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March 12, 2021

VIA ELECTRONIC FILING

Adam Teitzman, Commission Clerk
Division of the Commission Clerk and Administrative Services
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

Re: Docket No. 20210015-EI
Petition by FPL for Base Rate Increase and Rate Unification

Dear Mr. Teitzman:

Attached for filing on behalf of Florida Power & Light Company (“FPL”) in the above-referenced docket are the Direct Testimony and Exhibits of FPL witness Christopher Chapel.

Please let me know if you should have any questions regarding this submission.

(Document 9 of 69)

Sincerely,

A handwritten signature in black ink that reads "R. Wade Litchfield".

R. Wade Litchfield
Vice President & General Counsel
Florida Power & Light Company

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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION
FLORIDA POWER & LIGHT COMPANY
DIRECT TESTIMONY OF CHRISTOPHER CHAPEL
DOCKET NO. 20210015-EI
MARCH 12, 2021

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I. INTRODUCTION AND SUMMARY

Q. Please state your name and business address.

A. My name is Christopher Chapel. My business address is 700 Universe Blvd, Juno Beach, Florida 33408.

Q. By whom are you employed and what is your position?

A. I am employed by Florida Power & Light Company (“FPL” or the “Company”) as Vice President of Customer Service.

Q. Please describe your duties and responsibilities in that position.

A. As Vice President of Customer Service for FPL, I am responsible for maintaining, enhancing, developing and implementing the technology, programs and services that ensure the provision of outstanding, low-cost and efficient customer service to FPL’s more than 5,000,000 customers.

Q. Please describe your educational background and professional experience.

A. I am a graduate of Hampden-Sydney College in Virginia. Since joining NextEra Energy in 2000, I have held numerous positions of increasing responsibility within the company, including Vice President of Governmental Affairs for NextEra Energy and Vice President of State Governmental Affairs for NextEra Energy Resources. I joined Customer Service in January 2019 in my current role of Vice President of Customer Service for FPL.

1 **Q. Are you sponsoring any exhibits in this case?**

2 A. Yes. I am sponsoring the following exhibits:

- 3 • CC-1 Consolidated MFRs Sponsored or Co-Sponsored by Christopher
- 4 Chapel
- 5 • CC-2 Supplemental FPL and Gulf Standalone Information in MFR
- 6 Format Sponsored or Co-Sponsored by Christopher Chapel
- 7 • CC-3 FPL Customer Service Awards and Recognition
- 8 • CC-4 2020 Customer Satisfaction Research
- 9 • CC-5 Florida Public Service Commission Logged Complaints
- 10 • CC-6 Gulf Power Customer Experience Improvements

11 **Q. Are you sponsoring or co-sponsoring any consolidated Minimum Filing**
12 **Requirements (“MFRs”) in this case?**

13 A. Yes. Exhibit CC-1 lists the consolidated MFRs that I am sponsoring and co-
14 sponsoring.

15 **Q. Are you sponsoring or co-sponsoring any schedules in “Supplement 1 –**
16 **FPL Standalone Information in MFR Format” and “Supplement 2 – Gulf**
17 **Standalone Information in MFR Format?”**

18 A. Yes. Exhibit CC-2 lists the supplemental FPL and Gulf standalone information
19 in MFR format that I am sponsoring and co-sponsoring.

20 **Q. What is the purpose of your testimony?**

21 A. The purpose of my testimony is to describe how FPL continues to provide
22 outstanding service to our customers while maintaining low-cost and efficient

1 operations. I also support the reasonableness of the projected O&M and capital
2 costs set forth in the MFRs for Customer Service.

3 **Q. Please summarize your testimony.**

4 A. FPL strives to provide outstanding service to our customers at the lowest
5 possible cost. Because customer needs and expectations evolve, we continually
6 make enhancements to our offerings and improvements in our technologies and
7 operations through smart, cost-efficient investments.

8
9 This past year, FPL responded directly and specifically to the challenges and
10 needs that customers faced as a result of the pandemic. Beginning in mid-
11 March 2020, FPL implemented a series of COVID-19 crisis policies. My
12 testimony provides details of the proactive approach and numerous specific
13 actions FPL took to assist customers experiencing hardship due to the
14 pandemic. These actions ranged from suspending disconnections and late fees
15 to pursuing and receiving Commission approval for various forms of bill relief
16 for residential and small business customers. On top of that, shareholders
17 funded several initiatives including bill relief for low-income customers.

18
19 We are proud to maintain an extraordinarily high level of customer satisfaction.
20 FPL has been recognized nationally year-after-year with numerous customer
21 service awards. These awards cover the four core elements that drive high
22 customer satisfaction: customer service, electricity service, price and digital
23 experience. Exhibit CC-3 features a summary of recent customer service

1 industry awards and recognition, which I address in more detail in my
2 testimony.

3
4 FPL achieves outstanding customer service through smart investments in
5 technologies and through process improvements in our operations. We
6 continue to invest in technologies and analytics that reveal insights into our
7 customers' satisfaction with our various service channels. My testimony
8 focuses on the customer value provided by our customer care centers, our
9 Interactive Voice Response ("IVR") system, which includes speech recognition
10 and options to complete 20 different interactive self-service applications, our
11 website with options to complete over 30 self-service applications and our
12 mobile app, which allows customers to more easily access and manage their
13 accounts through their mobile devices. Our focus on continuous improvement
14 is evident in both our high customer satisfaction and our nearly 70% reduction
15 in Commission-logged complaints over the last decade, as demonstrated in
16 Exhibits CC-4 and CC-5. Since its acquisition by NextEra Energy, Gulf Power
17 has been engaged in the process of bringing its performance in line with FPL's
18 and has achieved continuous improvement in several key metrics during this
19 period.

