BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

In the Matter of Kansas City Power & Light Company's Request for Authority to Implement A General Rate Increase for Electric Service)))	Case No. ER-2018-0145
In the Matter of KCP&L Greater Missouri Operations Company's Request for Authorization to Implement A General Rate Increase for Electric Service) o)) <u>.</u>	<u>Case No. ER-2018-0146</u>

NOTICE

COME NOW Kansas City Power & Light Company ("KCP&L") and KCP&L Greater Missouri Operations Company ("GMO") (collectively, the "Company") and respectfully state as follows to the Missouri Public Service Commission ("Commission"):

- 1. On September 25, 2018, the Company filed a *Non-Unanimous Stipulation and Agreement Concerning Rate Design Issues* ("Rate Design-TOU Stipulation") which included an agreement between the Company, Staff, the Office of the Public Counsel ("OPC"), Missouri Division of Energy ("DE"), and Renew Missouri Advocates ("Renew MO") (collectively, the "Signatories") on Time of Use ("TOU") rates.¹
- 2. On October 31, 2018, the Commission issued its *Order Approving Stipulations* and *Agreements* ("Order") which approved the various settlements between the Signatories in these dockets, including the Rate Design-TOU Stipulation referenced above.

1

¹ "e. When completed the Company will submit to the Commission the following documents on an ongoing basis: Customer research plan, business case for shadow billing, marketing and education plan, EM&V plan, Customer Feedback Mechanism, Customer Behavior Metrics, EM&V interim and final results and documentation shared at each stakeholder meeting." See Rate Design-TOU Stipulation, p. 6, Section 2(e).

3. Pursuant to the provisions of the Rate Design-TOU Stipulation the Company is filing the attached *Residential Time of Use Marketing and Rate Education Plan* (presented on June 28, 2019) and designated as **Exhibit A**.

WHEREFORE, the Company respectfully request the Commission take notice of the attached.

Respectfully submitted,

|s| Robert J. Hack

Robert J. Hack, #36496 Roger W. Steiner, #39586 Kansas City Power & Light Company 1200 Main Street Kansas City, MO 64105

Phone: (816) 556-2791 Phone: (816) 556-2314 Fax: (816) 556-2787 rob.hack@kcpl.com roger.steiner@kcpl.com

James M. Fischer, #27543 Fischer & Dority, P.C. 101 Madison Street—Suite 400 Jefferson City MO 65101 Phone: (573) 636-6758

Fax: (573) 636-0383 <u>Jfischerpc@aol.com</u>

ATTORNEYS FOR KANSAS CITY POWER & LIGHT COMPANY AND KCP&L GREATER MISSOURI OPERATIONS COMPANY

CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing have been mailed, hand-delivered, transmitted by facsimile or electronically mailed to all counsel of record this 8th day of July 2019.

<u>Roger W. Steiner</u>

Roger W. Steiner

Residential Time Of Use Marketing and Rate Education Plan

Q2/19 Missouri Stakeholder Report

June 28th, 2019

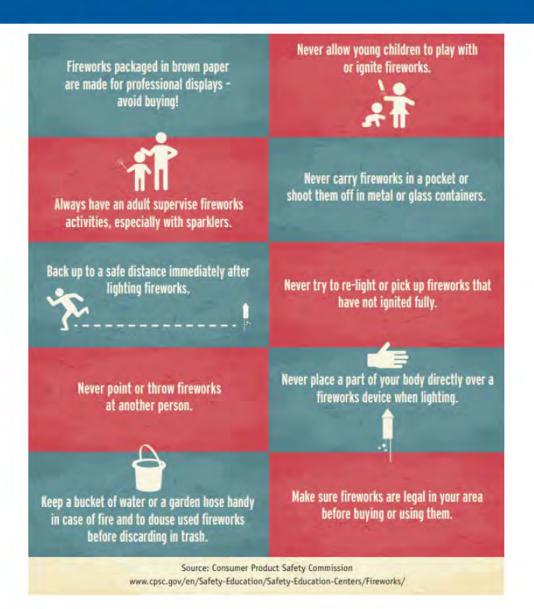


Safety Moment



Firework Safety:

Around 200 people enter the emergency room every day with fireworks related injuries the month surrounding Independence Day. Avoid the emergency room by following these safety tips.



