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Issue: Customer Service and Experience; Community
Involvement
Witness: Charles A. Caisley
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Sponsoring Party: KCP&L Greater Missouri Operations Company
Case No.: ER-2016-0156
Date Testimony Prepared: February 23, 2016

MISSOURI PUBLIC SERVICE COMMISSION

CASE NO.: ER-2016-0156

DIRECT TESTIMONY

OF

CHARLES A. CAISLEY

ON BEHALF OF

KCP&L GREATER MISSOURI OPERATIONS COMPANY

**Kansas City, Missouri
February 2016**

**Certain Schedules Attached To This Testimony Designated “(HC)”
Contain Highly Confidential Information
And Have Been Removed Pursuant To 4 CSR 240-2.135.**

DIRECT TESTIMONY

OF

CHARLES A. CAISLEY

Case No. ER-2016-0156

1 **Q: Please state your name and business address.**

2 A: My name is Charles A. Caisley. My business address is 1200 Main, Kansas City,
3 Missouri 64105.

4 **Q: By whom and in what capacity are you employed?**

5 A: I am employed by Kansas City Power & Light Company (“KCP&L”) as Vice President –
6 Marketing and Public Affairs.

7 **Q: On whose behalf are you testifying?**

8 A: I am testifying on behalf of KCP&L and KCP&L Greater Missouri Operations Company
9 (“GMO”) (collectively, the “Company”).

10 **Q: What are your responsibilities?**

11 A: My responsibilities include the company's small-scale distributed and renewable
12 generation projects, energy products and services platforms, energy efficiency and
13 demand response portfolio, community and customer strategy and communications,
14 marketing, economic development, governmental affairs and public relations functions.
15 Many of these areas are responsible for direct interaction with KCP&L customers and
16 stakeholders. These areas of direct customer interaction include: online/electronic
17 transactions and portals, social media, community affairs, business customers, customer
18 complaints, city franchises and regulated and non-regulated products and services. In
19 addition to having responsibility for multiple areas with direct customer interaction, I am

1 also responsible for leading a cross-functional team of individuals with responsibility for
2 our overall customer experience and strategy. This includes customer research and
3 segmentation as well as customer data analytics.

4 **Q: Please describe your education, experience and employment history.**

5 A: I graduated from the University of Illinois in Urbana-Champaign with a Bachelor's
6 degree in political science. I earned a Juris Doctorate degree from St. Louis University
7 School of Law and a Master of Business Administration from Washington University in
8 St. Louis. I joined KCP&L in 2007 as Director of Government Affairs. Prior to joining
9 KCP&L, I was employed by the Missouri Energy Development Association (MEDA),
10 the Missouri Industry Association for Missouri investor-owned utilities, as President.
11 Prior to that I was employed as the Chief of Staff to the Speaker of the Missouri House.
12 In both positions, I dealt extensively with Missouri utility law and energy policy.

13 **Q: As part of obtaining either your undergraduate degree or Masters in Business**
14 **Administration, have you taken any courses dealing with statistics, statistical**
15 **modeling or statistical analysis?**

16 A: Yes, I have taken multiple courses in statistics and mathematics as part of the curriculums
17 in both my undergraduate degree and my Masters in Business Administration.

18 **Q: Do you have any experience with conducting polling, online surveys, focus groups**
19 **and other instruments used to obtain actionable information regarding public or**
20 **consumer perceptions and opinions?**

21 A: Yes, for most of my professional career I have been involved in the drafting, fielding and
22 analyzing of telephone and online polls, focus groups and other survey instruments. I
23 have drafted and analyzed more than 400 telephone polls since 1999. I have crafted and

1 used more than 75 focus groups in the same time period. In addition, I have been active
2 with J.D. Power and Associates on a variety of research projects for more than seven
3 years.

4 **Q: Do you currently participate in any organizations or groups dealing with customer**
5 **issues, customer research or utility customer experience?**

6 **A:** I currently serve on the J.D. Power and Associates Utility Customer Executive Advisory
7 Board on Customer Experience and have since 2012. I have participated in J.D. Power
8 and Associates working group on Smart-Grid Customer Experience. I have also been
9 active in J.D. Power and Associates Contact Center Working Group—a group that studies
10 best practices for improving the efficiency and customer experience with both utility call
11 centers and electronic transactions. I belong to the Marketing Executives Conference—
12 the oldest organization in the United States dealing with utility customer issues, trends
13 and satisfaction. I am a founding participant in the OPower/Oracle Chief Customer
14 Officer annual meeting for utility executives in charge of customer strategy and
15 experience.

16 **Q: Have you previously testified in a proceeding before the Missouri Public Service**
17 **Commission (“Commission” or “MPSC”) or before any other utility regulatory**
18 **agency?**

19 **A:** Yes, I have previously testified before the MPSC in Case No. EC-2015-0309
20 (Allconnect).

1 **PURPOSE AND REASON FOR THIS FILING**

2 **Q: What is the purpose of your testimony?**

3 A: The purpose of my testimony is to provide an overview of KCP&L’s strategy with
4 respect to customer service, customer experience and community involvement. In
5 addition, this testimony will highlight key customer satisfaction metrics that KCP&L
6 tracks and summarize our performance in those areas.

7 **Q: How would you describe KCP&L’s approach to customer satisfaction or customer
8 experience strategy?**

9 A: KCP&L takes customer experience very seriously and we continually strive to improve
10 our customer satisfaction scores and metrics. We look at five key areas when it comes to
11 our customer experience:

12 1. Reliability Metrics: These are standard metrics in our industry that measure the
13 reliability of the electrical distribution grid. Our goal here is to be in the top
14 quartile of utilities nationwide in reliability and to see continual improvement in
15 these metrics.

16 2. Customer Service Metrics: These are standard metrics that the industry uses to
17 measure and benchmark how utilities interact and transact business with
18 customers. This includes measuring and working to see improvements in our
19 billing, contact center, electronic portals, communications and social media. Our
20 goal is to be top quartile among utilities nationwide and to see continual
21 improvement in these metrics as well as continual streamlining in our customer
22 processes.

1 3. Moments of Truth: KCP&L has done considerable research into the transactions
2 and aspects of customer service that matter most to our residential and business
3 customers. These are “moments of truth” in our relationship with a customer that
4 mean more than other types of transactions. By and large, modern electric
5 customers expect reliability. Customers expect that bills will be accurate and on
6 time. But there are a variety of transactions that create incremental value and a
7 much better overall experience for customers. KCP&L has identified these key
8 moments and is working on improving in each of these areas.

9 4. Customer Segmentation: KCP&L recognizes that customers are not all the same.
10 Customers are very diverse and have different needs when it comes to service
11 from their electric utility. While KCP&L has top scores in reputation and
12 customer satisfaction, it is not enough to rely on those scores at an aggregate
13 level. KCP&L routinely watches how our customer service is viewed in different
14 customer groups to ensure we are aware of and actively working to meet the
15 diverse needs of our customers. This includes in the way we communicate with
16 customers. We target our content and the method we use to reach customers by
17 research giving us insight into what groups of customers may be more interested
18 in, and how and where they like to receive communication from KCP&L.

19 5. Community Commitment and Involvement: When the communities that KCP&L
20 serves succeed, so does KCP&L. We are a leader in our community efforts in
21 our service territory. We take community involvement very seriously.

1 **Q: What types of research does KCP&L use to inform its customer experience**
2 **strategy?**

3 A: KCP&L uses a multitude of research and data to develop our strategy for improving
4 customer experience and service. Since 2006, KCP&L has fielded telephone customer
5 surveys to gain insight into customer perceptions of KCP&L and customer satisfaction.
6 These are scientific surveys done nearly every quarter and conducted over the telephone
7 by Wilson Perkins Allen—a nationally known research firm that conducts consumer
8 research for a number of energy companies, businesses and political candidates. This
9 research is used to understand customer perceptions of KCP&L at an aggregate level as
10 well as to identify subgroups of customers where KCP&L is not performing as well as we
11 would like. We use J.D. Power and Associates (hereinafter referred to as “JDP”)
12 quarterly customer satisfaction surveys to benchmark against other utilities both
13 regionally and nationally. We have also used JDP research to form a Customer
14 Experience Opportunity Index. Essentially, we take the areas that are most important to
15 customers on the JDP survey and cross that with areas where we are below the median
16 score relative to our peers and then create a list of places where we need develop a
17 strategy to improve. This list is socialized, assigned and worked. This is an ongoing
18 process. We also use online surveys, we have an online panel of customers that we
19 interact with on a monthly basis, we conduct focus groups and use Foresee to help
20 maximize the customer experience on our online / digital platforms. We also use Nielsen
21 PRISM segmentation as well as the Acxiom Energy Consumer Reference Model to better
22 understand different customer groups and their preferences.

1 **Q: How does KCP&L perform on key reliability metrics like frequency and duration of**
2 **outages?**

3 A: I have attached a presentation titled Customer Experience and Commitment to
4 Community dated February of 2016 (hereinafter referred to as “CX Presentation”)
5 (attached hereto as Schedule CAC-1). In the presentation, you will see that key metrics
6 such as System Average Interruption Frequency Index (SAIFI), System Average
7 Interruption Duration Index (SAIDI) and other industry benchmarks see steady
8 improvement. For five of the last seven years, KCP&L has been in tier one of the EEI
9 Reliability Rankings. In addition, we track many other operational metrics that stand out
10 more and matter more to customers. For example, we track the percentage of
11 construction deadlines met for business customers. This is an area that is a matter of first
12 impression for business customers and hugely important to them. We track it to ensure
13 that we meet our commitments and are always improving in this “moment of truth” for a
14 business customer.

15 **Q: You have discussed “moments of truth” a great deal in your testimony. Can you**
16 **describe more of these moments and how KPC&L uses them to improve customer**
17 **experience?**

18 A: Yes, on page four of the CX Presentation (Schedule CAC-1), we list many other
19 “moments of truth”. In actuality these are simply the most important moments in
20 customer service for our customers. For example, restoring power quickly after a storm
21 is important to good customer service. But our research has shown that customers care
22 even more about good communication during an outage. We can restore service quickly
23 and a customer may still not think they received good customer service if he or she had

1 difficulty getting information regarding the status of their outage. In fact, improving
2 communication with customers during an outage will improve their satisfaction
3 significantly more than improving the amount of time it takes to restore them. As a
4 result, we work hard to improve information available to customers in an outage. These
5 improvements include customer contact representatives having access to restoration
6 estimates, a new highly interactive outage map, proactive communication to business
7 customers and we are working to do more proactive outage communication with
8 residential customers.