20
21 My testimony also demonstrates that FPL achieved outstanding performance in
22 Customer Service while keeping our operating and maintenance ("O&M")
23 expenses extraordinarily low. In fact, as discussed by FPL witness Reed, in

1 terms of controlling customer expenses, FPL is consistently the top performer
2 in the Florida Utility Group and is in the top quartile of the Straight Electric
3 Group and the Large Utility Group for the past five years since 2015. FPL's
4 Customer Service costs are reasonable and necessary and support our mission
5 to provide great customer value by providing outstanding service, while
6 keeping typical bills low.

7

8 II. OVERVIEW OF CUSTOMER SERVICE

9

10 **Q. Please provide an overview of the Customer Service organization.**

11 A. FPL's Customer Service organization is responsible for all aspects of the
12 customer interface and interaction with the company. We are responsible for
13 developing and executing policies, processes and systems to enhance our
14 customers' experience. Primarily, the organization is comprised of: customer
15 care centers; customer service field operations, which is responsible for account
16 management for large commercial/industrial and governmental customers and
17 other field-related activities; complaint resolution; billing and payment
18 processes; smart meter network operations; and credit and collections activities.

19 **Q. Has FPL received recognition for providing overall outstanding customer
20 satisfaction?**

21 A. Yes. FPL has been recognized for outstanding customer satisfaction in national
22 surveys with components including customer service, reliability,
23 communications, price, corporate citizenship and others.

1 In 2021, FPL was ranked one of the top digital experiences in the utility industry
2 for the second consecutive year and in 2020, ranked first in residential¹ and
3 second in business² electric utility customer satisfaction among peer utilities in
4 the U.S. south region by a global leader in consumer insights, advisory services
5 and data and analytics. FPL was also ranked No. 1 for its omni-channel
6 experience compared to the top 25 U.S. electric providers in the 2020 Verint
7 Experience Index for Electric Utilities. The survey shows which providers
8 deliver winning experiences for each of the four core utility customer
9 experience satisfaction drivers: customer service, reliability, price and website.
10 Verint is a global leader in Actionable Intelligence® solutions with a focus on
11 customer engagement optimization and cyber intelligence.

12
13 In 2019, FPL was designated a “Customer Champion” for the sixth consecutive
14 year. This honor is given to gas, electric and combination utilities that exhibit
15 exceptional performance in brand trust, service satisfaction and product
16 expertise and was based on a survey of utility customers conducted by Escalent,
17 a leading nationwide research firm.

18
19 In 2018, FPL was recognized as delivering the best customer experience in the
20 utilities industry, according to an annual Temkin Experience Ratings cross-
21 industry customer experience benchmark study. Conducted by Qualtrics XM

¹ <https://www.jdpower.com/business/press-releases/2020-electric-utility-residential-customer-satisfaction-study>

² <https://www.jdpower.com/business/press-releases/2020-electric-utility-business-customer-satisfaction-study>

1 Institute, results are based on 10,000 U.S. consumers asked to rate their recent
2 interactions with 318 companies across 20 industries and then to evaluate their
3 experiences across three dimensions: success, effort, and emotion. Qualtrics
4 XM Institute is the leading experience data company and is owned by SAP, the
5 market leader in operational data.

6

7 **III. CUSTOMER ASSISTANCE DURING THE COVID-19 PANDEMIC**

8

9 **Q. Did FPL provide assistance to customers during the COVID-19 pandemic?**

10 A. Yes. FPL understands the critical role electricity plays in the daily lives of our
11 customers. We continuously strive to support those experiencing hardship. We
12 took proactive and extraordinary measures to assist our customers, especially
13 those who had fallen behind on their electric bills as a result of the COVID-19
14 global pandemic. Many of these measures and initiatives were aggressively
15 undertaken to assist customers from the onset of the pandemic, and others were
16 added along the way. Perhaps most importantly, we communicated extensively
17 with our customers, ensuring that they all had resources and information – to
18 this end, we executed an unprecedented outreach effort last year, initiating over
19 4.6 million incremental customer contacts.

20

21 In mid-March 2020, FPL implemented COVID-19 crisis policies by voluntarily
22 suspending disconnections for nonpayment, offering special payment
23 extensions and waiving late fees for customers experiencing hardship due to the

1 pandemic. FPL recognized that challenging times must be met with exceptional
2 measures and took immediate action, seeking and gaining approval from the
3 Florida Public Service Commission (the “Commission”) to fast-track annual
4 fuel savings, providing customers a one-time decrease in May of nearly 25%
5 on the typical residential bill.

6
7 FPL continued unprecedented customer outreach, urging customers to call us
8 to make payment arrangements and to generate awareness of available financial
9 assistance, including tens of millions of dollars in federal funding for Floridians
10 needing help with utility bills. Federal funding for Florida’s Low Income Home
11 Energy Assistance Program (“LIHEAP”) increased nearly 60% due to the
12 pandemic.

13
14 Additionally, we worked to expand the FPL Care To Share® Program, which
15 provides bill payment assistance to customers. Shareholder, employee and
16 customer donations all increased. Shareholders and employees contributed \$5
17 million to provide relief to our customers in need, including an enhancement to
18 the Care To Share program that will allow customers to contribute set recurring
19 amounts, make one-time donations or round up their bills to the nearest dollar
20 as a voluntary contribution.

21
22 Finally, we took action to help our network of more than 800 agencies. These
23 not-for-profit organizations, like the Salvation Army, Children’s Home Society,

1 Community Action Agencies and churches, are responsible for facilitating the
2 qualification and distribution of financial assistance for customers. For
3 example, FPL donated hundreds of laptops to ensure that they could operate
4 remotely and mitigate delays in helping customers in need.