Stakeholder Recap



What we've reviewed so far:

- Shadow Billing Business Case
- Customer Research Plan
- Customer Behavior Metrics
- Customer Feedback Mechanism
- Evaluation, Measurement and Verification (EM&V) Plan

Today's Agenda



- Project Goals and Overview
- 2. Understanding Customer Expectations
- 3. Campaign Strategy and Timeline
- 4. Creative Messaging and Naming
- 5. Campaign Creative
- 6. Recap and Campaign Investment
- 7. Customer Service Approach
- 8. Questions and Next Steps

Project Goals & Overview



TOU and Block Tariff Requirements



BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

In the Matter of Konson City Power & Light Company's Request for Authority to Implement A General Rate Impense for Electric Service

Case No. ER-2018-0142

In the Matter of KCP&L Greater Missouri
Operations Company's Respect for Authorizations to)
Implement A General Bate Increase for Electric
Service

Case No. ER-2018-014

NON-UNANIMOUS PARTIAL STEPLIATION AND AGREEMENT CONCERNING RATE DESIGN ISSUES

COMI: NOW Keasas City Power & Light Company ("KCP&E."), KCPME, Genter Minout Operations Company ("OMO") (collicitivity the "Company"), the Staff of the Minouri. Public Service Commission ("Staff"), the Office of the Public Comsel ("OPC"). Advanced Energy Management Allinere ("AEMA"), Mousen) Devous on Fenergy ("DE"), Minastra Jount Minicipal Electric Unity Commission ("MARGEC"), and Remen Minouri Advances ("Remen MO") scotlectricity, "Signatorice" ("MARGEC"), and Remen Month of the Roma Month of the Non-Allinamous Partial Signaturies" (it and furound their suspective commel, and for their Non-Allinamous Partial Signaturies and Agreement concerning interest feeling issues ("Refer Design Signaturies"), respectfully state an follows to the Minouri Public Service Commission ("Commission").

AGREEMENTS

1. SETTLEMENT OF SPECIFIC ISSUES

This settlement resolves the following issues on the September JR, 2018 Corrected Los of Jussis filled in this case: Load Research [II]; the following issues in Rate Design Class Cort of Service (III) (Time of Use Resolvenial Rate Design): Tariffi (IV); Raden (V), Indiana Model (VI). Third Party Charging Stations (VII); and Desirdated Energy (VIII). As such, the parties do not believe that it in necessary to laten these muses as beginning on September 24, 2018.

the Design Supationes of either a minimigation and internative rate plans in the form of Time of Unemateriary following accepted best pursues and adamers within the class. The Company believes, wood selection of rates offered to Contonners and wide-un opportunity to Commerce to shift demands soon than shifting bend. Further, FOU rates allow accuract additional benefit from recent apparatus in

AL and GMO will offer a residential Time of Use pilet by the Company in this case, as an opt-in-rate terrative to standard residential rates, which shall

s note will remain in offect until changed by

iii Continuers who take service under the TOU opt-to rate and switch back to a standard rate will be required to wait 12 months before they will be eligible to re-quired in the TOU opt-to rate.

¹ The Superiors we the plants, "regardly proposed," for the purpose of identifying the residented EOU pilot investors, the see of this plants does not sachade, and specifically excludes, the EOUNAL and OMO's proposals primary to continuing TOU with MEEA.

-

Time Of Use Rate Plan

- Establish a global awareness/education plan to reach all customers
- 2. Enroll customers within the TOU rate plan
- 3. Additional focus on high touch/at-risk customer groups

Standard Tiered Rate Plan

Establish a global awareness/education plan for all customers

Creating Rate Education Synergies



Educating on a larger scale as the portfolio of plans continues to expand.

Standard Tier Rate Plan

Evergy's Standard Tier plan is what the majority of our customers begin with when signing up.

Our Standard Tier plan provides three "tiers" of energy pricing. Once you've used that tier's allotment, your rate changes based on the next tier's pricing.

My current plan is perfect for my family's lifestyle and energy needs today.



Time Of Use

Introducing Evergy's new Time Of Use plan. Learn if this rate plan may be right for you.

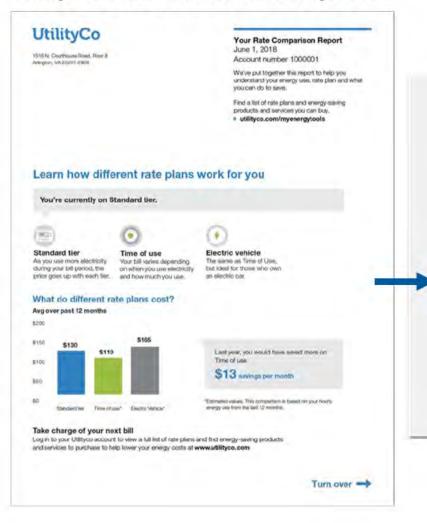
Our Time Of Use plan rewards you with rate discounts when you shift the majority of your weekday energy use to off-peak times.

With a few small behavioral changes in my daily lifestyle, changing to the new Time Of Use plan would be beneficial to me/my family. I'm going to enroll in it.