9 **Q: Can you describe KCP&L's efforts around its online presence, including social
10 media and electronic transactions. How does this impact customer experience?**

11 A: KCP&L was an early adopter of electronic portals and has seen the importance of a
12 strong digital platform for more than a decade. As stated previously, all customers are
13 different. Some customers prefer talking to a representative on the telephone and paying
14 their bill through the mail. However, a growing segment of customers prefers to find
15 information on the internet and to conduct business online. To accommodate those
16 customers, KCP&L has had a robust digital and online strategy for nearly a decade. Our
17 focus here is to provide online and mobile solutions that work for our customers.

18 Currently, KCP&L has a mobile-optimized website as well as highly-utilized
19 authenticated electronic transaction portal called MyAccount. As of the end of 2015,
20 more than 55% of KCP&L's customer transactions now occur on online sessions. And
21 KCP&L's customer satisfaction with these portals is industry leading (attached hereto as
22 Schedule CAC-1, pages 5-6).

1 KCP&L has also developed multiple social media platforms. Currently, KCP&L
2 has YouTube, Facebook and Twitter feeds. KCP&L uses these platforms to engage
3 customers in a variety of ways. They convey real-time information that is not sought on
4 KCP&L's website. They also are used as a customer service platform, responding to
5 every customer service inquiry or complaint. Finally, these platforms are more dynamic
6 than the corporate website or authenticated portals and allow for real time discussions
7 and information dissemination to KCP&L customers.

8 KCP&L used best practices to develop our social media platforms. Unlike other
9 companies, and specifically other utilities, KCP&L was very deliberate in the
10 development of our social media platforms, researching how customers wanted to interact
11 with utilities on social media and developing a social media presence that was useful for
12 customers and sustainable. As a result, KCP&L social media platforms see nearly three
13 times more engagement and interaction from our customers than most social media sites
14 from utilities our size or larger (Schedule CAC-1, page 7).

15 **Q: Please describe efforts to improve customer experience at your Customer Contact**
16 **Center?**

17 A: Just like other customer contact platforms, we are constantly measuring customer
18 satisfaction with our Contact Center. To measure the effectiveness of the Contact Center,
19 we survey customers who have had called the Contact Center. We measure the
20 effectiveness and customer satisfaction of those customers with our Voice of the
21 Customer survey. In general, we have seen either stable scores or improvement in our
22 Contact Center operations over the last five years (Schedule CAC-1, page 8).

1 In addition, we have improved our service level, to 77% of calls answered within
2 20 seconds, as well as the average speed of answer for calls to the Contact Center to just
3 31 seconds, in the last five years (Schedule CAC-1, page 9).

4 **Q: Do you track customer complaints to the bodies that regulate you?**

5 A: Yes, we do. In fact, we have a team of employees who handle elevated customer
6 complaints. These complaints include formal and informal complaints to regulatory staff,
7 complaints that are elevated to an executive inside the company, Better Business Bureau
8 (hereinafter, referred to as “BBB”) complaints as well as media inquiries on behalf of
9 customers. We take all customer complaints seriously. But, any complaint that is
10 elevated either to the Commission or within the Company is tracked to determine if the
11 situation was handled correctly and to see if there are process improvements that can be
12 made to avoid the issue in the future. Over the last five years, we have worked diligently
13 to mitigate and decrease the number of formal and informal complaints. We have
14 worked even harder to make sure that any complaint which is lodged is fully investigated
15 and resolved (Schedule CAC-1, page 10).

16 Since 2011, KCP&L has been able to reduce formal and informal complaints by
17 nearly 50%. In addition, in the past KCP&L did not respond to complaints that came
18 through the BBB, instead referring those issues to the Commission. Over the last 18
19 months, we have reviewed and resolved all BBB complaints and have the top rating
20 given by the BBB (Schedule CAC-1, page 10).

21 **Q: How does KCP&L approach customer service with business customers?**

22 A: A separate team of employees works with business customers. Typically, business
23 customers have more complex requirements than residential customers. Their bills are

1 generally more complex. Business customers often have higher voltage service, more
2 complex bills with multiple accounts associated with one customer as well as various
3 adjustments to their tariffed rates, such as an economic development rider.

4 To serve these customers, several groups at KCP&L work together to provide
5 advice and service. Our goal is to be a trusted energy advisor to the businesses in our
6 service territory. KCP&L has a Business Center. This team works with businesses that
7 have an annual electric bill in excess of \$25,000. Instead of going to the Customer
8 Contact Center, these customers have a specialized team trained in handling more
9 complex accounts that they work with. In addition, we have a team of Energy
10 Consultants. This group handles KCP&L's largest customers—the top two hundred
11 customers by revenue. This group also works with critical infrastructure customers, even
12 if they are not in the top two hundred customers from a revenue perspective. In addition,
13 the KCP&L Economic Development team works with existing customers to help them
14 expand their business in the Kansas City region. All of these groups work hand-in-glove
15 with our team in Delivery to make sure reliability issues are quickly addressed, that the
16 customers are fully informed regarding their bill and that they take advantage of
17 programs that can reduce their energy use and save them money.

18 KCP&L has a very strong relationship with its business customers and we
19 continue to try and improve those relationships. In 2015, KCP&L was named a Most
20 Trusted Business Partner by Cogent reports and placed number two in the 2016 JDP
21 Business Study, one point out of first place (Schedule CAC-1, page 11-12).

1 **Q: What methods does KCP&L use to track residential customer experience and**
2 **satisfaction?**

3 A: At KCP&L we put a great deal of time and effort into improving our residential customer
4 experience. This all begins with seeking to understand more about our residential
5 customers. While it seems obvious to state that all customers are not the same, for many
6 businesses that does not translate into discernable differences in the way that a company
7 interacts with customers. For utilities, in a regulated environment, this can be especially
8 true. However, we want to look past the rate classification of our customers and try to
9 determine where there are groups of customers with specific service needs that are not
10 being addressed and look for cost-effective solutions to address those needs. To do that,
11 you have to really get to know your customers. At KCP&L, knowing our residential
12 customers all starts with conducting customer research and using available data to inform
13 a picture of who are customers are and how to improve their customer experience.

14 Like most utilities KCP&L uses JDP as a benchmark against other utilities to see
15 at a high level how well we are providing customer service. And, as stated previously,
16 we also used JDP to produce a list of specific areas we can work to improve in our
17 customer experience. However, that is just the beginning. We also have an online
18 customer panel. This panel consists of more than 4,000 customers and we email them
19 surveys, at least monthly, to look into specific areas of our operations and glean
20 information about how to improve our service. Using this online panel allows us to get
21 nearly real time insight into specific programs and areas of customer service. It also is
22 used to generate new ideas for programs and customer service. And, it helps to better
23 define and inform our knowledge of our residential customer. We also use a national

1 research firm, WPA Research, to conduct telephone surveys of our customers. We have
2 used them since 2006.

3 These are our primary residential customer research tools. However, we also use
4 demographic data and usage information to inform our knowledge of the residential
5 customer.

6 **Q: What does the research KCP&L conducts or participates in tell you about**
7 **KCP&L's residential customer experience?**

8 A: At a high level, it says that KCP&L has a solid residential customer experience that
9 marginally exceeds our peers in Missouri and regionally (Schedule CAC-1, page 13).
10 According to WPA Research, we have held steady or improved in company image,
11 customer service and price satisfaction over the last ten years (Schedule CAC-1, page
12 13). In these areas more than 80% of our customer have a favorable image of KCP&L or
13 are satisfied with our customer service (Schedule CAC-1, page 13). In addition, 81% of
14 our residential customers view KCP&L as an honest company to do business with.

15 Consistent with the improvement in customer satisfaction metrics we have seen in
16 the WPA Research studies, our JDP scores with residential customers have improved as
17 well. Despite higher raw scores in nearly all areas of the JDP residential customer
18 satisfaction index, our rank has fallen relative to peer utilities in the last couple of years.
19 For the calendar year of 2015, in the JDP Residential Customer Study, KCP&L scored
20 just below the median in tenth place out of sixteen large Midwestern utilities (Schedule
21 CAC-1, page 14). We believe that there are a number of drivers behind our drop relative
22 to other utilities. Chief among them is a high number of rate cases in recent years, more
23 than almost all of our regional peers, as well as spending significantly less on advertising

1 the KCP&L brand relative to other utilities in our peer group. That said, we are seeing
2 improvement in our ranking over the last two quarters and are now ranked seventh out of
3 sixteen large utilities in the Midwest. We believe a large driver of this improvement lies
4 in several key areas where we have had initiatives to improve residential customer
5 experience. These initiatives were informed and developed as a result of JDP and WPA
6 Research data. An example of some of the more important initiatives in the last year
7 include:

8 1. We have instituted a welcome program for new customers. Typically the first
9 communication a new customer gets from its electric utility after setting up
10 service is a bill. Now, we have a series of communications through email and
11 regular mail to introduce our residential customers to all the programs and
12 services available to them at KCP&L. These offerings range from available
13 energy efficiency programs, to information on how to use our online tools like
14 MyAccount and Energy Analyzer. We have seen a tremendously positive
15 reaction to early engagement and relationship development.

16 2. We redesigned and upgraded both our KCP&L website as well as our
17 authenticated electronic portals. Both are heavily used areas by our residential
18 customers to get information and to manage their accounts. The improvements in
19 these areas have driven significant improvement in our residential customer
20 satisfaction scores.

21 3. We have worked hard to improve our communications during power outages. We
22 have a new and improved online outage map that is now mobile optimized and
23 highly interactive. We have additional information available to Customer Contact

1 Center representatives that can be used to give estimated restoration times to
2 customers that call in. We heavily use social media in outage situations. And, we
3 are beginning to proactively communicate restoration estimates to our customers.

