MISSOURI PUBLIC SERVICE COMMISSION

CASE NO.: EO-2024-0002

DIRECT TESTIMONY

OF

JULIE DRAGOO

ON BEHALF OF

EVERGY MISSOURI METRO AND EVERGY MISSOURI WEST

Kansas City, Missouri
November 2023

TABLE OF CONTENTS

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

2 A: My name is Julie Dragoo. My business address is 1200 Main, Kansas City, Missouri

3 64105.

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

5 A: I am employed by Evergy Metro, Inc. I serve as Senior Director, Customer Strategy &

6 Support for Evergy Metro, Inc. d/b/a as Evergy Missouri Metro ("Evergy Missouri

7 Metro"), Evergy Missouri West, Inc. d/b/a Evergy Missouri West ("Evergy Missouri

8 West"), Evergy Metro, Inc. d/b/a Evergy Kansas Metro ("Evergy Kansas Metro"), and

9 Evergy Kansas Central, Inc. and Evergy South, Inc., collectively d/b/a as Evergy Kansas

10 Central ("Evergy Kansas Central") the operating utilities of Evergy, Inc.

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

12 A**:** I am testifying on behalf of Evergy Missouri Metro and Evergy Missouri West

13 (collectively, the "Company" or "Evergy").

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

15 A: My current responsibilities include leading the system support teams for our customer

16 information systems as well as other customer facing interfaces. I lead the project delivery

17 team for customer focused technology projects as well as the customer data analytics team.

18 My organization leads the prioritization of technology projects for the customer division

19 and drives those projects to execution.

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

2 A: I hold an Executive Masters of Business Administration from University of Missouri –

3   Kansas City and a Bachelor of Science in Business degree in Finance from Emporia State

4   University. I have been with Evergy and predecessor companies since October 2000 and

5   have served in many capacities in the customer service organization since 2003. I've led

6   large customer projects, managed Contact Center Operations, as well as Metering and Field

7   Service and Revenue Management teams. I established the current system support team

8   for customer systems as well as the project delivery team for this organization leading to

9   my current role as Senior Director – Customer Strategy & Support.

10 **Q:** **Have you previously testified in a proceeding before the Missouri Public Service**

11   **Commission ("Commission" or "MPSC")?**

12 A: Yes.

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

14 A: I will address the following topics in my testimony:

15   I.   Systems Overview – I will explain the Company systems and the technical

16   environment in which these systems reside within the Company.

17   II.   Data Availability & Retention Summary Support – I will provide support

18   for the technical details and cost estimates provided in the testimony of

19   Company witness Bradley Lutz.

I. SYSTEMS OVERVIEW

1

2 **Q:** **Please describe your understanding of the Staff's request and the systems impacted**

3 **by the data requested by Staff.**

4 A: Staff has requested a series of data from the Company to support changes to class cost of

5 service study methodologies and rate design changes. Staff is asking for a variety of data

6 that is housed across multiple independent systems.

7 On its face, the requested data might seem straight-forward, however, the data

8 relationships, time periods, or data intervals combined with the complexity of our systems,

9 business processes, procedures, and accounting regulations makes much of this a

10 challenging request to meet. If the Commission supports the requests from Staff, providing

11 the data will require significant project-level work to enhance many of the core/enterprise

12 systems that run the daily business. These systems include, but are not limited to, Customer

13 Care & Billing ("CCB"), Meter Data Management ("MDM"), Asset and Work

14 Management Systems (Maximo), Accounting and Asset accounting systems (Peoplesoft,

15 Powerplan), and other support systems including the data warehouse that is used for

16 analysis on data from these systems. It is important the Commission understand these

17 systems to better appreciate the complexities and costs related to the Staff data request.

