

Investigation into Customer Care and Billing Issues for Public Service Company of CO

CWM Presentation -- 04/30/2025

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I. Background

PUC Consumer Affairs raised concern regarding increased customer complaints about Public Service Company of CO. Data from the Company's most recent Quality of Service Plan (QSP) report shows:

	PSCo Mktg & Sales Complaints	CPUC Ext. Affairs Complaints	Complaints per 1,000 Customers
2022	873	926	0.162
2023	1,100	1,172	0.463
2024	1,728	1,342	0.530
% Change	98% Increase	45% Increase	227% Increase

Source: Proceeding No. 23A-0356E, Annual QSP Report filed April 1, 2025

I. Background: Intro/Context

Staff worked with PUC Consumer Affairs and conducted audit of PSCo to attempt to better understand the customer concerns and broader trends within PSCo customer support functions. PUC Consumer Affairs concerns and Staff audit centered around two main areas:

1. Customer Support and Call Center responsiveness; and
2. Billing Department support and Billing issues.

Specific data from Commission audit is confidential so this presentation presents general results and findings from Staff's on-going inquiry. Variation in metrics presented are a result of differences in available data.

II. Customer Contact Center: Customer Satisfaction

PSCo's survey of Customer Satisfaction with its Customer Support between 2020 and 2024 reflects:

1. Consistent decline in all categories and customer classes for both agent and Interactive Voice Response (IVR) calls in every year from 2020 to 2024:
 - a. 13% overall decline in business satisfaction agent calls;
 - b. 17% overall decline in residential satisfaction agent calls; and
 - c. 27% overall decline in IVR call.
2. Overall average ~17% reduction in satisfaction across all categories.

II. Customer Contact Center: Call Response Time

Customer Call Response time has increased dramatically. The Company's current QSP Response Time metric is:

70 percent of customer calls answered within 45 seconds

1. Annual 2024 QSP Report (Proceeding No. 23A-0356E) shows:

	2022	2023	2024
% w/i 45 Seconds	70.8%	74.9%	45.7%

2. Average response time in 2024 was **452 seconds**:
 - a. 10 times longer than QSP metric;
 - b. Almost 10-fold increase in avg. response time vs. 2014 through 2023.
3. These results do not include the impact of auto-disconnections.

II. Contact Center: Abandoned Calls/Auto-Disconnect

In addition to the extended response time, customers are often not getting through to the Customer Contact Center at all:

1. Calls abandoned by customers:
 - a. Over 4 times as many abandoned calls in 2024 vs. 2023;
 - b. Over 200,000 calls were terminated by customers without speaking to an agent in 2024.
2. Calls Auto-disconnected by the Company:
 - a. Company began recording auto-disconnection of non-emergency calls when call volumes are high in the latter half of 2023;
 - b. Auto-disconnected over 100,00 calls in 2024;
 - c. No option to provide a call back number or leave a message.

II. Customer Contact Center: Staffing Levels

Customer Care staffing level declines:

1. Numerous media reports documented Xcel layoff and voluntary employee buy-out in late 2023;
2. Reports specifically identify layoffs within Customer Care Departments;
3. PSCo Customer Care staffing levels declined by over 20% from 2022 to 2024;
4. While the number of agents increased during the Covid years 2020 to 2023, staffing in 2024 was back down to almost 10% below 2020 staffing levels;
5. Contact Center budget in 2024 was 5% below the budget in 2020. Over this same time period, PSCo electric rates increased by over 30%.

III. Billing Concerns: Lack of Monthly Bills

PUC Consumer Affairs received numerous complaints of customers not receiving monthly bills on a regular basis. Company data reflect:

1. 58% increase in customers not receiving monthly bills in 2024 vs. 2023;
2. 240% increase in customers not receiving monthly bills in 2024 vs. 2020;
3. The average time to resolve non-billing issues has remained about 3 months. But the average cumulative resulting bill has grown 8-fold to over \$3,000 between 2020 and 2024.

Lack of monthly billing has increased customer concerns that they cannot verify accurate billing.

III. Billing Concerns: Bill Corrections

Company data suggests a significant increase in billing complaints and corrections:

1. Billing complaints increased by about 40% in 2024 vs. 2022;
2. Time to resolve all billing complaints increased 4-fold in 2024 versus the average from 2020 through 2023;
3. Billing issues may have been exacerbated by the large number of meter replacements conducted over the last several years;
4. Company did not track billing complaints by language spoken.

Staff is still working with the Company to better understand the levels, trends, and causes of billing errors over the last several years.

III. Billing Concerns: Staffing Levels

Given these billing issues, Staff enquired regarding staffing levels in the PSCo billing department.

1. Overall level of billing personnel has remained relatively constant, with even a slight increase in 2024;
2. However, internal PSCo headcount declined by approximately 60% with the majority of the billing department moved to outside contractors in 2024.

Company responses to audit acknowledge the change in billing department staffing led to a backlog of billing issues but states that it has recently invested in training and coaching programs.

IV. Conclusions

Recent trends in PSCo Customer Service and Billing appear to be uniformly negative:

1. Company executed staffing reductions and outsourcing in Customer Contact Center and Billing Departments in Q3/Q4 of 2023;
2. Company roll out of new smart meters was still being implemented for large portions of the Company's system;
3. Company appears to have reduced funding for customer facing functions;
4. Problems were likely exacerbated by major weather events in 2024 and increased system outages as discussed in Proceeding No. 24I-0394E.

IV. Conclusions

This set of circumstances, some outside the Company's control and some within, resulted in:

1. Increase in number of complaints, billing errors, lack of sending monthly bills, and time to reach resolution of issues;
2. Significant deficiencies in customer call response time and troubling level of abandoned calls;
3. Implementation of auto-disconnection of customers resulting in significant numbers of customer calls simply being dropped;
4. Instances where, after months of not being billed, customers face thousands of dollars in utility bills.

IV. Conclusions: Company Actions

The Company has acknowledged these concerns and appears to be taking steps to address these issues:

1. Increasing staffing levels within the Billing Department (external personnel) and Customer Contact Center;
2. Providing additional training and coaching of billing department Staff;
3. Rolling out billing training for frontline agents to be able to complete cancel/rebills for singles months during customer phone calls;
4. Making progress to clear backlog of billing issues.

PUC Consumer Affairs notes that recent meetings and responsiveness of the Company shows improvement.

IV. Conclusions: Next Steps

Staff offers the following recommendations for the Commission's consideration in ongoing and future proceedings and/or rulemakings:

1. The Commission should consider reporting and/or rulemaking to:
 - a. Evaluate/disallow auto-disconnection of customer calls;
 - b. Evaluate requirement that customers at least have the ability to leave a message or call back number;
2. Track/report on auto-disconnection, abandoned calls, staffing levels, billing errors, time to complaint resolutions, etc.
3. Consistent with Staff's earlier presentation, Commission should consider promulgation of Rules regarding utility Quality of Service expectations.

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