4 4. We are more aggressively communicating about our charitable and sustainability
5 efforts in local communities. The resulting media coverage is helping us engage
6 and inform a larger group of customers about KCP&L and opportunities with
7 KCP&L.

8 5. Under MEEIA, we have begun aggressively communicating about our energy
9 efficiency programs. Customers have a very positive reaction to energy
10 efficiency and these campaigns have been particularly valuable, not just in
11 spurring enrollment in programs and reaching energy savings goals, but in
12 fostering positive engagement with our residential customers. The first goal of
13 these campaigns is to simply create awareness with our residential customers.
14 Then, after customers are generally aware, we use research and data to target the
15 right energy efficiency programs to the right customers and engage in the
16 education and conversion process with information specifically relevant to them
17 (Schedule CAC-1, page 19).

18 6. KCP&L is one of the few utilities to use customer demographic information
19 paired with our own customer data and research to develop a robust content
20 strategy for our residential customers (Schedule CAC-1, page 18). The goal of
21 this effort is to understand what information different groups of residential
22 customers routinely need or look for, and to deliver it to them in a timely fashion
23 and on the platform (mail, email, telephone, online, social media) that they would

1 like to receive it. The more effectively we can target customers with information
2 relevant to them, on the platform through which they want to communicate, the
3 more likely it is we can penetrate the information clutter to deliver useful
4 information effectively. This effort, underway now for nearly two years is
5 starting to foster noticeable improvement in our communications scores.

6 **Q: In what other ways does KCP&L use residential customer research to improve**
7 **customer service and experience?**

8 A: While our aggregate customer satisfaction scores are high, research often points out
9 groups of customers that are underserved or areas where we can improve our processes.
10 Sometimes special programs are created to address these situations. A more complete list
11 of these types of programs are listed on pages 16 and 17 of the CX Presentation
12 (Schedule CAC-1), but I would like to discuss a few examples in particular.

13 During the recession in 2008, customer research showed us that a higher number
14 of people were having a difficult time paying their bills. It became clear as the recession
15 progressed that there were many people who were having financial difficulty for the first
16 time. This group of customers was not educated on how to access financial aid programs,
17 and frequently did not qualify for aid. Essentially, many programs are not designed for
18 the working poor.

19 As a result, KCP&L developed a couple of programs to assist customers. First,
20 we developed and implemented the Connections Campaign (which eventually turned into
21 an ongoing program). This program was an aggressive effort to educate customers on
22 programs that KCP&L has to assist with bill payment. We partnered with relief agencies
23 and other community groups and went all over the service territory conducting

1 educational meetings and educating people on how to access, not just KCP&L programs,
2 but a range of assistance programs.

3 From research we learned that many customers could pay their bills, but they
4 were in need of temporary timing flexibility. As such, we increased the amount of time
5 customers had to pay bills and created more flexible billing options. We also developed
6 the Economic Relief Program, which targeted working poor families and seniors who
7 might not be eligible for financial assistance from the State of Missouri, but were in need
8 of help.

9 These efforts were well received by customers and we learned a great deal from
10 the Connections efforts. Out of that program, we learned that many customers, especially
11 seniors and those who live in underserved and poorer areas, really appreciate being able
12 to meet in person with KCP&L personnel to discuss billing and service issues. There is
13 also a large knowledge gap around renewable energy, energy efficiency and other
14 emerging energy programs with residential customers. As a result, KCP&L is partnering
15 with the Urban League of Kansas City, the Full Employment Council and other civic
16 groups to start KCP&L Connect—a storefront where people can go to pay their bills, talk
17 to a service representative, learn about energy efficiency and other programs and access a
18 variety of community services. In addition, we have created two vehicles to be able to go
19 into other neighborhoods and rural areas and take the same customer service and
20 experience to other regions of our service territory (Schedule CAC-1, pages 20-25).

21 **Q: How does KCP&L see customer experience developing in the future?**

22 A: Customer expectations continue to evolve and to increase. Customers do not judge our
23 customer service relative to other utilities, but by what is commonplace in the market.

1 For example, if a credit card company can send an email alert when a person's credit card
2 is used to make a high dollar purchase or is outside the geographic area that the card is
3 typically used, they do not understand why a utility cannot send a high bill alert or notify
4 a person via text message when their power is out and when it is expected to be back on.
5 We want to use customer research and data to continue to expand how we interact with
6 customers and to meet their growing expectations—whether on the phone, in field
7 operations, online or on their phones. We have made a lot of progress over the last five
8 years, but will continue to work diligently at having the best customer experience
9 possible.

10 **Q: Does that conclude your testimony?**

11 **A:** Yes, it does.



Customer Experience & Commitment to Community

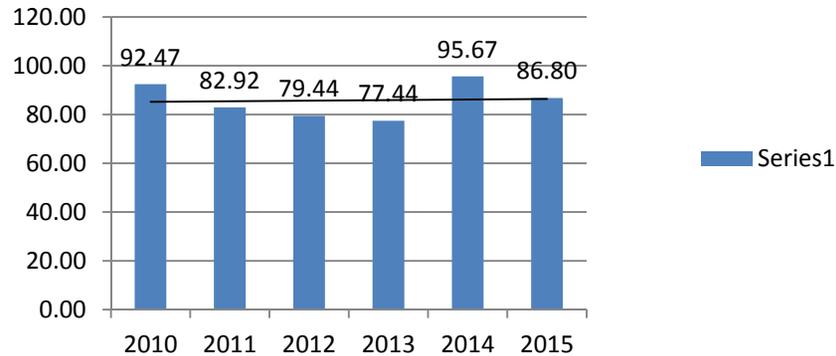


Key Service Reliability Metrics

Our electric service reliability is tier one in the industry and we are always seeking to improve.

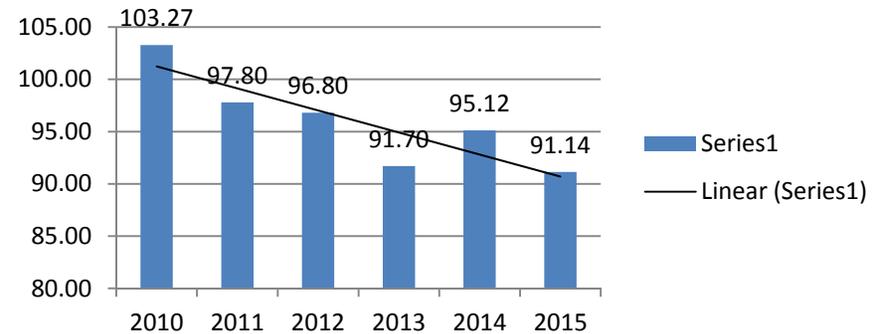
SAIDI Year-end

Delivery



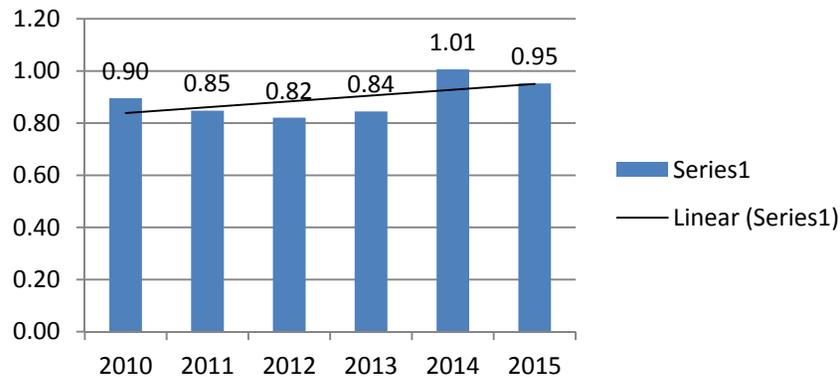
CAIDI Year-end

Delivery

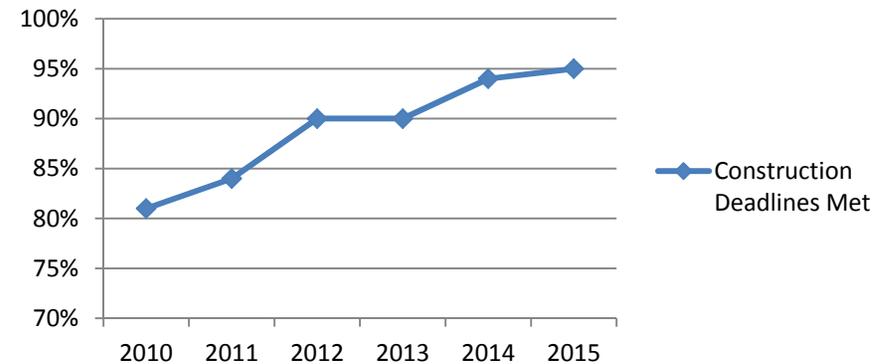


SAIFI Year-end

Delivery



Construction Deadlines Met



Reliability Benchmarking

In addition to top tier reliability, we have multiple programs designed to improve overall performance and improve service wherever there are problem areas on our system.