18 **Q:** **Please describe the primary systems used at Evergy and the purpose of each of these**

19 **systems.**

20 A: **CCB/MDM** - These combined systems handle every aspect of the utility customers'

21 information and contain the objects that form the core of the systems: Person, Account,

22 Premise, Service Agreement and Service Point. These objects hold information about our

23 customers including dates of service connections, meter reads, rates, billing, and more

1	while also managing functions such as payment processing, collections, field service and
2	meter/device management. These systems collectively provide functionality for handling
3	large volumes of meter data to enable accuracy of customer billing. The key users of these
4	systems include Contact Center, Billing and Revenue Management, Metering and Field
5	Service, Distribution Management, Accounting, Tax and IT/System Support teams.
6	The MDM system collects and stores metering and device information such as
7	interval reads, where the meter is installed, start and end dates of service for customers,
8	etc. The CCB system is the customer account and billing system and holds a wide variety
9	of detail for customers including personal account details, customer program participation
10	information, rate details and billing and account history information.
11	While these are two separate systems, they are integrated and work together to create the
12	customer bill. From an industry perspective, while meters may track usage, that usage is
13	not tied to a particular rate until a person/customer is associated to that premise/meter and
14	assigned a rate code for that particular service location. Associating data in this way is not
15	unique, but is the approach and function of the software used by the Company.
16	**Work and Asset Management Systems**
17	Evergy currently uses a variety of work and asset management systems across its
18	transmission and distribution business units. This includes the following systems:
19	Cascade, STORMS, Maximo 7.6, and Maximo Anywhere. Evergy is currently engaged in
20	a multi-year effort to upgrade and combine these multiple systems into a single work and
21	asset management system, Maximo 8. Maximo 8 will be used in the Substation,
22	Transmission and Distribution areas of the business.

1   The main functions of Maximo 8 are to allow creation and tracking of work orders through

2   the work order life cycle and track/maintain a historical record of the work done on key

3   system assets throughout the asset's lifecycle. Users of these systems include engineers,

4   designers, asset and data analysts, construction and scheduling team members from our

5   Distribution, Substation, Transmission, and Planning Departments.

6   Our Work and Asset Management Systems interface with our Geographic

7   Information System ("GIS"), material inventory system, design softwares, CCB,

8   PowerPlan, and scheduling softwares. While many systems interface with our work and

9   asset management systems, there is currently no direct integration between work orders or

10   work done on assets and our customer accounts.   This is due to the fact that many assets

11   are part of the infrastructure serving a wide variety of customers across many rates and

12   even voltage classes. For example, a single pole asset could support a transmission circuit,

13   a distribution circuit, and secondary conductor, feeding multiple residential, commercial,

14   and industrial customers.

15   The work management system creates work orders that map to Evergy's financial

16   accounting systems and track costs (both capital investments and O&M expenses) based

17   on the hierarchy established within those accounting systems, however, our work and asset

18   management systems are not the system of record for system configuration, asset attributes,

19   or cost and time reporting.

20   **PeopleSoft/General Ledger Accounting System**

21   The PeopleSoft general ledger ("GL") is the system used for keeping a record of the

22   Company's financial transactions. The GL uses a set of numbered accounts to record asset,

23   liability, equity, revenue or expense transactions. The information in the GL is used to

1		create financial statements (i.e., balance sheet, income statement, statement of cash flows
2		and statement of equity).
3		The GL is a summary of financial transactions that come from multiple sources.
4		Those multiple sources include manual journal entries directly entered into the GL or
5		journal entries from other systems that store more detailed transaction information.
6		Transactions in the GL are not recorded by customer nor rate schedule.
7		**PowerPlan/Asset Accounting Systems**
8		The PowerPlan system handles the capital and fixed asset related transactions. The
9		system handles capital through the life cycle of tracking construction work in progress at a
10		work order level which becomes a fixed asset at the Federal Energy Regulatory
11		Commission plant account level. The system depreciates and amortizes the fixed assets
12		based on approved depreciable lives. The Maximo work management system integrates
13		the work order information to PowerPlan to allow the tracking of that work order into the
14		financial systems. The system is used by accounting for calculating Allowance for Funds
15		Used During Construction ("AFUDC"), depreciation, and Asset Retirement Obligations
16		("ARO"). It is used by various project managers to see the accumulation of charges by
17		work order as well as regulatory analysts who use the system as a reporting tool for assets
18		and accumulated depreciation.
19	**Q:**	**Are these systems unique to Evergy or are these systems used by other utilities to**
20		**manage data and work?**
21	A:	These systems are used widely across the industry. Evergy is not unique in the way we use
22		and integrate these types of systems. In fact, Evergy does industry benchmarking and