5 **Q. In what other ways did FPL continue to support their customers?**

6 A. FPL provided extensive support for customers experiencing hardship due to the
7 COVID-19 pandemic. In addition to the policies and initiatives previously
8 discussed, FPL:

- 9 • Increased customer education efforts, such as communicating stay-at-
10 home tips for conserving energy;
- 11 • Continued to offer programs such as Home and Business Energy
12 Surveys and other customer support by phone in lieu of in-person visits;
- 13 • Reached out directly to small businesses and helped them connect to the
14 Coronavirus Aid, Relief, and Economic Security (“CARES”) Act
15 funding;
- 16 • Developed a COVID-19 Business Resource Center with links to tools,
17 tips and CARES Act information;
- 18 • Created videos for small businesses on how to reopen safely and
19 efficiently;
- 20 • Guest-hosted a series of Chamber of Commerce business webinars
21 featuring energy conservation tips, strategies for efficiently reopening
22 businesses and CARES Act information;

- 1 • Conducted proactive outreach to customers whose usage increased
- 2 significantly, offering energy conservation tips, education and
- 3 connection to assistance agencies;
- 4 • Created a new way to enable customers to make payments toward other
- 5 customers' accounts, allowing someone to help a friend, family member
- 6 or neighbor in need;
- 7 • Offered up to \$200 in direct relief to residential and small business
- 8 customers who were significantly behind on their electricity bills due to
- 9 COVID-19 if they paid the remainder of their outstanding balance in
- 10 full, net of the credit; and
- 11 • Accelerated deposit refunds to eligible residential and small business
- 12 customers who paid their bills in full and on time for the last 12 months.

13 **Q. What is the FPL Main Street Recovery Credit Program?**

14 A. The FPL Main Street Recovery Credit Program is a program offered by FPL
15 and approved by the Commission to help rebuild Florida's economy by
16 boosting small businesses. Eligible establishments include new small
17 businesses; small businesses that were inactive for at least six months; and
18 existing small businesses operating in communities under the Opportunity
19 Zones Program designated by the Florida Department of Economic
20 Opportunity. These eligible small businesses receive a monthly 10% credit on
21 the energy charge portion of their bill for the duration of the program through
22 2021. FPL understands how vital small businesses are to Florida's \$1 trillion

1 annual economy. We believe offering these targeted bill credits is one more
2 way to help rebuild our economy while helping those in need.

3 **Q. How has Gulf responded to the challenges associated with the COVID-19**
4 **pandemic?**

5 A. Much like FPL, Gulf took proactive steps in response to the increased demand
6 for services and support in the Northwest Florida communities that we serve.
7 Gulf suspended disconnection for nonpayment through mid-November 2020
8 while helping customers connect with needed financial assistance and find ways
9 to save energy with low-cost or no-cost energy efficiency tips to lower their
10 bill. Due to lower fuel costs, we sought and the Commission approved a one-
11 time decrease of approximately 40% for the typical residential customer bill in
12 May 2020. Most business customers experienced a 40-50% decrease in their
13 total bill. Rather than spreading these savings over the remainder of the year,
14 which is the normal practice, we proactively sought approval from this
15 Commission to accelerate the refund at a time when customers needed it most.
16
17 Gulf also made several shareholder-funded donations to further assist our
18 communities. The Gulf Power Foundation made a \$500,000 donation to the
19 three United Way organizations serving our region, and our leadership donation
20 was further strengthened by other companies in the region who made their own
21 contribution, raising nearly \$1 million in charitable giving. Gulf made a
22 \$100,000 donation to Project SHARE which is a program administered by the
23 Salvation Army that helps customers in Northwest Florida pay their utility bills.

1 Gulf Power Economic Development Trust Fund contributed more than
2 \$450,000 to the Northwest Florida Small Business COVID-19 Recovery Grant
3 Program which assisted for-profit businesses in Northwest Florida with
4 immediate cash flow needs as a result of a demonstrated economic impact due
5 to COVID-19. These grants were awarded to over 90 small businesses spread
6 across a 9-county area and covered a range of business types.

7
8 FPL and Gulf continue to work tirelessly to meet the unique challenges of
9 today, ensuring fairness, balancing long-term considerations and continuing to
10 provide reliable service for all customers. We are very proud of our efforts
11 during the COVID-19 pandemic and continue to look for ways to help our
12 customers during this unprecedented time.

13

14 **IV. FPL'S APPROACH TO IMPROVING CUSTOMER SERVICE**

15

16 **Q. Please describe FPL's approach to improving customer service.**

17 A. Our goal is to meet customers where they are and how and when they want to
18 be met. We continue to invest in technologies and analytics to gain insights
19 into our customers' satisfaction with our service, whether provided by our
20 agents, our IVR or our digital channels. FPL's investment in advanced
21 analytics enables us to continuously monitor these interactions and identify
22 improvements that help meet the needs of our customers while keeping our
23 costs low. We combine various data points to understand how customers

1 navigate through our channels to help better assess what's working well and
2 what's not. With this data we can route customers to the most appropriate
3 service to complete their specific tasks. With a better understanding of our
4 customers' interactions, we are able to adapt to their changing needs and
5 interests.

6
7 FPL's survey data indicates that more than three-quarters of customers rate their
8 overall experience with the Company as excellent – that's a rating of a 6 or 7
9 on a 7-point scale. In addition, residential customers are very satisfied with
10 their interactions with our web and mobile channels with ratings of 83% and
11 90% satisfaction respectively, and 91% are highly satisfied with our field
12 energy experts. Our care center agents are taking the more challenging calls as
13 we move more of the simpler transactions to mobile, web, and IVR channels –
14 and yet residential customer satisfaction with our agents remains high with 77%
15 rating it excellent.