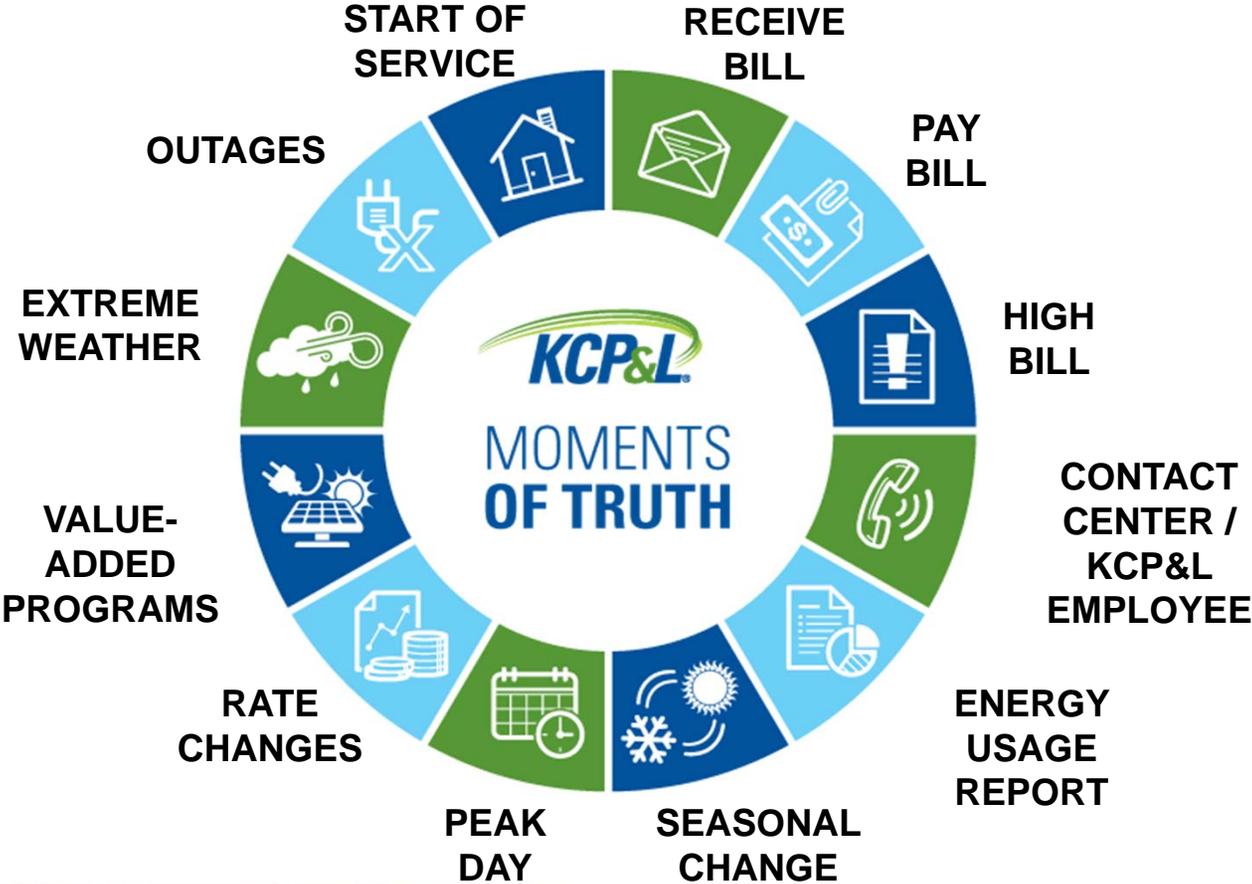
EEI Electric Utility Reliability Ranking (SAIDI)

KCP&L	2008	2009	2010	2011	2012	2013	2014
Quartile Rank	1	2	1	1	1	1	2

Every year the independent consulting firm **PA Consulting** ranks overall utility reliability in the United States. KCP&L has been awarded the **most reliable utility in the Plains Region for eight of the last nine years**. One of those years, KCP&L was named the most reliable utility in the United States.

Focused Improvements in Customer Service

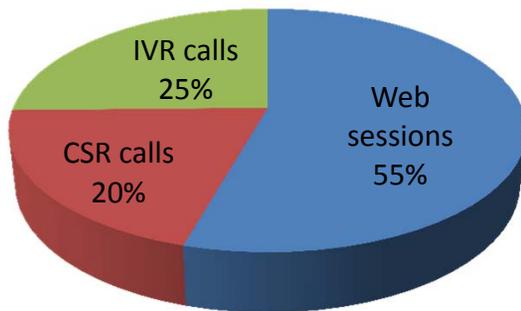
KCP&L is focused on improving customer interactions in the areas and at the times that matter most to customers. Through a focus on improving our digital platform and innovative customer programs, we work to excel at serving our customers when they need us the most.



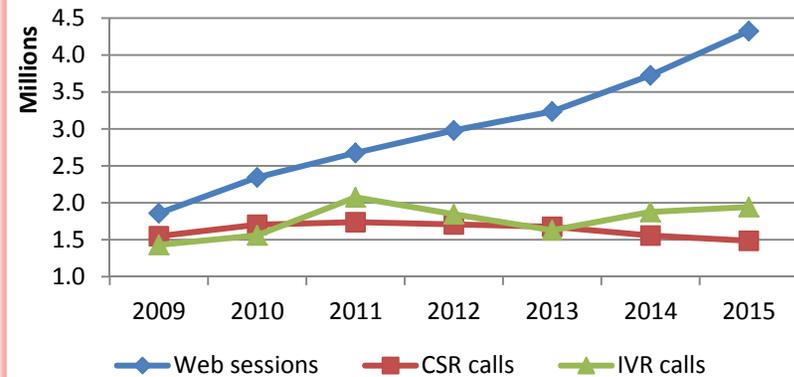
Focused On Our Digital Platform

KCP&L has been focused on our digital platform for nearly a decade. This includes the KCP&L website, social media platforms and most importantly authenticated electronic transactions portals.

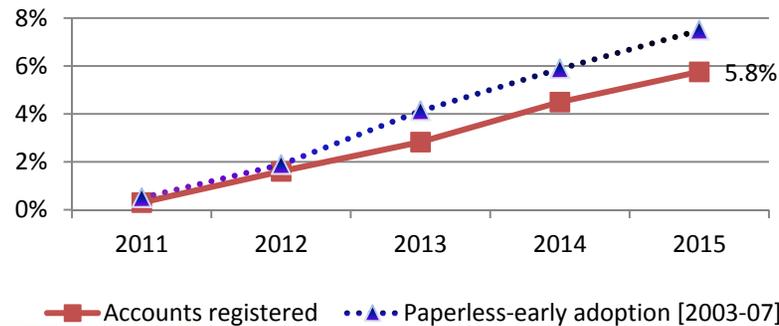
**Customer Contacts
2015 Year End**



Annual Trend: Customer Contacts

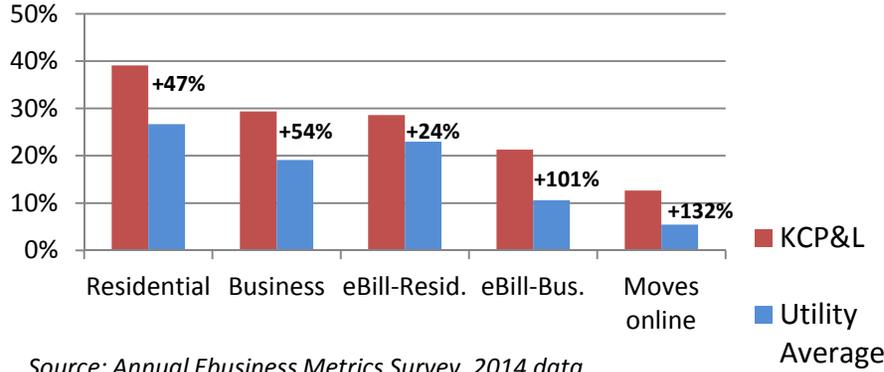


Annual Trend: Text Messaging



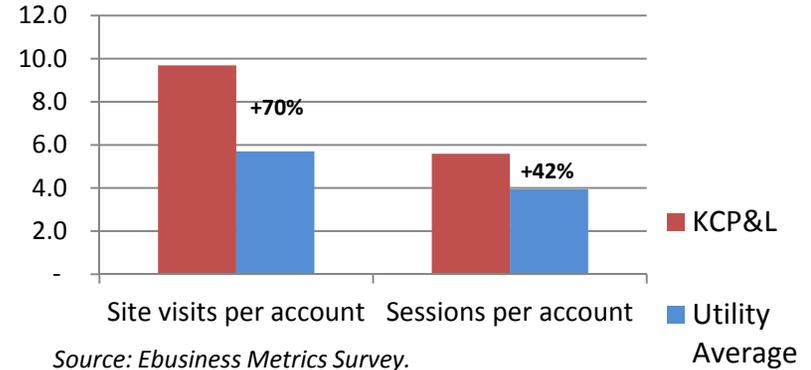
Industry Leading Digital Portals

KCP&L Adoption Advantage vs. Utility Averages



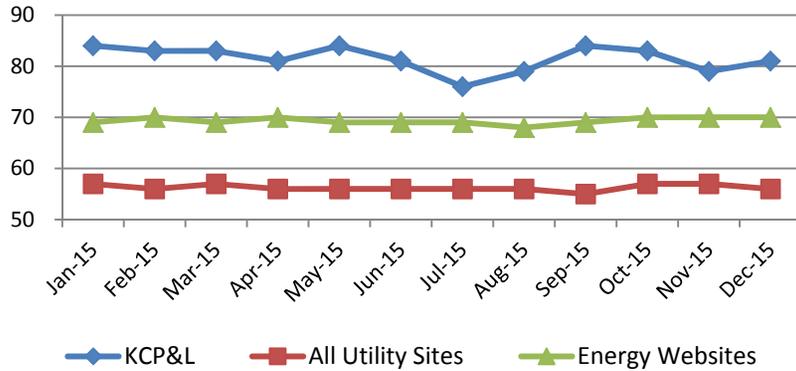
Source: Annual Ebusiness Metrics Survey, 2014 data.

Annual Site Activity per Customer Account

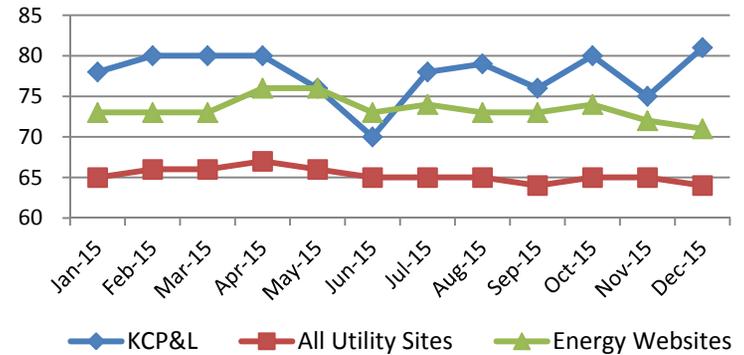


Source: Ebusiness Metrics Survey.