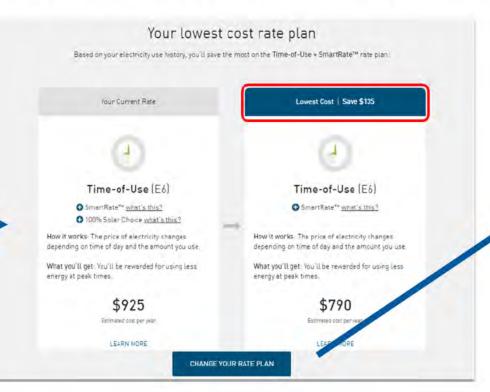
Shadow Billing Collaboration



Step 1: Rate Education Reports



Step 2: Online Rate Analysis Tool



Step 3: Post-Enrollment Reports



Industry TOU Marketing Review



Reviewed optional rate and TOU programs from a number of utilities

Three key learnings we're applying:

1. Websites play an important role in education

 High use of websites, need for an informational and visual landing webpage

2. High use of visuals

- Many use clocks to show time periods
- Use of color to demonstrate savings periods

3. Focus on "high use" appliances

 Help customer understand that they need to shift larger appliances like A/C and dishwasher, but lights, phone chargers and small appliances are fine

Sample List of Utilities Reviewed						
Utility Highlights						
APS	 Welcome kit High visual graphics Stagger/shifting messaging Transition phase 					
OG&E	- The 'why' behind TOU - Transparency around program					
PG&E	- Display of time periods - Use of word "plan" - Top electricity appliance education					
Xcel	Shifting messaging vs using less Examples of easy daily life changes					
Southern California Edison	TOU web landing page Customers who might benefit the most education					

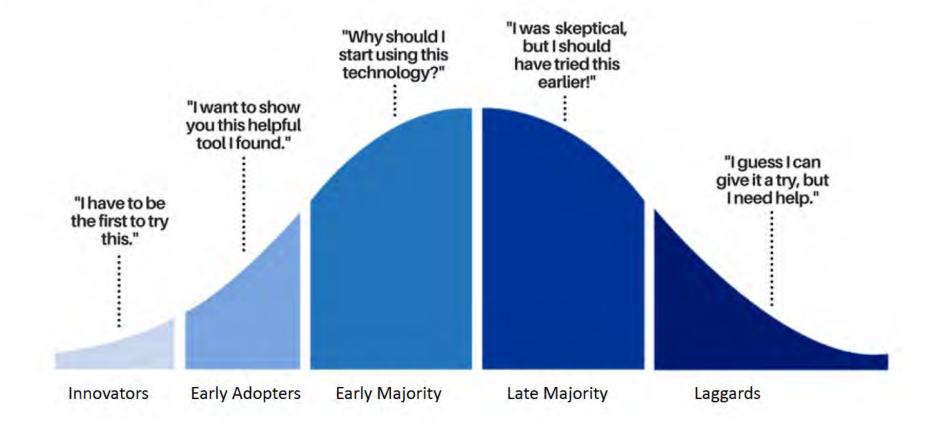
Understanding Customer Expectations



Adoption Curve



Innovation and technology adoption curves typically look like this.



Customer Decision Journey



Purpose

To identify the customer's mindset, influencers and barriers/bias that will affect their decision to enroll in the new rate plan.

Research

Insights were driven by research performed throughout the development of the new rate plan.

Activation

Customer journey map then drives marketing activation tactics to address the barriers/bias.

		CONS	UMER DECISION JOURNEY			
Consumer	Residential Evergy Customer		Brand:	Evergy		
Challenge	I'm not sure of the best rate plan for i	my energy needs.	Product: Time Of Use (TOU) Rate Plan			
Mktg Objective	Introduce the power of choice in pick	ing rate plans and encourage enrollmen	t in new TOU option.	One Benefit:	The power of choice	
	EDUC	ATION	ENROL	LMENT	ADVOCACY	
Step in Journey	AWARENESS	CONSIDERATION	ENROLLMENT	EXPERIENCE	ADVOCACY	
Priority						
Environment When a the codsumer nost likely open to receiving our message?)	At home - contuming media (email, TV, writine, a scall surfing checking utility bill). In the community - neighbors, church, town/city meetings, etc. — Interacting with the Evergy website or physical location.	Website and/or other sligital based informational resources Call Center, office, social media - in person/in the community - friends, family, neighbors, early adopters/influences.	- My werk/office or other location where I have wilf/Interret access At hore Evergy walk-in payment center.	- At home - consuming electricity, actively changing behaviors froutines. Websale, ving O'Dewer to obs. - Receipt & review of mosthly bill.	-Social media: sharing, commenting, posting their own relevant experience/saringsCommunity -eighthors, shurch, Iswa/city mentings, etcParticipation/voting in legislation development process.	
Influencers (Who or what may inspire then to- consider our message)	Social media comments/conversations. Tread/sicnal/daginal media cources. Family, friends, neighbors. News outlets, bioggers, secondary info sources.	-Branded materials (traditional or online; escouraging grogram benefits)Secal media comments/conversacionsTraditional/digital media sourcesFamily, friends, reighborsEvergy lepresentative (CRR, call center, walk-in payment center)Moving resources (HOA, community directories, elocation guides)Builders/Real Estate Agents.	-Branded materials (traditional or enline; encourtaging tasy enrollment). -Every Representative (CSR, call center, walk-in purposent center) -Options for additional account tools/resources (O? ower, sundle services/products)	OPower or other account tools - readily-available, real-time us applyingers in formation. Notable cost savings. Interaction with a Evergy representative.	- Social media: community and/or environmental voices -Family, frends, neighbors, community. -Experts, legislatos, community officials.	
Barriers or Bías (700 3)	1) I didn't know Evergy had different rate plan options I could choose from. 2) The various rate plan options feel complicated to understand and hard to switch to. 3) I'm not sure if this new TOU plan is right for our household/lifestyle.	1) The new TOU plan feels complicated given the different pricing levels throughout the day. 2) This plan requires me changing some of my daily habits/rituals during the work week. 3) Switching to the new TOU plan requires more effort than what it's worth given how much fill save.	anintuitive. 2) I don't have orknow where to find all of my account information (enrollment requires too much	1) I'm finding it difficult to change/shift my energy-use activities. 2) (am not seeing savings reflected in my monthly costs. 3) It is difficult to manage the OPower tools/difficult to understand how to take advantage of program banelts.	1) Poor experience or unrealized savings via the TOU rate plan. 2) Don't feel like Every is being truthful/ transparent about why these are beneficial rate plan options. 2) See/her Every/make rate increase requests or propose new power generatios plants in the future.	