1		discusses lessons learned with other utilities when embarking on large technology projects
2		with these systems. Industry witness Sean Riley will support this view in his testimony.
3	**Q:**	**Please describe how these systems are interconnected.**
4	A:	The level of interconnection and the data retained in each application is specific and unique
5		to the business processes and procedures managed by that system. While some may
6		interface and share a few pieces of the same data (billing summary data shared with
7		Peoplesoft Financials, CCB work requests sent to Maximo, etc.), there is not a common
8		data "key" that allows us to link all of the systems together. As described above, from an
9		industry best practices perspective, asset management systems do not contain
10		comprehensive cost or customer information; asset accounting systems do not tie to meters
11		or rate codes; and customer billing has no connection to poles and wires. These
12		connections are not necessary for the purposes of billing and servicing our customers,
13		delivering safe and reliable power, or properly accounting for our assets and revenue.

II. <u>DATA AVAILABILITY & RETENTION SUMMARY</u>

15	**Q:**	**Are the systems described above inherently designed to support data analysis? If not,**
16		**what steps are needed to extract data and create data sets for analysis?**
17	A:	No, the core applications are meant to serve the purpose as described for each unique
18		system. To analyze the data of these disparate systems, Evergy has created multiple data
19		warehouses to store, aggregate or summarize data for further analysis. As described in
20		Bradley Lutz's testimony in the summary table, the data requested by Staff that can be
21		produced by Evergy will generally be pulled from these warehouses, collectively referred
22		to as the Data Hub.

1   The amount of data flowing through the business systems and Data Hub is

2   enormous. It takes different teams to ensure the maintenance of the systems and data

3   warehouse.   However, when it comes to using the data for decision making and running

4   the business, each business area has a team of people who take ownership of the unique

5   data sets. These teams maintain the quality of the data, create data definitions, and maintain

6   understanding of how the data can be used for each business function.   Generally, when

7   data is to be extracted from the Data Hub, detailed requirements and specifications are used

8   to identify data sources within the repository and determine if there are appropriate links

9   within the data to allow combination. If the data and the relationships exist, requirements

10   are confirmed and design occurs. Queries are then developed, tested and executed, thereby,

11   producing the requested output.

12 **Q: Why is it important to take these additional steps beyond the plain export of the data?**

13 A: Many of these systems do not provide delivered reports and analytics as part of the base

14   system, or at least not to the level needed by Evergy. Therefore, much of the work to build

15   such views requires the use of the Data Hub and our IT partners. In most cases, the business

16   teams require summarized views of data for decision making or analysis, so it is critical

17   that processes are followed to ensure the data is accurate. This involves creating mini-

18   projects to create the data points using defined business logic and rules. These projects

19   include all the phases of requirements confirmation, design, development and testing to

20   ensure data quality. In addition, Evergy must consider how business teams' access and use

21   this data. Data security is key in every aspect, but especially when working with customer

22   information. The more the Data Hub can aggregate data and anonymize the customer data

23   the better.   Further, the Company expects that Staff would plan to use this data to support

1   ratemaking and other recommendations as part of future rate cases. Since the data will be

2   used in this way, it is important that the Company be certain the data is retained and there

3   is some method to reconcile with other data used in that rate case. For example, if Staff

4   relies on energy consumption data extracted from Data Hub, both Staff and the Company

5   would want to ensure the data could be tied back to the consumption supporting the rate

6   case. This would require the Company to maintain large repositories solely to retain data

7   provided to Staff. In addition, the more data we store and keep separate, the more day-to-

8   day work we put on Evergy and eventually more cost to our customers.