Website Satisfaction - Desktop



Website Satisfaction - Mobile



KCP&L On Social Media: Facebook



The image shows a screenshot of the KCP&L Facebook page. The main content area features a photo of several utility workers in white shirts and blue caps, some with 'KCP&L' and 'VOLUNTEERS ENERGIZING COMMUNITY' on them, standing around a white utility truck. The truck has 'KCP&L' on its side. In the foreground, there are cardboard boxes with 'SECOND HARVEST' printed on them. The page header includes the KCP&L logo with the tagline 'energizing life' and the text 'KCP&L: Kansas City Power & Light Energy/Utility'. Below the header are buttons for 'Create Call to Action', 'Liked', 'Message', and a menu icon. The navigation bar shows 'Timeline', 'About', 'Photos', 'Likes', and 'More'. On the right side, there is a 'Promote' dropdown menu and a summary of performance metrics for the week.

THIS WEEK	
3,140	Post Reach
246	Post Engagement
0	Website Clicks
100%	Response Rate
9 minutes	Response Time

- 2015 Engagement Ratio (percentage of people who like, share or comment on our proactive posts: 3.2%. To put this in perspective, a page the size of KCP&L's Facebook page can be expected to have an engagement ratio of .65%. Most utilities our size average an engagement ratio of 1%.
- KCP&L responded to 100% of direct customer inquiries on Facebook.
- In 2015, KCP&L received more than 400 inquiries from customers on Facebook.
- Our average response time on Facebook remained under an hour in 2015, earning us a rapid response badge from Facebook.
- KCP&L has active YouTube and Twitter pages also, although Facebook is the longest and most active social media platform employed by KCP&L.

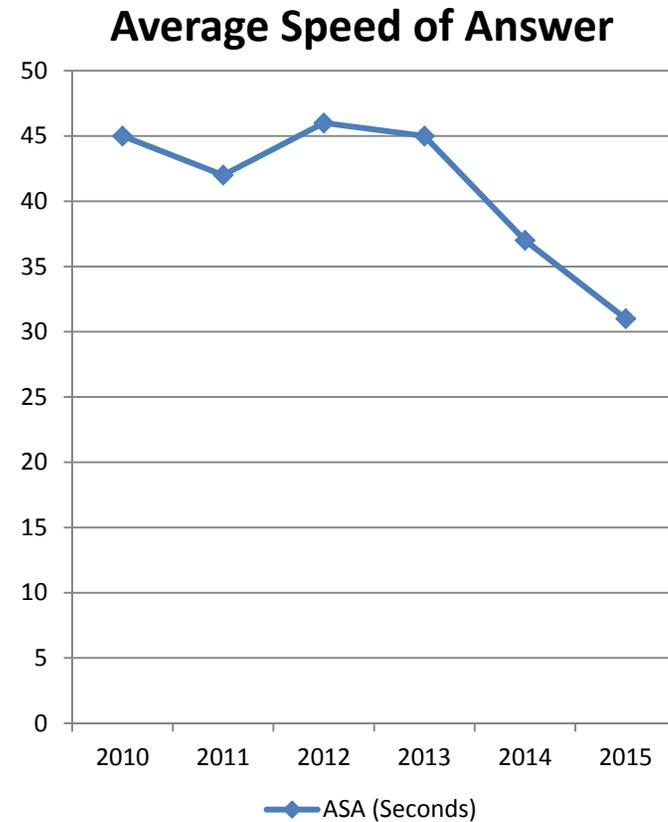
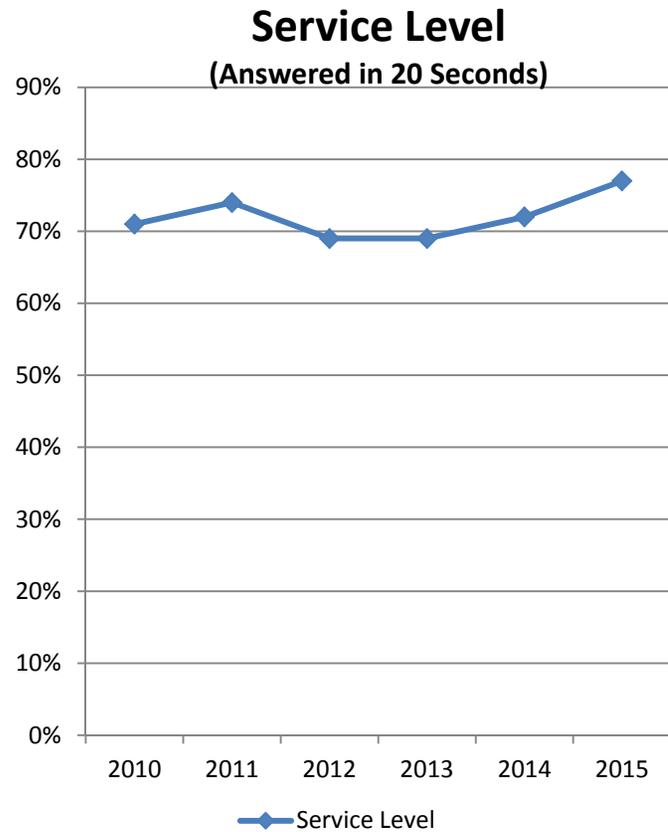
KCP&L Contact Center Voice of the Customer

KCP&L tracks key contact center metrics and uses the information to constantly look for opportunities to improve customer service. This is a cross-functional effort involving multiple areas of the company.

	YE '10	YE '11	YE '12	YE '13	YE '14	YE '15
KCP&L Electric Service						
How would you rate the electric service that KCP&L provides? (Average)	8.6	8.7	8.7	8.7	8.4	8.7
The CSR						
Average rating - Listening attentively to your unique personality and situation	9.0	9.1	9.0	9.0	8.9	9.1
Average rating - Their ability to answer your question or resolve your problem on the first call	8.8	9.0	8.9	8.9	8.8	9.0
Average rating - Their ability to provide caring and individual attention to you	8.9	9.1	9.0	8.9	8.9	9.1
Average rating - Having sufficient knowledge	9.0	9.1	9.1	9.1	9.0	9.1
Average rating - Overall	9.0	9.1	9.1	9.0	8.9	9.1
Issue Resolution						
% Problem/issue resolve during the <u>first</u> call	86%	86%	86%	87%	86%	87%
Overall Call Experience						
Average rating - Overall customer service experience	8.7	8.8	8.8	8.8	8.5	8.9

Key Contact Center Metrics

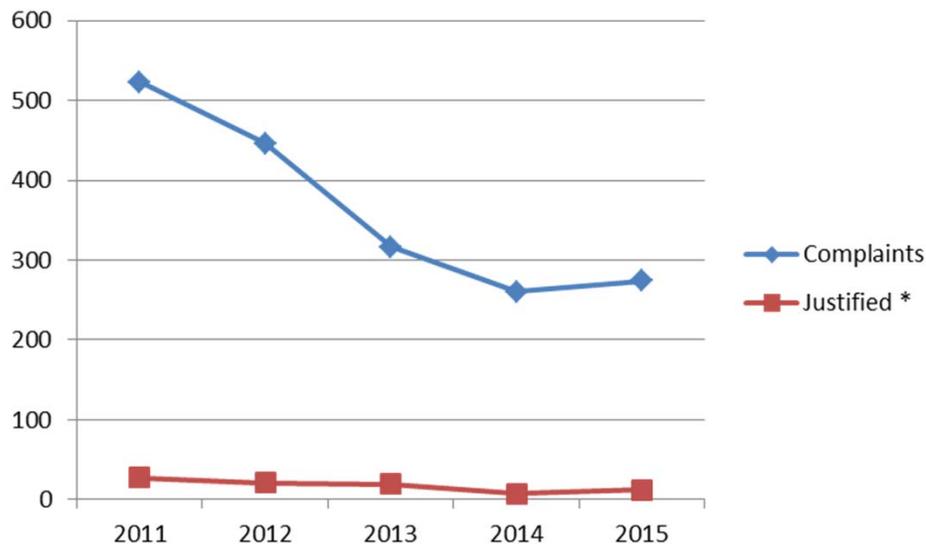
In 2015, the KCP&L Contact Center responded to nearly 3.6 million phone calls and almost 45 thousand emails from our customers.



KCP&L Customer Complaints To Regulators

KCP&L has a cross-functional team dedicated to resolving formal and informal Commission complaints. This team also tracks and responds to escalated complaints through other elevated channels.

Focused on Resolving Customer Issues:



- A 48% decrease in complaints over a five year period
- A 56% decrease in justified complaints over a five year period
- A dedicated team of employees who work to resolve irregular customer situations and complaints
- Resolution of all complaints filed with the Better Business Bureau
- 100% response to “Call for Action” inquiries with less than 1% ever being broadcast

* Indicates an internal designation for KCP&L where a determination is made that the proper procedure was not followed or the situation could have been resolved in a much more positive manner.

Focused On Business Customers

Business and commercial customers have a dedicated team of people to serve their needs. This team works to streamline and expedite billing and service issues.

2015 Most Trusted Business Partners

The Most Trusted Business Partner designation was awarded to the utilities in the top quartile in each region that score above the industry average.

