li>• Design a consistent Cx across all channels</li><li>• Provide self-service options and proactive communications</li></ul>	<ul style="list-style-type: none"><li>• Improve data quality</li><li>• Establish foundation to manage data as a corporate asset</li></ul>	<ul style="list-style-type: none"><li>• Automated &amp; mobile solutions for work &amp; asset management to optimize field work</li></ul>

# 2018 projects timeline



Version: February 8, 2018. Timeline and deliverables may be subject to change.

# Our journey





# Lessons learned

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Coordination across multiple Systems Integrators



Master schedule and project dependency



Benefits quantification



Internal resource constraints



Right people involved early

# What has worked well

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Dedicated team



Strong business engagement



Thorough plan and roadmap methodology



CEO endorsement



Good business partners

# Future State

**We'll become so good at what we do that our customers won't need to call us.**