9 **Q:**   **Are you familiar with the Data Request Summary referenced in the testimony of**

10   **Bradley Lutz?**

11 A: Yes.

12 **Q:**   **Did the Company examine the Data Hub for the data requested by Staff?**

13 A: Yes.   The Company's assumptions and results were included in the summary table

14   provided as Confidential Exhibit BDL-1 to the testimony of Bradley Lutz. In summary,

15   much of the data requested exists, however there are concerns around how to produce the

16   data, defining how to store and share the data, and establishing business processes to ensure

17   the data remains consistent and useful to Staff. These efforts can be considerable and were

18   incorporated in the cost estimates provided.

19 **Q:**   **In your opinion, are the details and costs offered in that Summary accurate to the**

20   **best of your knowledge?**

21 A: Yes. Where estimates were provided the team thought through the resources necessary to

22   define and confirm the requirements, design and develop the reports, validate with internal

23   business owners and the actual processing time to pull data and prepare for delivery. As

1		noted in the summary, some requests cannot be met without significant changes to
2		underlying processes and enhancing existing systems, and at this point in time there is no
3		specific estimate available other than the ranges offered.
4	**Q:**	**The summary identifies the "availability" and the "deliverability" of the data as**
5		**separate assessments. Why is this needed?**
6	A:	In review of the data requested it became clear to the Evergy team that to fully express the
7		evaluation of the data, two attributes were needed. "Availability" was used to express the
8		Company assessment of data being part of our existing repositories. "Deliverability" was
9		used to express the Company's ability to extract, format, and provide the data as requested.
10		The combination of these attributes identified the collective work expected.
11	**Q:**	**Can you offer any additional context to the reason ranges were used to express the**
12		**expected cost to produce the requested data?**
13	A:	Yes. From an industry perspective, estimating large technology efforts is a challenge even
14		with known scope. Trying to estimate efforts to complete reporting asks, or potentially
15		large overhauls of our enterprise systems is even more difficult when scope is vague or
16		worse, undefined. Any technology project requires a review of effort to understand what
17		resources internally and externally and/or software and hardware will be necessary to
18		complete the job.
19		Without fully detailed scope, technology efforts are "shirt sized" and given a range
20		of S – XXL. The requests from Staff range from items we can build with data that exists,
21		to trying to report on data that does not exist, the range was very wide for the estimate.
22		Evergy recognizes some of the requests will require the use of outside resources including
23		our technology partners and system integrators, to assess gaps and define processes to

1 create the data required to support these requests. These resources range in cost from $150-

2 $500+/hour. From recent experience, Evergy knows the costs associated with just the

3 design phase of these large technology projects (the effort to align on scope and confirm

4 the solution) can be anywhere from $5M-$10M. In addition, data request 1 with its request

5 of data not available, the effort to create the data in question would require extensive work

6 on the described systems and business processes. Based on past projects to inform

7 estimates for those system upgrades, the cost to achieve could be well over $100 million

8 dollars.

9 **Q:** **In its normal course of business, does the Company produce requirements and**

10 **specifications to produce cost estimates for work?**

11 A: Absolutely. Project requests typically start with shirt sizing, then prioritization, and then

12 detailed requirement definition. The shirt-sizing method described above plays into the

13 sizing and estimates are refined once requirements are confirmed and Evergy understands

14 what third party resources may be required for execution. Evergy has experience defining

15 specific business and system requirements as well as securing the necessary internal and

16 external resources for many enterprise projects. We often work with our business partners

17 and system integrators to ensure a more comprehensive view of the project requirements.

18 In fact, the practice of creating detailed business and system requirements allows for more

19 accurate estimates, and may even reduce project costs overall when scope is well-defined

20 and the complexity of the solution is known and accounted for up front. Rarely do cost

21 estimates go down as business requirements and solution design begin to take shape.

22 While estimating effort for projects is a normal practice at Evergy, the difficulty in defining

23 estimates around the requests from Staff is not only the unprecedented nature of some of

1   the requests, but the realization that even if the data could be created with change to

2   processes, procedures and systems; it would not meet the historical data requirements noted

3   in the request. Changes made now will collect data going forward.