16

17 V. CUSTOMER CARE OPERATIONS

18

19 **Q. Please describe the operation of the customer care centers.**

20 A. Our customer care centers are designed using state-of-the-art technology and
21 are continuously enhanced with the objective of ensuring that customer
22 inquiries are answered promptly and accurately. We staff several locations,
23 including two local college partnerships, and use numerous remote agents that

1 are configured to act as one virtual contact center handling inbound and
2 outbound calls, as well as emails, letters and faxes.

3 **Q. Please describe FPL's IVR system.**

4 A. FPL continues to invest in our IVR system to enhance existing and develop new
5 applications that allow customers to easily conduct business through self-
6 service. It also helps route customers to the appropriate agent for handling
7 when necessary. We have created capabilities to provide over twenty
8 interactive customer self-service applications including: reporting an outage;
9 inquiring about a bill; paying bills; requesting a payment extension; connecting
10 and disconnecting service; requesting duplicate bills; inquiring about a high-
11 bill; and, obtaining general information on many other services we provide. In
12 2020, FPL's IVR self-service telephone system processed nearly 14 million
13 transactions. These transactions account for 79% of all phone calls received by
14 FPL, resulting in an annual savings to all customers of approximately \$28
15 million.

16
17 Since 2016, we have continued to invest in enhancing our IVR in several ways,
18 providing customers with new options and improving their experience, while
19 reducing costs by \$2.7 million annually. Several key enhancements include:

- 20 • Introducing speech recognition, which allows customers to more easily
21 use the system by speaking their responses instead of having to press
22 buttons;

- 1 • Analyzing a customer’s account status and activity to proactively
2 provide relevant details and customized options at the start of the call
3 that are likely related to the reason for the call;
- 4 • Adding new self-service applications that allow customers to easily
5 obtain information on their deposit, maintain automatic bill pay details,
6 and start new electric service;
- 7 • Offering two-way text interactions to help capture complex pieces of
8 information like service address and email address; and
- 9 • Sending text (“SMS”) and email messages with links to services on
10 FPL.com where customers can complete their request online.

11

12 FPL will continue to make smart investments in our IVR to ensure it continues
13 to meet customer expectations. In addition to expanding and enhancing existing
14 features, we are currently working to introduce natural language understanding
15 (“NLU”) technology on the IVR. Initially, NLU will allow us to replace our
16 existing menu structure with a single “how can I help you?” question, allowing
17 customers to more quickly and easily identify the reason for their call. Longer-
18 term, we plan to redesign many of our self-service applications to make them
19 more conversational. This will transform the customer experience with IVR to
20 more of a smart device-like interaction.

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VI. CUSTOMER SERVICE FIELD OPERATIONS

Q. Please describe how FPL provides service through its field operations group.

A. FPL provides services to customers through its residential, small/medium business, governmental, and commercial/industrial field representatives. This group of employees is dedicated to serving individual customers at their home or place of business and by phone. These services include on-site analysis of business or home energy use, high bill investigations, or investigation of any other concerns that customers may have about their account. Recognizing that our larger commercial/industrial and governmental customers have a broader range of needs, FPL representatives provide a personalized level of service to these customers. A dedicated account manager serves as a single point of contact for all energy-related and customer service issues for these large, complex energy users. A dedicated account team supports the efforts of the account manager in the areas of rates, reliability, new construction, new energy technology, billing, energy efficiency, and innovative solutions.

Q. Has FPL been recognized for outstanding performance in the area of Customer Service field operations?

A. Yes. Our business account management team has been recognized nationally for its performance. FPL received the Edison Electric Institute (“EEI”) 2020 National Key Accounts Award for Outstanding Customer Service. The award recognizes utility companies that have developed and/or maintained

1 exceptional National Key Accounts programs based on quality customer
2 service. This is the third time FPL has received the award since 2017.

3

4 In addition, FPL ranked second in the national 2019 E Source Gap and Priority
5 Benchmark survey of large business customers in recognition of their
6 satisfaction with the utility and the value provided by account representatives.

7 This survey is based on responses from more than 1,000 U.S. utility large
8 business customers. FPL also ranked third in the national 2019 E Source Gap
9 and Priority Benchmark survey of small and medium business customers. This
10 survey is based on responses from more than 3,000 U.S. utility small and
11 medium business customers. E Source provides independent research, advisory
12 and information services to utilities, major energy users and other key players
13 in the retail energy marketplace. FPL received high scores in all categories,
14 including satisfaction with the utility and with its account representative.

15

16 **VII. DIGITAL EXPERIENCE**

17

18 **Q. How is FPL continuing to improve the customer experience through the**
19 **digital channel?**

20 A. The Company understands that customers want an easy-to-use, straightforward
21 digital experience. FPL works relentlessly to provide our customers with the
22 most relevant, personalized and timely information when and where they need
23 it. This has been the focus of our ongoing digital transformation.

1 Increasingly, customers are choosing to interact with us through FPL.com.
2 Traffic grew to more than 60 million visits in 2019 from less than 44 million in
3 2016, an increase of over 35%. Since Hurricane Irma, FPL’s digital capabilities
4 have been enhanced to better support customers during hurricanes and other
5 storm events, as well as during normal weather conditions. We have improved
6 our outage reporting process, built a process for reporting down wires through
7 the FPL mobile app and completely revamped our streetlight reporting process.
8 Every year, new projects are evaluated and implemented to enhance our
9 customers’ digital experience including improvements to their move in/move
10 out; billing and payments; manage account; outage; and energy efficiency
11 experiences. We currently have over 30 self-service applications available on
12 FPL.com, and in 2018, FPL launched a virtual assistant, “Julia, the Support
13 Expert,” to help evolve customer support on the website.

