Presentation outline

• Indiana Utility Regulatory Commission’s (IURC) *Indiana Billing Symposium*

• Research methods for NRRI Research Report

• Findings

• Ideas for future research
IURC Billing Symposium

- IURC convened a day-long *Indiana Billing Symposium* in November 2015 (see NRRI Report No. 16-02)
- The purpose was to bring together utility billing stakeholders, to allow for a deeper understanding of billing practices across the utility industry, and provide for open discourse
- About 75 participants attended the *Symposium*, representing 25 organizations
- The *Symposium* consisted of four panels, each included three or more 10-minute presentations followed by a Q&A session and open discussion
- Panel subjects were:
  - (1) consumer research
  - (2) paper billing
  - (3) eBilling
  - (4) comprehensive customer engagement on billing
NRRI Report No. 16-03: Methods

- *IURC Symposium* as a launching pad
- Initial, brief questionnaire sent to state commissions:
  1. Best contact person
  2. Links to Commission billing rules and regulations
  3. Lists of important dockets with related issues
  4. Agency data about complaints by industry and topic
- Billing rules content review and summary
- Review of state utility commission complaints data
- Literature review, including sample utility bills, and utility and commission consumer information (e.g., press releases, brochures, web pages)

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Literature review

- Review goals and objectives for billing and related communications rules, for commissions, utilities, consumers of different stripes, and society as a whole

- Historical trends in literature:
  - piecemeal progression over time
  - energy efficiency and content-labeling thrust in 80s-90s
  - competitive supplier billing since mid-90s
Literature review (continued)

- Recent and emerging trends:
  - Integrating communications channels and content
  - Enhancing customer segmentation
  - Increasing customer engagement
  - Using social media
  - Improving emergency communications
  - Finding opportunities for two-way communications resulting from grid modernization
Billing rules categories

<table>
<thead>
<tr>
<th>Rule</th>
<th># of States that include this topic</th>
</tr>
</thead>
<tbody>
<tr>
<td>Minimum contents</td>
<td>46</td>
</tr>
<tr>
<td>Service deposits</td>
<td>47</td>
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<tr>
<td>Estimated bills</td>
<td>48</td>
</tr>
<tr>
<td>Master metering</td>
<td>39</td>
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<tr>
<td>Historical usage</td>
<td>26</td>
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<tr>
<td>Dispute resolution</td>
<td>43</td>
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<tr>
<td>Third-party agents</td>
<td>30</td>
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<tr>
<td>Levelized billing</td>
<td>33</td>
</tr>
<tr>
<td>Payment methods</td>
<td>13</td>
</tr>
<tr>
<td>Payment assistance</td>
<td>30</td>
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<tr>
<td>Partial payments</td>
<td>20</td>
</tr>
<tr>
<td>Special payment plans</td>
<td>40</td>
</tr>
<tr>
<td>Denial, disconnection</td>
<td>46</td>
</tr>
<tr>
<td>Weather-related shutoff</td>
<td>42</td>
</tr>
<tr>
<td>Electronic billing</td>
<td>15</td>
</tr>
<tr>
<td>Customer data privacy</td>
<td>18</td>
</tr>
</tbody>
</table>

- Several other nearly-universal categories are not included (e.g., meter errors, accuracy and testing; unauthorized use; late payments and returned checks; and disconnections in cases of emergency or to protect health & safety)
- Industry types covered by rules varies by state
Billing topics related to low-income assistance and affordability

- Service deposits (included in 47 states’ rules)
- Payment methods (13)
- Payment assistance (30)
- Partial payments (20)
- Special payment plans (40)
- Denial, disconnection (46)
- Weather-related shutoff (42)
- And, to a lesser extent:
  - Minimum contents (46)
  - Master metering (39)
  - Dispute resolution (43)
  - Third-party agents (30)
  - Levelized billing (33)
Complaints data overview

- Complaints data analysis of responses from 17 states
  - 23 states provided data on complaints by industry type
  - 13 states provided data on complaints by topics/issues
  - 6 additional states ran complaints database queries
- Timelines are not uniform
  - Length of time information collected varies
  - Year of data reporting varies
  - 2012 is earliest data used
- Complaints data varies widely, so only percentages are reported
Percent of total complaints by region and industry

- WSPSC, MARC, NECPUC, SEARUC, and MACRUC are regions as defined by the National Association of Regulatory Utility Commissioners (NARUC).
Percent of complaints by broad issue category

- WCPSC, MARC, NECPUC, SEARUC, and MACRUC are regions as defined by the National Association of Regulatory Utility Commissioners (NARUC).
- Authors' construct using data provided by: Alaska, California, Connecticut, Indiana, Maine, Montana, Ohio, Oklahoma, Oregon, Pennsylvania, Texas, Virginia, and West Virginia.
Complaints category names

- service quality
- billing issues
- deposit issues
- outages
- rates
- billing dispute
- high bill
- service
- billing arrangements
- customer service
- New Service charges
- miscellaneous
- Estimated bills
- other charges
- enrollment dispute
- PIPP Issues
- service requests
- slamming
- extensions
- terminations
- Deposit submetering
- deposits
- administration
- service charge
- Rates & Tariffs
- Government Agency
- initiation of service
What events stir up complaints?

- Do key events kick off numerous complaints?
  - Changes in bill format
  - Extreme weather
  - Sudden changes in rates that are large enough for customers to notice

- Could more careful observation of complaints help:
  - Identify and analyze complaints-initiating events
  - Better predict them
  - Prepare and disseminate information in advance to inoculate against large numbers of complaints
Existing issues

- Problems and shortcomings turn into informal complaints, formal complaints, and contested cases
  - 3 states have dockets involving new billing systems costs and capabilities
  - Master-metering dockets in Connecticut and Ohio
  - Michigan PSC docket about persistent problems with estimated billing practices
- Ongoing needs remain for continuous improvement in low-income protections and assistance
Emerging issues

• How is grid modernization changing the needs for billing and customer care communications
  o Electronic billing (currently in rules for 15 states)
  o Customer data privacy (currently in rules for 18 states)
  o Remote shut-off protections
  o Pre-paid services
  o Two-way communications between customers and utilities, meters and utilities, devices and utilities, & devices and devices
  o Use of social media by both utilities and commissions
Topics for further consideration

- Coordinate in-depth research about utility complaints
- Research in detail consumer needs and interests
- Identify future roles, performance metrics, and standards for utilities
- Revisit the issue of low-income protections and information available about assistance programs
Summary

• Major needs for improved communications and customer education remain:
  - Current dockets and hundreds of ongoing customer inquiries and complaints, informal and formal
  - Low-income assistance and protections
  - Call-center research and better coordination could help pinpoint needs

• Grid modernization is resulting in major opportunities at low incremental cost
  - Hundreds of companies are already developing these options, devices, and systems
  - Utility versus competitive roles remains a key issue