Media Consumption





The average commute in our area is between 19.3-22.9 minutes*



83% of those employed in our area drive alone to work*



81% have listened to the radio (home or car) in the last 30 days**



68% have listened to streaming radio (i.e. Pandora, Spotify, etc) in the last 30 days**



64% have watched video online in the last 30 days**



51% have watched video on social platforms in the last 30 days**



65% have used Facebook and 25% have used Instagram in the last 30 days**



80% are using the internet on their smartphone and 71% are using it on their computers**



43% have been to a Royals game, 36% have been to the Power & Light District and 33% have been to Union Station***

Sources:

- * US Census Bureau
- ** 2018 MRI Database
- *** Kansas City 2018 Scarborough

Campaign Strategy & Timeline



Campaign Strategy



Marketing & education campaign strategy is guided by 3 key learnings from customer research

Customer Learning

- Rate plans can be confusing or feel complicated
- Today's "Google first" customer looks to digital and social channels to educate themselves on new things every day
- Customers look to KCP&L's website for reliable and trusted information

Campaign Strategy

- Simplify: Deliver education in a clear, concise manner utilizing streamlined visualizations of key information wherever possible.
- Connect: Deliver education to customers across an integrated mix of touchpoints proven through research and history to be successful in reaching and resonating with customers.
- Consistency: Make a consistent, centralized message available on the company's website, which all other tactics, including direct/in-person communication, will drive customers to for additional information/education.

Campaign Approach



Building Momentum: Phased Approach To Rollout

Audience	Employee Education	Early Adopters/Advocates	Full Customer Education Campaign	Target Customer Enrollment
Length of Phase	12 weeks Mid-August – October 2019	14 weeks October – December 2019	45 weeks Late-January – November 2020	Ongoing
Goals	Educate all employees to become knowledgeable resources/advocates for TOU	Enroll early advocates who can help build trust in the program and provide enrollment feedback	Educate all customers on rate options and high-level understanding of TOU rates	Used targeted channels to help drive enrollments in the program
Primary Tactics	Web, Email, App, Signage	Email, Social, Events	Radio, Digital, Social, Email, Bill Insert, Website, News Media, and other	Social, Digital, Email, Web

Phase 1: Employee Education Launch

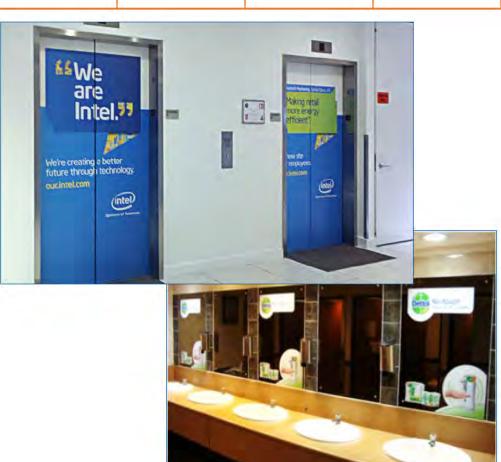


	2019					2020			
JUL	AUG	SEP	ОСТ	NOV	DEC	JAN	FEB	MAR	APR
	Employee Campaign								
1			Evergy Rebrand						

Strategy

Educate employees to become knowledgeable resources and advocates for TOU plan

- Confidently talk about the TOU rate plan what the plan is, how it works, why it's important to the company
- 2. Generate excitement by previewing marketing campaign
- Encourage early enrollment to gain first-hand experience and foster knowledge/advocacy



Phase 2: Early Adopters/Champions



2019							20	20	
JUL	AUG	SEP	ОСТ	NOV	DEC	JAN	FEB	MAR	APR
	E	mployee Campai	gn						
				Early Adopters	\longrightarrow				

Strategies

- Enroll Early Adopters into plan
- Create customer champions/advocates as they enroll and experience the new rate plan

Who Are Our Innovators and Early Adopters?