4 **Q: Are there other cost considerations that the Company experiences when working**

5   **within these computer systems?**

6 A: Of course. Costs such as project management, quality assurance, testing, deployments to

7   production, additional software and hardware equipment needed to support growing data

8   sets, and change management, including training for employees, are all costs incurred with

9   implementing new processes and or systems. In addition, there are costs associated with

10   the ongoing operations and maintenance of the systems plus the staffing of support teams

11   and operational teams to manage day-to-day processes and ongoing reporting requests. In

12   many cases, technology implementations seek to enhance customer experience or improve

13   productivity to drive cost out of the business. On the surface, the requests examined in this

14   docket appear to create more cost to the Company and in turn to the customer.   To

15   completely re-engineer accounting practices, business practices, and systems for Missouri

16   in what would be considered enterprise systems will be significantly complex costing

17   millions of dollars, taking multiple years, and negatively impacting future projects.

18 **Q: Looking to the specific data requests (see Bradley Lutz direct testimony, pp. 3-5) are**

19   **there any of concern you would like to address?**

20 A: Yes, in my opinion data requests 1, 5 and 8 are particularly difficult for the Company to

21   address. Specifically for data request 1, as noted in Bradley Lutz's direct testimony, data

22   does not exist in these combinations within Evergy systems to support the data request. I'd

23   like to reiterate that while cost information exists, it is not tied to customer accounts or

1	rates. The process of installing distribution infrastructure is distinct from the process of
2	receiving energy and often involves different individuals. It is common that construction
3	activity, resulting in new infrastructure, is performed by builders, developer, engineering
4	companies and others and then turned over to customers who then receive the energy
5	service. During the construction process, service may be provided to the premise on a
6	different rate schedule than used by the customer occupying the premise. In addition, the
7	Company follows accounting rules that direct the way costs are recorded. Plant in-service
8	costs are not recorded by customer nor rate schedules and components of the distribution
9	system are recorded as mass property. For example, the group of poles or wire going into
10	service in a particular month are summed together to record a total quantity and total
11	amount and will represent many customers at different rate schedules.
12	As an additional point to data request 1, the amount of business process changes
13	and change to how employees will manage their day-to-day work is really difficult to
14	describe in my testimony. It is not an easy task to change processes, but it is even harder
15	to ensure they are well controlled. I mentioned previously that teams will have to process
16	details at an entirely new level, thus creating more work, adding more staff and potentially
17	additional human error to solve for a request for which the Company cannot grasp the
18	customer benefit. The additional cost to change processes and systems, integrate data and
19	develop data views, hire new teams of people to manage and somehow have the right
20	support system in place to administer is not just a one-time cost, but an ongoing cost that
21	cannot be well defined at this time.
22	Data request 5 is an issue, not because the source systems do not have the updated
23	and billed data information, but because the Data Hub was not built to be a replica of

1   Evergy's business source systems. As noted previously, Data Hub is the source for the

2   majority of the aggregation requests. To try and recreate data in multiple sources and

3   ensure they stay in sync would require extensive modifications to the Data Hub integrations

4   and processes, new configurations in our metering and billing systems and increased

5   storage capacity and processing power.

6   As for the requests in data request 8, the Company's concerns vary depending on

7   the specific request. As it relates to "retaining" data in 8(a) and (b), I believe Evergy has

8   shown the data is retained in the appropriate source system. It is the Staff's suggestion that

9   the data may need to be provided vs. retained that causes Evergy concern. As pointed out

10   in the table, if hourly data is acceptable for data request 8(b), the data could be made

11   available through the evaluation of data request 4.

12   For data request 8.c.1. please see the details above on why data request 1 is not

13   possible for Evergy. As for data request 8.c.2., Evergy can give a 12-month view for data

14   requests 2 through 4. The Company does not believe data request 5 to be a request for data,

15   but rather a process for the Company to follow and those concerns are addressed above.

16   The sampling requests in data request 8.c.3 and 8.c.4 can be accommodated in small sample

17   sizes and with the timelines provide in the table in Mr. Lutz's testimony. None of these

18   data requests can be processed immediately or come without cost to the Company.