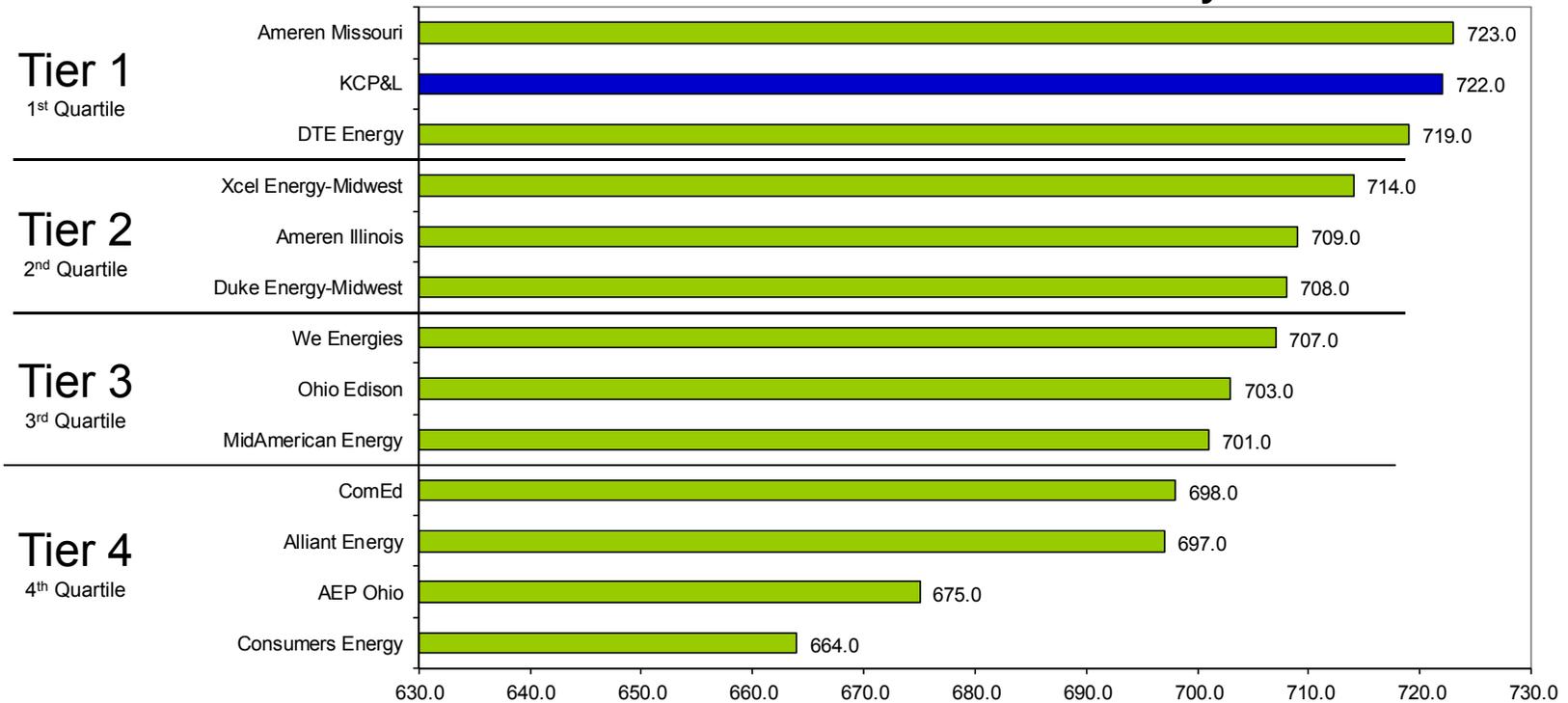
Utility	Region	Brand Trust Index
AEP SWEPCO	South	802
APS	West	768
Salt River Project	West	766
Rocky Mountain Power	West	765
Idaho Power	West	764
Alabama Power	South	763
DTE Energy	Midwest	762
Georgia Power	South	762
CPS Energy	South	757
Florida Power & Light	South	756
Pacific Power	West	756
Ameren Illinois	Midwest	754
KCP&L	Midwest	751
MidAmerican Energy	Midwest	751
Portland General Electric	West	747

Cogent Reports™ names the 20 Most Trusted Business Partners among utilities based on results from its 2015 Commercial Utility Trusted Brand & Customer Engagement study. This study surveyed more than 6,000 business customers of the 59 largest electric and combination utilities in the US.

J.D. Power & Associates on Business Customers

Business and commercial customers have a dedicated team of people to serve their needs. This team works to streamline and expedite billing and service issues.

2016 – JD Power Business Study



Source: 2016 JD Power Business

Customer Perception Of Missouri Utilities

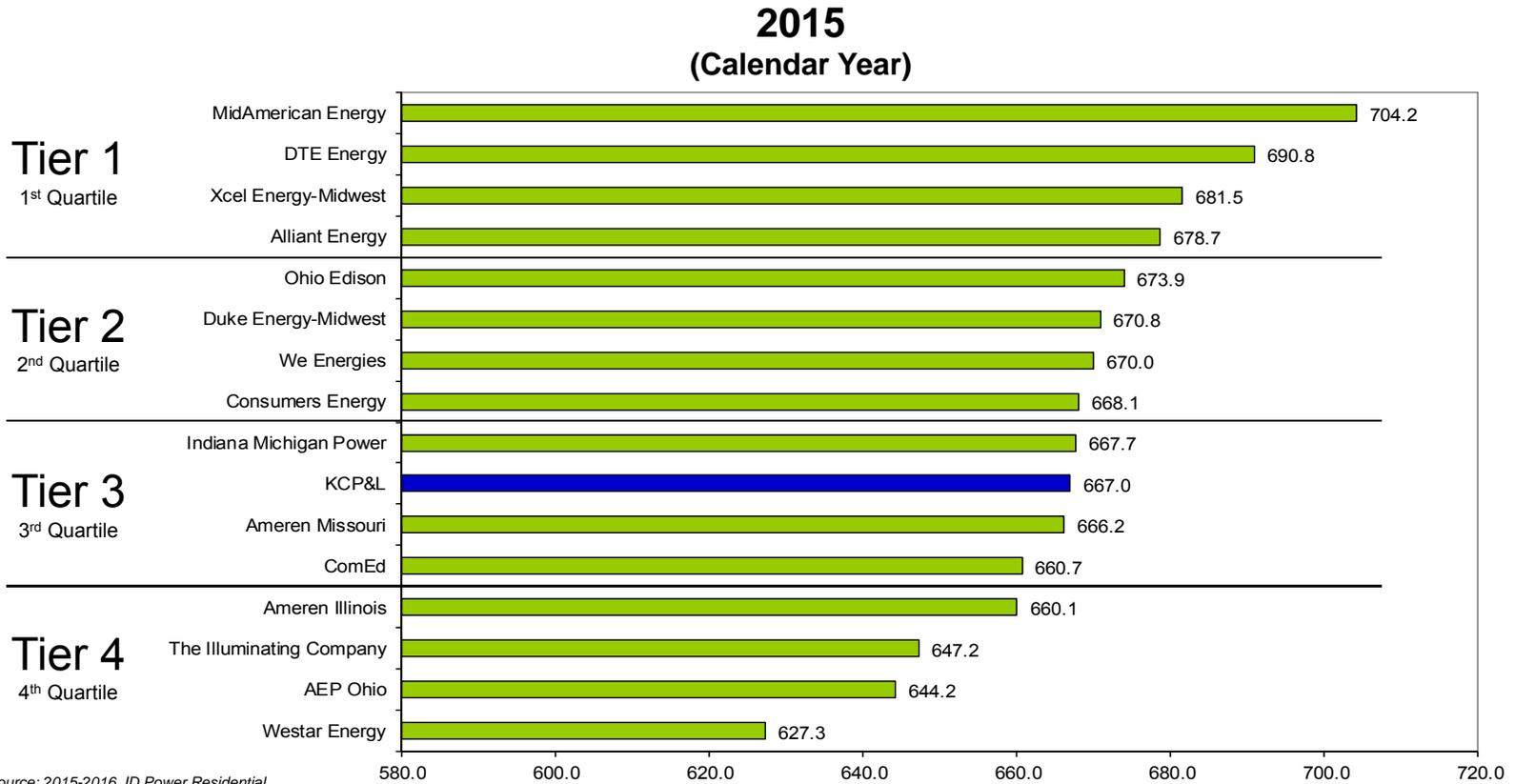
KCP&L matches or exceeds the performance of other major utility companies on each of these key measures. The intensity of positive ratings (very favorable, very satisfied, and very honest) is especially noteworthy as it shows how consistently strong and positive customer sentiment toward KCP&L is.

Measure	KCP&L	MO Utility One	MO Utility Two	MO Utility Three
Company Image (% favorable)	84%	71%	79%	75%
Company Image (%very favorable)	45%	29%	41%	33%
Customer service (% satisfied)	89%	83%	87%	86%
Customer service (% very satisfied)	52%	41%	52%	47%
Honesty with customers (% honest)	81%	69%	79%	77%
Honesty with customers (% very honest)	48%	33%	49%	42%
Satisfaction with price of electricity (gas for Laclede Gas) (% satisfied)	60%	54%	56%	62%

SOURCE: Research conducted by third party independent research firm, WPA Research, from July 1-2, 2015. Live phone interviews were used to collect this data.