✓ Electric Vehicle Owners

✓ Working Adults w/ no kids

✓ Savers

✓ Routine Changers

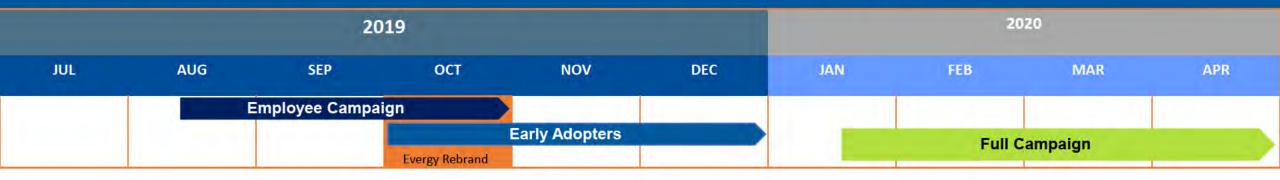
✓ Technology Early Adopters

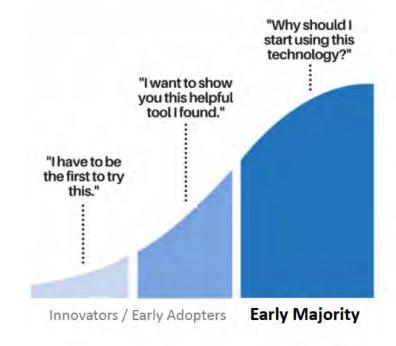


Innovators / Early Adopters

Phase 3: Full Customer Education Launch





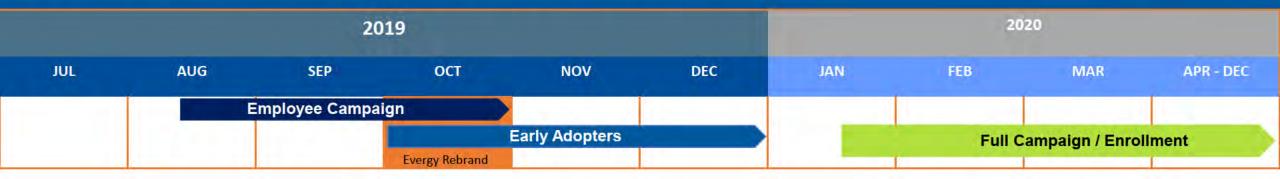


Strategies / Full Campaign

- Create awareness across entire territory
- Ignite enrollment throughout customer base
- Helps understanding around Standard Rate
- Educate and inform vulnerable customer groups
 - Seniors, Lower HH Income Families and Medical Device Dependent

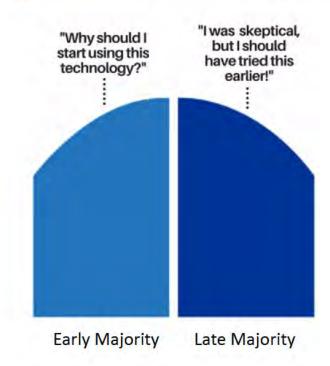
Phase 4: Target Customer Launch





Strategies / Full Campaign

- Target specific customer segments that research identified as most likely to desire TOU plan
 - Savers, Routine Changers and Working Adults w/ no kids in HH
- Leverage Innovators/Early Adopters as advocates for the new rate plan



High Touch Customer Groups



We will increase communication for some segments with more customized communication

- Focus
 - Seniors, Low Income HH and Medical Device Dependents
- When possible send 1:1 communication items
 - Examples:
 - Customized letter to all medical device customers
 - Customized email to low income PRIZM data customers
 - In-person events, like at Connect, for 1:1 discussions
 - Customer Relations and Connect team members for advance conversations