19   As for data request 8.d., Evergy cannot commit to having 36-months of details

20   retroactively for all the data requests.   For clarity, where data does not exist today, Evergy

21   cannot be expected to produce a historical view of such data. Where data is available and

22   deliverable, Evergy will do it's best to comply with reasonable historical requests.

1 **Q:** **If the Commission orders the Company to execute on these data requests, how will**

2 **the work described be accomplished?**

3 A: As mentioned above in my testimony, the estimates given for the work, particularly for

4 data request 1 are at a "shirt-size" level. To begin, the project(s) will need to be evaluated

5 across the current enterprise technology roadmap for impact to other efforts and resources.

6 The conflict created with work in progress on these systems will need evaluated across

7 workgroups and should include a conversation with Staff and Commission as to the ranking

8 of this effort amongst existing work, other regulatory and data asks, and customer

9 benefitting technology enhancement work. If it is determined the data request work is

10 appropriate, one of the first steps for Evergy would be to work with Staff and our third-

11 party integrators to fully define requirements. Teams of product experts would conduct a

12 review of current data and define the gaps, including defining new business processes and

13 procedures that allow for the collection of the data. Recognizing this impacts our core

14 enterprise systems, work would likely need to be done in phases and as described above

15 will probably take place over the course of multiple years. In addition, knowing the data

16 requests will impact the Company's accounting practices, a legal and compliance analysis

17 would also be needed. Even the exercise of evaluating the effort will be a burden on Evergy

18 teams and will most necessarily require contractors and consultants. While the comments

19 above focus on changes and integrations of systems, I would be remiss if I did not reiterate

20 another previous point; the amount of change management, training and people readiness

21 involved in providing the data requested by Staff is an effort of this magnitude will be

22 monumental. This would be a transformational project and contemplating this undertaking,

1		with an already full slate of projects over the next several years, and would increase the
2		implementation risk profile exponentially.
3	**Q:**	**What is your recommendation concerning the Staff data requests?**
4	A:	I recommend the Commission reject as unreasonable data requests 1, 5 and 6 and to assess
5		the data request 8 as separate requests and to reject as unreasonable the subparts to data
6		request 8 that are impacted by data request 1 and 5. For the other data requests, I believe
7		it is important the Commission understand Evergy's position with the data requests (as
8		defined in assumptions and effort in the data table) and acknowledge the level of cost
9		associated with providing new and different views of data. The Company is willing to work
10		with Staff to further develop requirements that would refine the cost estimates and timing
11		for the other data requests. Part of those conversations would be to align expectations on
12		the format and frequency of sharing the data.
13	**Q:**	**Does that conclude your testimony?**
14	A:	Yes, it does.

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

In the Matter of Requests from Evergy	)	
Missouri Metro, Inc. d/b/a Evergy Missouri	)	
Metro and Evergy Missouri West, Inc. d/b/a	)	No. EO-2024-0002
Evergy Missouri West for Customer Data	)	
Account Data Production	)	

AFFIDAVIT OF JULIE DRAGOO

STATE OF MISSOURI	**)**	
	) ss	
COUNTY OF JACKSON	**)**	

Julie Dragoo, being first duly sworn on his oath, states:

1.   My name is Julie Dragoo. I work in Kansas City, Missouri, and I am employed by Evergy Metro, Inc. as Senior Director, Customer Strategy & Support.

2.   Attached hereto and made a part hereof for all purposes is my Direct Testimony on behalf of Evergy Missouri Metro and Evergy Missouri West consisting of sixteen (16) pages, having been prepared in written form for introduction into evidence in the above-captioned docket.

3.   I have knowledge of the matters set forth therein. I hereby swear and affirm that my answers contained in the attached testimony to the questions therein propounded, including any attachments thereto, are true and accurate to the best of my knowledge, information and belief.

_____
Julie Dragoo

Subscribed and sworn before me this 1st day of November 2023.

_____
Notary Public

My commission expires: ___4/24/2025___

ANTHONY R. WESTENKIRCHNER
NOTARY PUBLIC - NOTARY SEAL
STATE OF MISSOURI
MY COMMISSION EXPIRES APRIL 26, 2025
PLATTE COUNTY
COMMISSION #17279952