JD Power & Associates

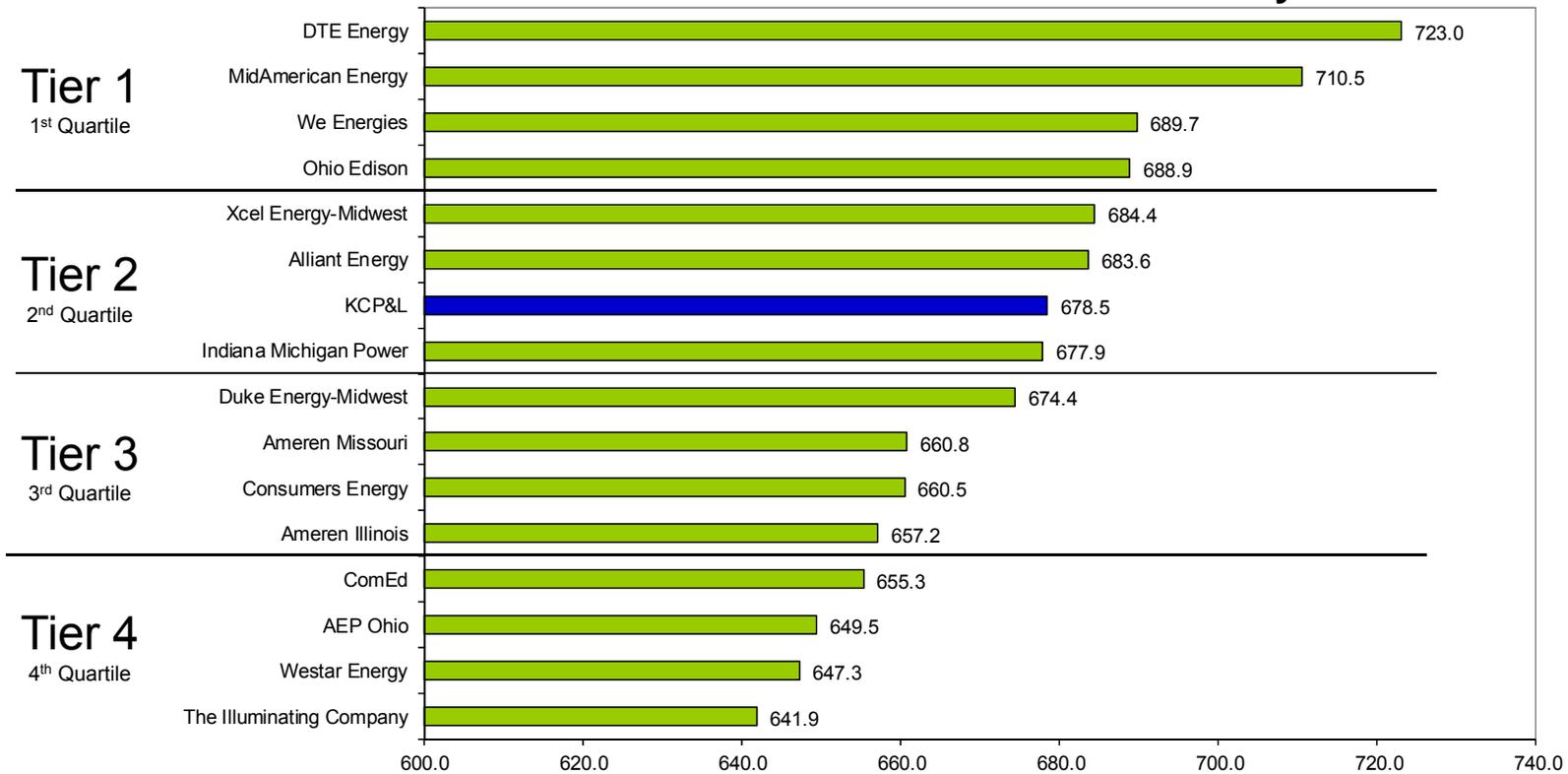
KCP&L's Overall Customer Satisfaction Index is currently ranked 10th out of 16 Midwest Large utilities. However, KCP&L is ranked 7th out of 16 in the most recent 4th Qtr 2015 JD Power study. Out of the last twenty six quarters, KCP&L has been the highest ranked Missouri or Kansas utility 19 out of 26 quarters.



JD Power & Associates

KCP&L's Overall Customer Satisfaction Index is ranked 7th out of 16 Midwest Large utilities and is up one position from the previous quarter.

4Q15 – JD Power Residential Study



Special Customer Initiatives

KCP&L has a variety of customer programs designed to handle special circumstances or situations. Customer service is not “one size fits all” and these initiatives are designed to address special circumstances or unique customer needs.

- **Issues Management Team:** tracks hundreds of special community and customer circumstances
- **Gatekeeper and Medical Programs:** elderly, disabled and customers with medical needs
- **Community Agency Initiative:** training and funding for community agencies to maximize LIHEAP
- **Economic Relief Program:** partnership with Salvation Army, providing a monthly bill credit for working poor and elderly
- **Connections Campaign / Program:** Started in recession, now permanent outreach to connect customers to programs and services
- **Family Relief Program:** activated during extended extreme heat or cold situations, provides a one time bill credit with customers to help them not fall behind on their bill
- **Mobile Outreach Units:** used to meet customers where they live for information and during storms
- **Light Source Program:** mentorship and resources for diverse business customers
- **Critical Customer Team:** a proactive and dedicated team that tracks and proactively addresses concerns with any critical infrastructure
- **Frequent Outage Program:** a dedicated team and process to address problem areas for service reliability

Special Customer Initiatives

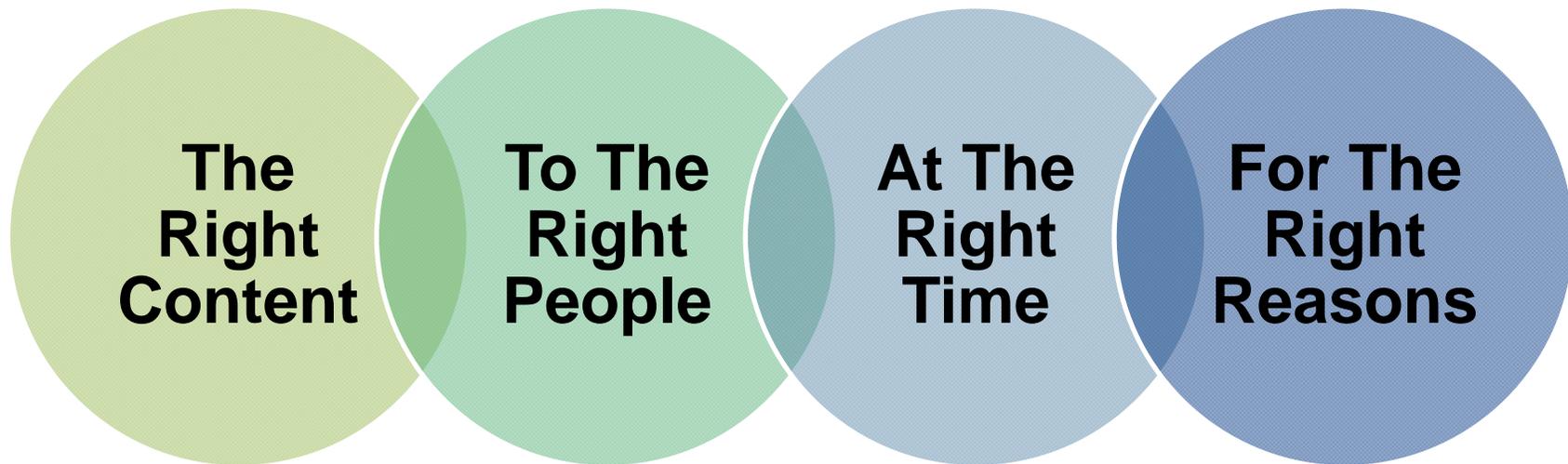
KCP&L has a variety of customer programs designed to handle special circumstances or situations. Customer service is not “one size fits all” and these initiatives are designed to address special circumstances or unique customer needs.

- **Distribution Community Roundtable Events:** district community affairs managers engage with key governmental and business leaders to ensure awareness around electric utility industry changes and potential impacts
- **Hallmark Customer Touch Point:** empowering our customer service representative to strengthen connections, mend fences and show gratitude through an innovative partnership with Hallmark
- **ERTs / Enhanced Outage Map:** system-generated estimated restoration times to better advise customers, offered proactively to commercial customers and is also available to contact center personnel
- **Smart Receipts via Automated Telephone System (IVR):** enhanced self-serve payment reporting through automated telephone system
- **Credit Card Acceptance at Door:** credit card acceptance for field collection of payment across entire service territory

Trusted Energy Partner For Customers

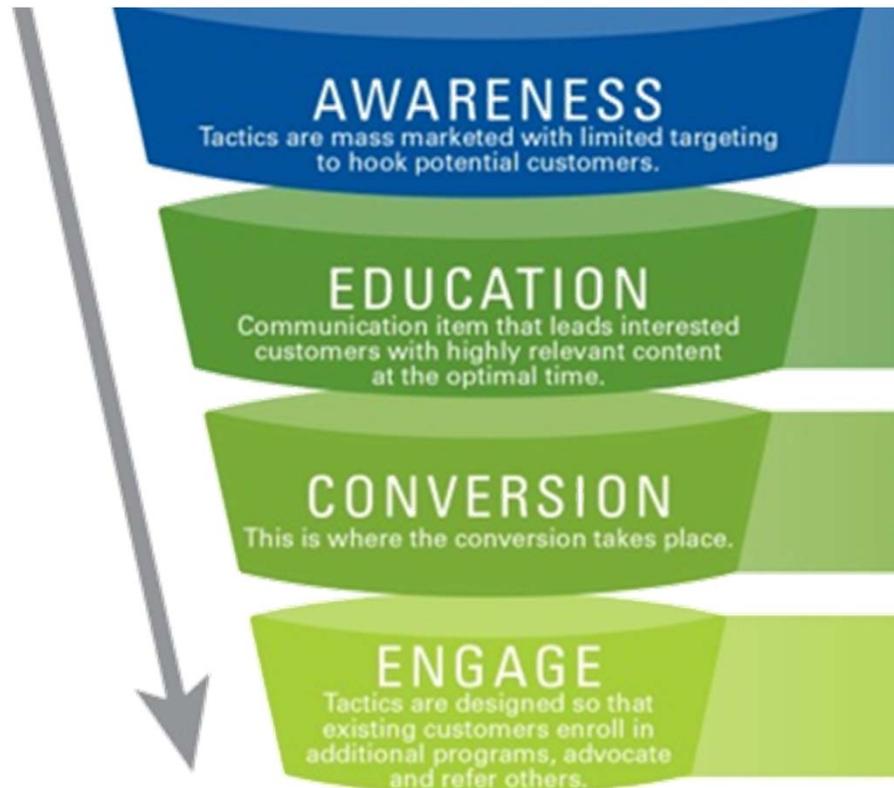
We increase customer satisfaction through a content strategy that empowers our employees to be ambassadors and delivers more relevant, consistent and coordinated communications to customers.

KCP&L Content Strategy Delivers



The KCP&L Marketing Funnel

We have a very deliberate strategy for introducing and engaging with our customers on energy efficiency and other products and services.