14
15 FPL continues to develop and enhance the FPL mobile app. Self-service is the
16 primary focus of the app. Customers can easily manage their account, from
17 viewing and paying their bill; to checking their hourly, daily and monthly
18 energy usage; to reporting and checking outages and more. Our customers
19 visited the FPL mobile app in 2019 nearly 24 million times, with more than 3
20 million self-service transactions. The mobile app has seen high customer
21 satisfaction, as well as significant growth since it was launched in 2017. In fact,
22 it is one of the few utility mobile apps with a 4.8 (out of 5) star rating in the
23 Apple app store.

1 **Q. Please describe how FPL’s social media program has evolved to keep pace**
2 **with customers’ changing expectations.**

3 A. As social media communication platforms have become a mainstay of how
4 customers transact business with their utility providers, FPL has continued to
5 see a steady portion of its customer base contacting us for account-related
6 service through these channels. FPL began to offer direct customer service via
7 social media seven days a week in 2017 and leverages social media technology
8 to actively listen for mentions of FPL and then proactively contact customers
9 on issues related to their service. We also use these channels to educate
10 customers about scams, safety around lines and equipment, service reliability
11 updates, and ways to save on their bills.

12
13 As customer expectations have increased regarding the immediacy of
14 information provided in an emergency or storm, FPL has continued to use social
15 media to improve the overall availability and speed at which customers receive
16 information. In addition to having a social media rapid response team posting
17 information so it reaches as many stakeholders as possible and engages with
18 customers who have questions, FPL has incorporated more interactive content
19 delivery methods, such as Facebook Live, to conduct real-time question and
20 answer sessions with customers. In the event of a major storm, social media
21 serves as a central point of communication throughout the event. During
22 Hurricane Irma, for example, FPL published 680 messages to Facebook,

1 Twitter and YouTube; its messages were viewed over 33 million times and over
2 107,000 inquiries or messages were posted to FPL social channels.

3

4 As media consumption habits have shifted over the past several years to
5 incorporate more online video, FPL has adapted to meet customers'
6 expectations in the channels they prefer. For example, FPL shares energy
7 efficiency tips and ways customers can save on their bill via YouTube and video
8 streaming platforms. This content is provided in both English and Spanish.
9 FPL also uses social media channels like Instagram to expand the availability
10 of information to customers.

11

12 **VIII. ECONOMIC ASSISTANCE FOR LOW-INCOME CUSTOMERS**

13

14 **Q. Please discuss the energy affordability initiatives for payment assistance.**

15 A. FPL's ASSIST program helps eligible customers by facilitating emergency
16 payment assistance, including LIHEAP, through state and community action
17 agencies and nonprofits, as well as social service and faith-based organizations.
18 The program includes a network of over 800 partners in Florida who determine
19 if customers are eligible for assistance. The program also helps disburse the
20 assistance funds. In 2018, the FPL ASSIST web portal was implemented to
21 create a more efficient process for assistance agencies to process customer
22 commitments. FPL also recently partnered with the Florida Association of
23 Community Action Agencies to create a working group with the Department of

1 Economic Opportunity, looking for ways to bring efficiency to the LIHEAP
2 disbursement process. A pilot is in process, which will streamline the
3 qualification process by allowing the agencies to work with the utility on the
4 customer's behalf and proactively offer LIHEAP to customers who have
5 qualified previously and are in arrears.

6
7 FPL has sponsored the FPL Care To Share program since 1994. This program
8 combines donations from customers, NextEra Energy employees and NextEra
9 Energy shareholders and has provided an average of \$1.4 million annually over
10 the past 14 years to customers in need. The funds are administered similarly to
11 LIHEAP funds, through partner agencies that receive funds from FPL and
12 handle the complete intake and qualification process.

13
14 FPL employees work closely with the agencies to assist low-income customers
15 while resources are allocated and secured for them. In 2020, our low-income
16 customers received over 105,000 assistance payments from numerous agencies,
17 representing nearly \$41 million credited toward their electric bills.

18 **Q. What other initiatives has FPL worked on to increase payment assistance**
19 **to customers?**

20 A. FPL leads several other initiatives with a focus on growing available energy
21 assistance resources, including identification of new funding sources. FPL is a
22 co-founder of the Coalition for Affordable Energy for All, in partnership with
23 Entergy, TXU Energy, Atmos Energy, Arizona Public Service, Tucson Electric

1 Power, Salt River Project, and other utilities. These partners work together to
2 advocate for congressional funding and a fairer methodology for administering
3 the federal LIHEAP Program. Costs for these advocacy efforts are recorded
4 below-the-line and thus not included in this base rate request. FPL also serves
5 on the board of the National Energy and Utility Affordability Coalition working
6 to address the energy burden needs of customers across the country.

7
8 To ensure that customers in need are aware of the availability of assistance
9 funds, we provide customers with the contact information of local social
10 services agencies that partner with FPL's ASSIST program. We provide a
11 specific agency name and phone number to customers in need on FPL's website
12 based on the customer's ZIP code. Our Customer Care representatives also
13 have access to information at the ZIP code level and offer the same information
14 to callers when appropriate.

15 **Q. Has FPL implemented any new low-income programs?**

16 A. Yes. In early 2020, we launched FPL SolarTogether, a program designed to
17 provide customers with an opportunity to participate in the benefits of solar.
18 FPL SolarTogether includes an allocated portion of its solar capacity to low-
19 income customers through the FPL SolarTogether SunAssist program. This
20 program provides qualified low-income participants with day-one bill savings,
21 lowering their monthly energy bill immediately.

1 As part of FPL’s COVID-19 assistance programs, several low-income
2 initiatives were implemented, including providing eligible customers a credit of
3 up to \$20 each month on their bill; advertising for low-income programs, such
4 as LIHEAP, Care To Share and weatherization; and, making an approximate
5 \$3.36 million employee and shareholder donation to Care To Share.
6 Shareholders additionally invested \$1.8 million to further improve the Care To
7 Share program by making it easier for customers to make donations and
8 enhancing the FPL ASSIST web portal.