Campaign Messaging & Naming



Rate Name and Messaging



Name and Messaging

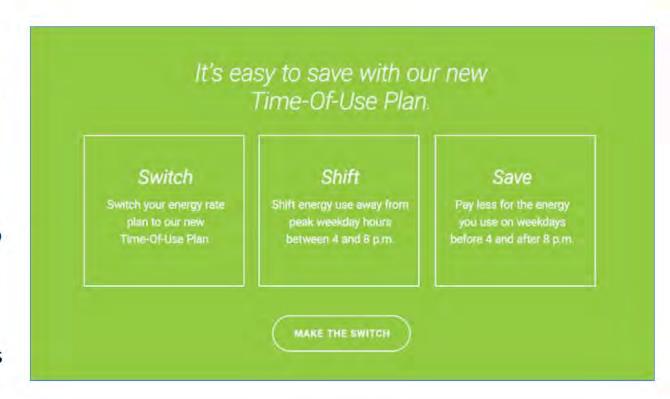
✓ Rate Name: Time of Use Plan

Marketing Messaging: Switch, Shift & Save

Time Of Use Plan Naming/Messaging Strategy

Leveraged utility peer learnings from other plan launches to frame messaging

- ✓ Clearly explain how the plan works
- ✓ Highlight peak period hours
- ✓ Incorporated examples of energy shifting behaviors that would need to occur to realize savings within the plan
- ✓ Establish rate plan as "weekday" only



Time Period Name and Messaging



Proposed Names and Messaging

- ✓ Time Period Names:
 - Peak: 4 pm 8 pm
 - Saver: 6 am 4 pm, 8 pm 12 am
 - Super Saver: 12 am 6 am
- ✓ Marketing Messaging: Wait 'til 8











Time Period Names/Messaging Strategy

- ✓ Clearly explain how the time works
- ✓ Highlight high use period hours
- ✓ Limit the use of "peak" due to customer understanding of term
- ✓ Develop terms that our customers are already used to hearing in their daily lives

Rate Portfolio



When It Comes To Energy Savings, Timing Is Everything

Everyone's needs are different—and so are the times we use energy. Which is why Evergy puts the power of choice in your hands with new rate plan options, each designed to save you money based on the times you use the most energy.

So, you can find an energy plan that best fits your life.

Option One: New Optional Rate Plan (TOU)

Our new optional rate plan rewards you with rate discounts when you shift the majority of your weekday energy use to off-peak times, like after 8 p.m. If you can shift a portion of your energy usage — like running the dishwasher, washing machine, dryer, and charging your electric car — away from the hours between 4 p.m. and 8 p.m., this plan may be right for you.

Option Two: Standard Tiered Plan (Block)

Our Standard Tier plan provides three "tiers" of energy pricing. Each billing cycle starts you at the "Tier 1" rate. Once you've used the allotment of energy for this tier, your rate changes based on the next tier's pricing. If you like to actively monitor and control the amount of time you use energy overall, this plan may be right for you.

Future Option: TBD

Future rate option copy here

Find the plan that best fits your life.

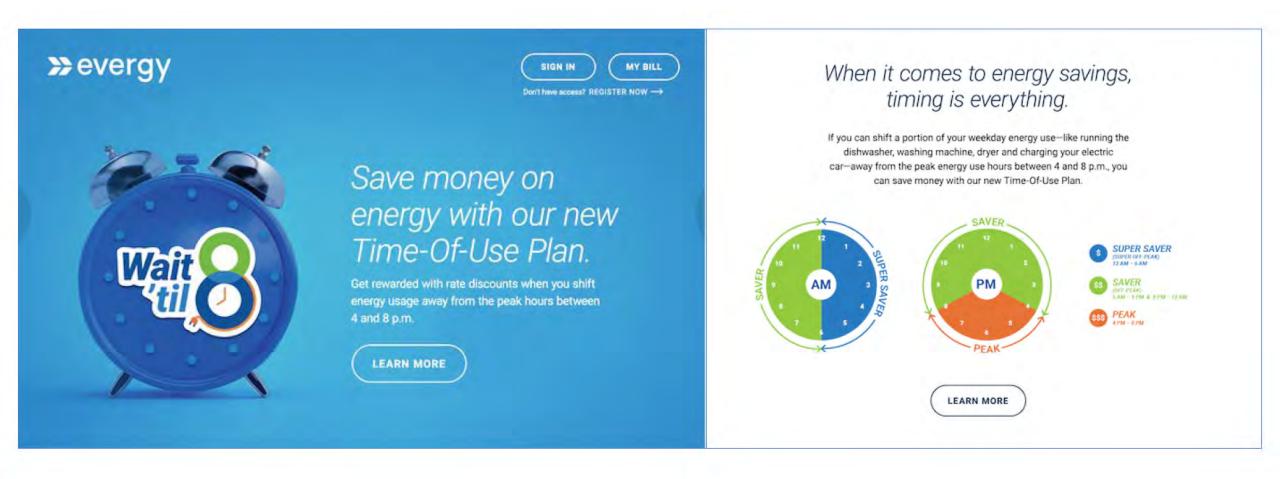
With our new rate plan options, you save money on energy when you time things right. To learn the times you're using the most energy and which plan is the best fit for your life, log in to your account at Evergy.com.