Awareness

- Need high level, basic information that KCP&L offers a program & what's in it for them (money savings)

Education

- Want more information on high-level qualifications, how much investment it requires (time & money) & how much it will save them

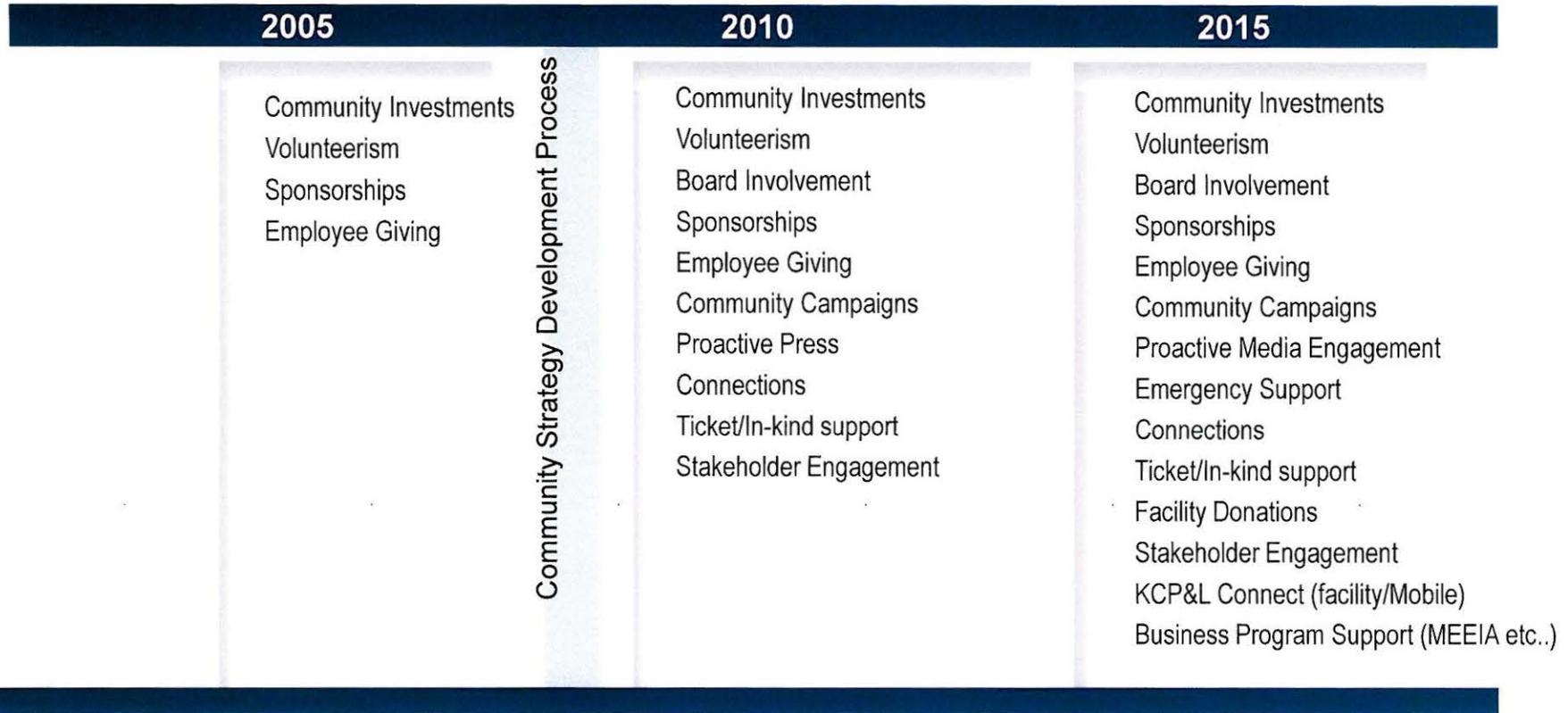
Conversion

- Seeking full details:
 - How complicated is the process
 - What are the restrictions
 - How long will it take to pay me back

Engagement

- Once they have participated in one program, they are able to retain more detailed program information for others, even if not a current need

15 Years ~ Community Strategy Evolution



Community Investments	[REDACTED]		
Campaign Ldr	[REDACTED]**		
Agency Clients	210,000	630,000	840,000
Volunteer Hrs	3,200	14,800	13,506
Boards	25	140	142
Media	--	167	563
Face-to-face Outreach	--	4,860	14,244

Investments Snapshot

2015

Company Community Contributions

Charitable ** [REDACTED] **
 Dues ** [REDACTED] **
 Total: ** [REDACTED] **

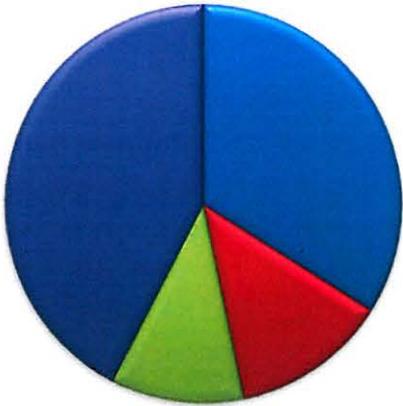
Employee Donations:

** [REDACTED] **

Employee Giving Campaigns

68% Employee Giving Participation (Target 60%)

- ✓ Harvesters
- ✓ REACH
- ✓ Dollar Aide
- ✓ United Way
- ✓ Holiday & General Match



- Employee Giving Co. Match 34%
- Capital / Program Campaigns 13%
- Charitable / Operations 11%
- Sponsorships 42%

Volunteerism & Leadership

26.5% Employee Involvement (Target 26%)
 13,506 Hours / * [REDACTED] ** Value
 140 Representatives on Boards

KCP&L Connect Overview



Transforming how we serve our customers and their image of KCP&L through...

A warm, inviting customer-focused 'hub' offering:

- KCP&L's full portfolio of customer payment options and services;
- linkages to resources, at KCP&L and externally;
- energy saving ideas and products;
- educational offerings showcasing the utility of the future; and
- a facility for community groups, events and more.



KCP&L Connect Customer Services



Account Services and Payment

- Self-serve account access, payments
- Self-serve cash/check payment kiosk
- Account review and discussion
 - Payment options / cash, check, debit, credit
 - Start – Stop service / Reconnections
 - Billing inquiries / Metering concerns
 - Payment plans / budget billing, seasonal, long and short term arrangements
 - Initiate field inspections / alterations, vegetation, new construction
- Budget Billing enrollment
- Economic Relief Program
- Linkages to other resources
- Energy usage information & energy savings tips
- Weatherization
- Energy Efficiency Products / Thermostat, Rebates, Appliance Recycling
- Home Protection Products / Surge, Wiring, Hot Water Heater



Renewables Information

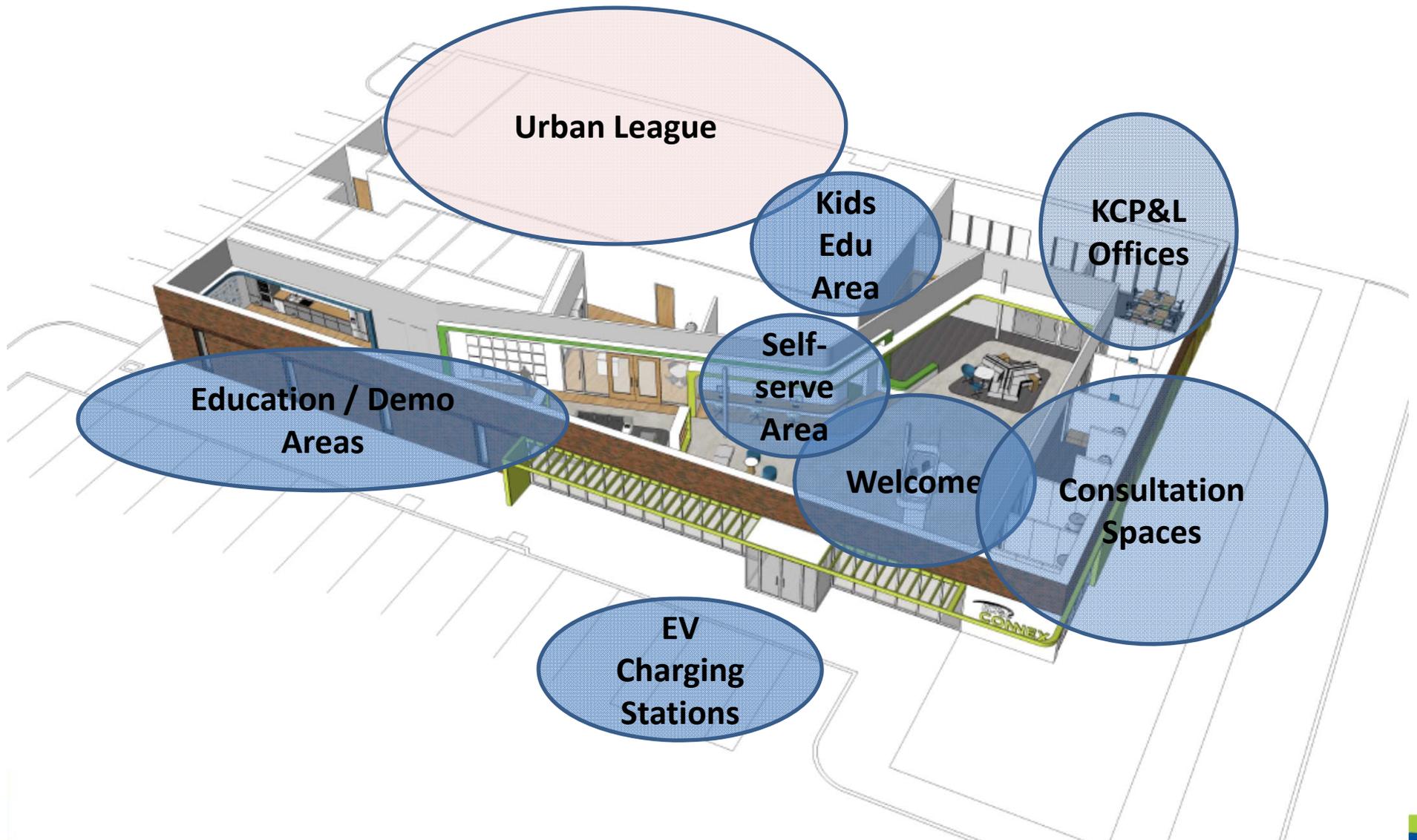
- Solar / Information and Vendors

Education

- Home Demo areas (garage, living, kitchen)
- Smart appliances
- Children's area with energy 101, safety information and more...



KCP&L Connect Layout



KCP&L Connect ~ On the Go



Transforming how we serve our customers and their image of KCP&L through...

An innovative 'mobile' approach for reaching our customers right in their own neighborhoods; where they live, work, shop and play and offering:

- two mobile units with the ability to customize services and messages to our customer audiences
- payment and options information
- energy saving ideas and products
- customized modules on community, safety, careers and more...