9

10 IX. COMPLAINT RESOLUTION

11

12 Q. How does FPL handle customer complaints?

13 A. FPL’s goal is to ensure that all customers are completely satisfied with the
14 handling of their inquiries. We have developed a process that is designed to
15 maximize the opportunity to successfully address customers’ concerns.
16 Customers who contact the care center and want their inquiry escalated are
17 offered the option of speaking with a care center account supervisor. Account
18 supervisors are a group of employees with more experience and broader
19 authority who are dedicated to resolving customer issues quickly and
20 efficiently. They resolve most calls directly. However, if a call requires follow-
21 up with a department outside of the care center, the customer is provided the
22 department name to which their matter is being referred, as well as a timeframe
23 in which the appropriate representative will contact the customer for resolution.

1 Additionally, the customer is given the care center account supervisor’s name
2 and telephone number in the event they need further assistance. A ticket for
3 follow-up is then created, and the matter is monitored for completion in a timely
4 manner.

5
6 If a complaint is not resolved to the customer’s satisfaction, the customer may
7 choose to contact the Commission. As part of our complaint handling process,
8 FPL participates in the Transfer-Connect and Email processes established by
9 the Commission to help resolve disputes between regulated companies and their
10 customers as quickly, effectively, and inexpensively as possible. These
11 processes involve transferring the customer call or email directly from the
12 Commission to a specialized group of FPL customer advocates for expedited
13 handling, if the customer agrees.

14 **Q. How has the number of FPL customer contacts with the Commission**
15 **changed in recent years?**

16 A. Complaints recorded as “logged” in the Florida Public Service Commission
17 Consumer Activity Report have dropped from 346 in 2010 to 124 in 2019 – a
18 64% reduction for FPL. At the same time, the number of customers we serve
19 increased by 12% over that same period. FPL recorded 0.02 complaints per
20 1,000 customers in 2019, compared to 0.08 complaints per 1,000 customers in
21 2010, a reduction of nearly 70% over the last decade. Attached to my testimony
22 is Exhibit CC-5, Florida Public Service Commission Logged Complaints,
23 which is a summary of logged complaint data per 1,000 customers for FPL from

1 2010 through 2019 and for the five Florida investor-owned utilities for 2019.
2 The data shows that in 2019, FPL had the lowest level of logged complaints
3 when compared to the other utilities. Reliability-related logged complaints are
4 referenced in the direct testimony of FPL witness Spoor.

5

6 **X. CUSTOMER SERVICE O&M EXPENSE**

7

8 **Q. Please provide an overview of Customer Service's O&M expenses.**

9 A. Customer Service O&M is driven by several key activities including billing,
10 payment processing, customer care operations, credit and collections, and
11 various field and support activities to serve our customers. In addition to these
12 activities, uncollectible expense is a cost driver for Customer Service O&M.
13 As demonstrated by my testimony thus far and MFR C-41, O&M Benchmark
14 Variance by Function, FPL Customer Service has worked hard to invest in
15 systems and solutions that provide customers with options to serve them in a
16 manner they choose and, at the same time, provide significant cost reductions.
17 This focus continues to keep cost low. When comparing the Customer
18 Accounts, Customer Service, and Sales functional areas' O&M expenses,
19 adjusted to exclude energy conservation cost recovery cost, FPL's forecasted
20 cost per customer for 2022 is \$23.51 vs. \$26.97 in 2016 – a 13% reduction and
21 a testament to our ability of providing outstanding customer service at a low
22 cost.

1 **Q. How did COVID-19 impact bad debt?**

2 A. In mid-March 2020, as a result of COVID-19, disconnection for nonpayment
3 was suspended and did not resume until October 1, 2020 for FPL and mid-
4 November 2020 for Gulf. While many programs were employed to assist our
5 customers, the lasting impact of COVID-19 and the suspension of
6 disconnections for nonpayment had a significant impact on bad debt. FPL is
7 projected to incur \$46 million of incremental bad debt across 2020 and 2021
8 and Gulf is projected to incur \$19.5 million. FPL has the ability to offset the
9 pandemic-related impact of higher bad debt in 2020 and 2021 through the use
10 of reserve amortization while Gulf obtained Commission approval to defer
11 incremental bad debt by establishing a regulatory asset. To determine the
12 COVID-related bad debt expense eligible to be deferred as a regulatory asset,
13 Gulf subtracts the average bad debt expense for the corresponding months in
14 the three prior years from the same months in 2020 and 2021.

15 **Q. How do the Customer Accounts, Customer Service, and Sales functional**
16 **areas' O&M expenses for the 2022 Test Year compare to the Commission's**
17 **O&M benchmarks (MFR C-41, O&M Benchmark Variance by Function)?**

18 A. The Customer Accounts and Customer Service 2022 Test Year O&M expenses
19 are below the Commission's O&M benchmark thresholds for each functional
20 area. The Sales 2022 Test Year O&M expenses are higher than the
21 Commission's O&M benchmark by 11% driven primarily by expenses related
22 to performance contracting projects. These projects provide commercial
23 customers with turnkey services designed to increase the energy efficiency of

1 the customers' facilities. Revenue generated from these projects fully offset the
2 expenses.

3 **Q. How do the Customer Accounts, Customer Service, and Sales functional**
4 **areas' O&M expenses for the 2023 Subsequent Year compare to the**
5 **Commission's O&M benchmarks (MFR C-41, O&M Benchmark**
6 **Variance by Function)?**

7 A. The Customer Accounts and Customer Service 2023 Subsequent Year O&M
8 expenses are below the Commission's O&M benchmark thresholds for each
9 functional area. The Sales 2023 Subsequent Year O&M expenses are higher
10 than the Commission's O&M benchmark by 11% driven primarily by expenses
11 related to performance contracting projects. These projects provide commercial
12 customers with turnkey services designed to increase the energy efficiency of
13 the customers' facilities. Revenue generated from these projects fully offset the
14 expenses.