Campaign Creative



Introducing... Time of Use Plan

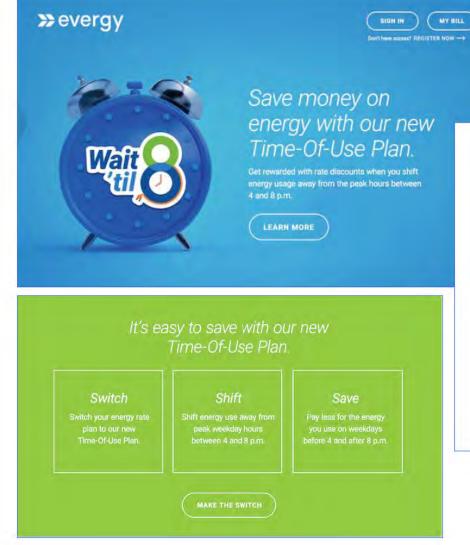




Creative Mockup - Email









Creative Mockup - Bill Insert





Creative Mockup – Customer Letter



>> evergy

Dour I. Name Family:

While energy plays an important part in all of our lives, we realize people depend on it in different ways. This includes the times each family uses the most energy. This is why were putting the power of choice back in your hands with rate plan options designed to save you money depending on the times you use energy the most.

ABOUT OUR NEW TIME-OF-USE PLAN

Dur new Time-Of-Use Rate Plan rewards you with discounted rates when you shift weekday energy use away from the peak hours between 4 and 8 p.m. If you can shift a portion of your energy usage—like running the dishwasher, washing machine and dryer—to off-peak times before 4 and after 8 p.m., our new Time-Of-Use Plan may be right for you.









WHAT ARE THE POTENTIAL DISADVANTAGES OF THE TIME-OF-USE PLAN?

Changes in your household's energy habits are necessary to save money with the Time Of-Use Plain. If you use a lot of power during the weekday peak hours between 4 and 8 p.m., your energy coats could increase. The more you shift your energy use outside of peak times, the more you can save.

SEE IF THE TIME-OF-USE PLAN IS RIGHT FOR YOU.

Log Into your account at Evergy com, call your customer service representative at 800-000-0000, or stop by one of our Evergy Connect locations to see if the new Time-Of-Use Plan is right for your life.

Dear LName Family:

While energy plays an important part in all of our lives, we realize people depend on it in different ways. This includes the times each family uses the most energy. This is why we're putting the power of choice back in your hands with rate plan options designed to save you money depending on the times you use energy the most.

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Creative Mockup - Website



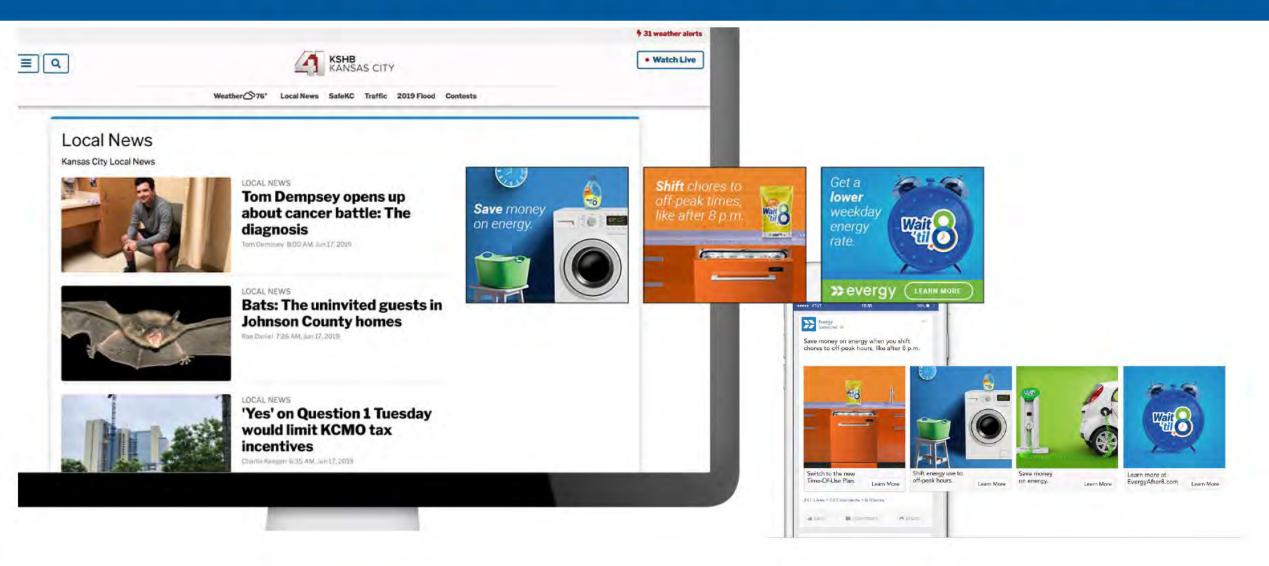






Creative Mockup - Digital & Social





Creative Mockup - Handout





Creative Mockup – Welcome Letter







Dishwasher Magnet

For more information on your new plan, visit Evergy.com.