15

16 **XI. BENEFITS OF CONSOLIDATION**

17

18 **Q. Please describe some of the benefits of the consolidation of the FPL and**
19 **Gulf customer service organizations.**

20 A. The consolidation of the FPL and Gulf customer service organizations already
21 has provided and will continue to provide benefits to all customers. Combining
22 both customer service business units into one is providing synergies and the
23 integration of best practices that will improve our customers' overall

1 experience. Benefits include enhanced business continuity, leveraging FPL's
2 third-party call center at Gulf, enhanced reporting and dashboards and sharing
3 best practices and expertise around the customer experience, systems and self-
4 service opportunities.

5
6 Additionally, the foundation for a new FPL customer information system
7 ("CIS") is now in place by way of Gulf, which recently implemented a new
8 system after not previously owning one. While FPL has enhanced its system
9 over the years to make it robust, it will require replacement when the technology
10 becomes obsolete in the next decade. Gulf's new system, built on a platform
11 that we continue to optimize, will serve as the basis for FPL's future CIS.
12 Importantly, through Gulf's transition into a new system, we've learned how to
13 improve customers' experience, better positioning FPL for a future
14 implementation.

15 **Q. Are there additional benefits to Gulf customers resulting from**
16 **consolidation with FPL?**

17 A. Yes. Gulf Power has been engaged in the process of bringing its performance
18 in line with FPL's since its acquisition by NextEra Energy. Exhibit CC-6, Gulf
19 Power Customer Experience Improvements, illustrates continuous
20 improvement in two key metrics during this period. In the face of significant
21 challenges, including the COVID-19 pandemic and direct impacts in Northwest
22 Florida from the most active Atlantic hurricane season on record, the average
23 time that it takes for a Gulf customer to speak to a representative has improved

1 by 70%. Exhibit CC-6 also shows how Gulf has improved the utilization of the
2 phone self-service system, placing more control into the hands of our customers
3 to transact with us at their convenience.

4

5

XII. SERVICE CHARGES

6

7 **Q. Is FPL proposing any changes to its service charges?**

8 A. Yes. FPL has updated the cost basis of the Company's service charges as shown
9 on MFR E-7. Deployment of smart meters has automated field activities,
10 including meter reading and service connection and disconnection, which
11 eliminates the need to send FPL personnel out to a customer's property. Due
12 to continued automation and cost reduction, the updated cost-based service
13 charges are significantly lower than current charges. These changes reflect
14 FPL's operating philosophy in striving to deliver excellent service at low cost.
15 The proposed service charges are shown on MFR E-13b, aligning the rates for
16 these services with their current cost structure.

17

18 At FPL, we take meter tampering and electricity theft seriously. Meter
19 tampering is not only a crime; it is also extremely dangerous. Those who
20 tamper with a meter place themselves and others, including occupants,
21 neighbors, electricians, and FPL employees at serious risk of injury or death.
22 In Docket No. 160021-EI, FPL received approval to add a meter tampering
23 penalty charge of \$200 for residential and non-demand commercial customers

1 (i.e., GS-1) and \$1,000 for all other customers. FPL's Tariff 6.061 states that
2 "Unauthorized connections to, or tampering with the Company's meter or
3 meters, or meter seals, or indications or evidence thereof, subjects the Customer
4 to immediate discontinuance of service, prosecution under the laws of Florida,
5 adjustment of prior bills for services rendered, a tampering penalty of \$200 for
6 residential and non-demand commercial customers and \$1,000 for all other
7 customers, and reimbursement to the Company for all extra expenses incurred
8 on this account." Since implementation of the charge in 2017, FPL has seen a
9 decrease of nearly 60% in the number of confirmed meter tampering cases
10 where customers tamper with the meter after a service disconnect. However,
11 378 customers tampered with the meter again after having paid the meter
12 tampering charge before. Additionally, in 2020, we still investigated nearly
13 8,000 cases of meter tampering and recovered the equivalent of approximately
14 \$2 million in stolen electricity. In order to further deter customers from
15 tampering with meters FPL proposes to increase the charge to \$500 for
16 residential and non-demand commercial customers (i.e., GS-1) and \$2,500 for
17 all other customers. We work hard to serve our customers in the most cost-
18 efficient manner possible. When someone tampers with a meter, it adds to our
19 cost of doing business and that affects everyone's bills. The increase of the
20 meter tampering penalty will further deter the theft of electricity, supporting our
21 goal of driving energy theft to zero and further benefit the general body of
22 customers.

1 FPL is proposing to modify the existing field collection charge, which is
2 currently only billed to a customer when a payment is accepted in the field, to
3 a field visit charge. The modified field visit charge will be billed to delinquent
4 customers in occurrences where FPL must visit the customer's premise and
5 *either* collect a payment or leave a notice; the latter occurs when an attempt to
6 collect a payment or disconnect service is unsuccessful. Under the existing
7 field collection charge, customers are not billed a service charge when FPL
8 leaves a notice, but will now be billed under the modified field visit charge.

9

10 In addition to these changes, through rate unification, Gulf's service charges
11 will be brought into alignment with FPL's.