In home reminder of the program that encourages behavior shifts.

Want to maximize your energy savings? Here are some tips:

- Run your dishwasher, washing machine, dryer and other large appliances before 4 or after 8 p.m.
- Program your thermostat to reduce heating and cooling between 4 and 8 p.m., or when you're not at home.
- Install timers on electric water heaters and recirculation pumps so they primarily operate during Saver and Super Saver hours.
- Set timers on pool and spa pumps to run during Saver and Super Saver hours.
- If you have an electric vehicle, charge it during Saver and Super Saver hours.



Media Consumption





The average commute in our area is between 19.3-22.9 minutes*



83% of those employed in our area drive alone to work*



81% have listened to the radio (home or car) in the last 30 days**



68% have listened to streaming radio (i.e. Pandora, Spotify, etc) in the last 30 days**



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Sources:

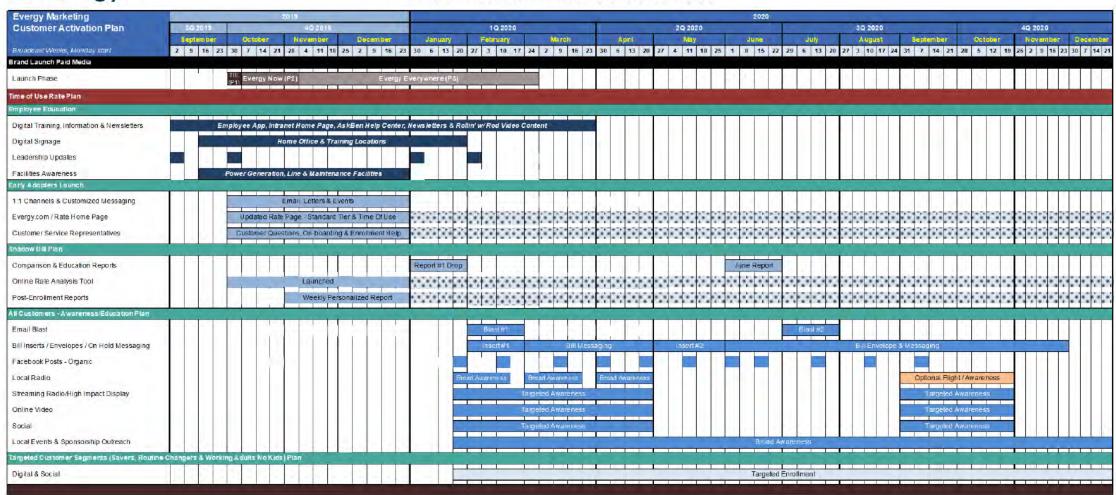
- * US Census Bureau
- ** 2018 MRI Database
- *** Kansas City 2018 Scarborough

Comprehensive Media Plan





2020 MARKETING PLAN / TOU RATE PLAN



Recap & Budget



Marketing and Education Recap



- Strategy: Simplify, Connect, Consistency
- Approach: Build momentum using phased approach
 - Phase 1: Employees
 - Phase 2: Advocates
 - Phase 3: Mass Awareness
 - Phase 4: Continued Enrollment
- Tactics: Use a mix of mass and targeted channels
- Messaging: Easy to remember and understand, Ex: "Wait 'til 8"
- Creative: Bold, noticeable, welcoming and easy to read

Estimated Investment



- To gain mass awareness and education, suggesting larger paid media channels costs
- Extra creative/naming development costs due to first time product launch
- Highly visual and creative campaign



Customer Service Approach



Customer Service Approach



Phased training approach to drive fully knowledgeable Contact Center representatives

Phase	Phase 1	Phase 2	Phase 3	Phase 4	
Length of Phase	August – September 2019	October 2019 – January 2020	January – December 2020	January 2021 – Ongoing	
Objectives	 In combination with full employee education campaign, CSR's will be provided with information on the program, how it works and the process to follow if a customer is interested. Resolution Team and Connect members start full training on TOU enrollment/unenrollment and program questions. 	 Resolution Team CSRs and Connect trained to discuss and un/enroll customer for TOU. All CSR's will be provided with information on the program, how it works and the process to follow if a customer is interested. Contact Center CSRs will transfer un/enrollment calls to Resolution Team. 	 Resolution Team and Connect will un/enroll customer for TOU. Full CSR un/enrollment training starts in phased approach. 	All CSRs and Connect Reps are trained and can take full TOU questions and un/enrollments.	

Questions & Next Steps



Next Steps



Launch – October 1, 2019

Company presentation to Commission – December 2019