12 **Q. Does this conclude your direct testimony?**

13 A. Yes.

Florida Power & Light Company

CONSOLIDATED MFRs SPONSORED OR CO-SPONSORED BY CHRISTOPHER CHAPEL

MFR	Period	Title
SOLE SPONSOR:		
C-11	Test Subsequent	UNCOLLECTIBLE ACCOUNTS
F-09	Test	PUBLIC NOTICE
CO-SPONSOR:		
C-08	Test Subsequent	DETAIL OF CHANGES IN EXPENSES
C-15	Historic Test Subsequent	INDUSTRY ASSOCIATION DUES
D-06	Historic Prior Test Subsequent	CUSTOMER DEPOSITS
E-07	Test Subsequent	DEVELOPMENT OF SERVICE CHARGES
E-13b	Test Subsequent	REVENUES BY RATE SCHEDULE - SERVICE CHARGES (ACCOUNT 451)

Florida Power and Light Company

**SUPPLEMENT 1 - FPL STANDALONE INFORMATION IN MFR FORMAT SPONSORED OR
 CO-SPONSORED BY CHRISTOPHER CHAPEL**

Schedule	Period	Title
SOLE SPONSOR:		
C-11	Test Subsequent	UNCOLLECTIBLE ACCOUNTS
CO-SPONSOR:		
C-08	Test	DETAIL OF CHANGES IN EXPENSES
C-15	Test Subsequent	INDUSTRY ASSOCIATION DUES
D-06	Test Subsequent	CUSTOMER DEPOSITS
E-07	Test Subsequent	DEVELOPMENT OF SERVICE CHARGES
E-13b	Test Subsequent	REVENUES BY RATE SCHEDULE - SERVICE CHARGES (ACCOUNT 451)

Florida Power & Light Company

**SUPPLEMENT 2 - GULF STANDALONE INFORMATION IN MFR FORMAT SPONSORED OR
 CO-SPONSORED BY CHRISTOPHER CHAPEL**

Schedule	Period	Title
SOLE SPONSOR:		
C-11	Test Subsequent	UNCOLLECTIBLE ACCOUNTS
CO-SPONSOR:		
C-08	Test Subsequent	DETAIL OF CHANGES IN EXPENSES
D-06	Test Subsequent	CUSTOMER DEPOSITS
E-07	Test Subsequent	DEVELOPMENT OF SERVICE CHARGES
E-13b	Test Subsequent	REVENUES BY RATE SCHEDULE - SERVICE CHARGES (ACCOUNT 451)



FPL Customer Service Awards and Recognition

2020

Received National Key Accounts Award for Outstanding Customer Service from Edison Electric Institute (“EEI”).

- » *Recognizes utility companies that have developed and/or maintained exceptional National Key Accounts programs based on quality customer service.*
- » *Received for third time since 2017.*



Ranked No. 1 for omnichannel (cross-channel content strategy) experience in Verint Experience Index for Electric Utilities.

- » *Measures drivers that impact customers’ overall satisfaction with experience: customer service, electricity service, price and website.*



2019

Designated a Customer Champion by leading nationwide research firm Escalent for sixth consecutive year.

- » *Recognizes exceptional performance in brand trust, service satisfaction and product expertise.*



Received rankings from national E Source Gap and Priority Benchmark surveys in recognition of satisfaction and value provided by account representatives.

- » *Ranked No. 2 in survey of large business customers.*
- » *Ranked No. 3 in survey of small and medium business customers.*



2018

Recognized for delivering best customer experience in utilities industry, according to annual Temkin Experience Ratings cross-industry customer experience benchmark study.

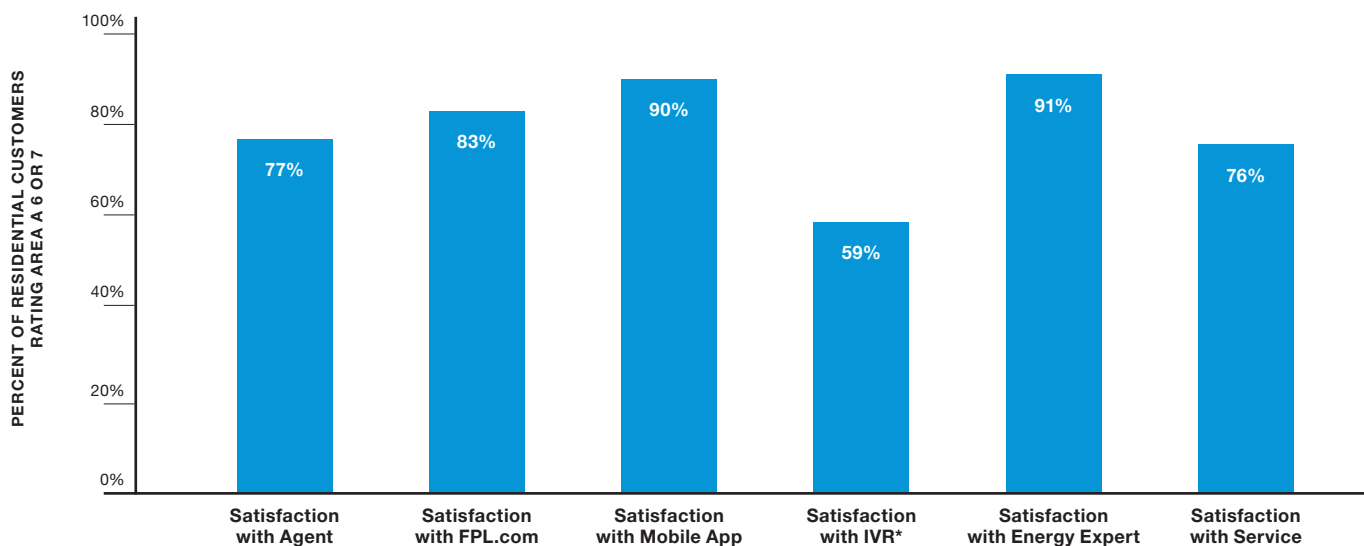




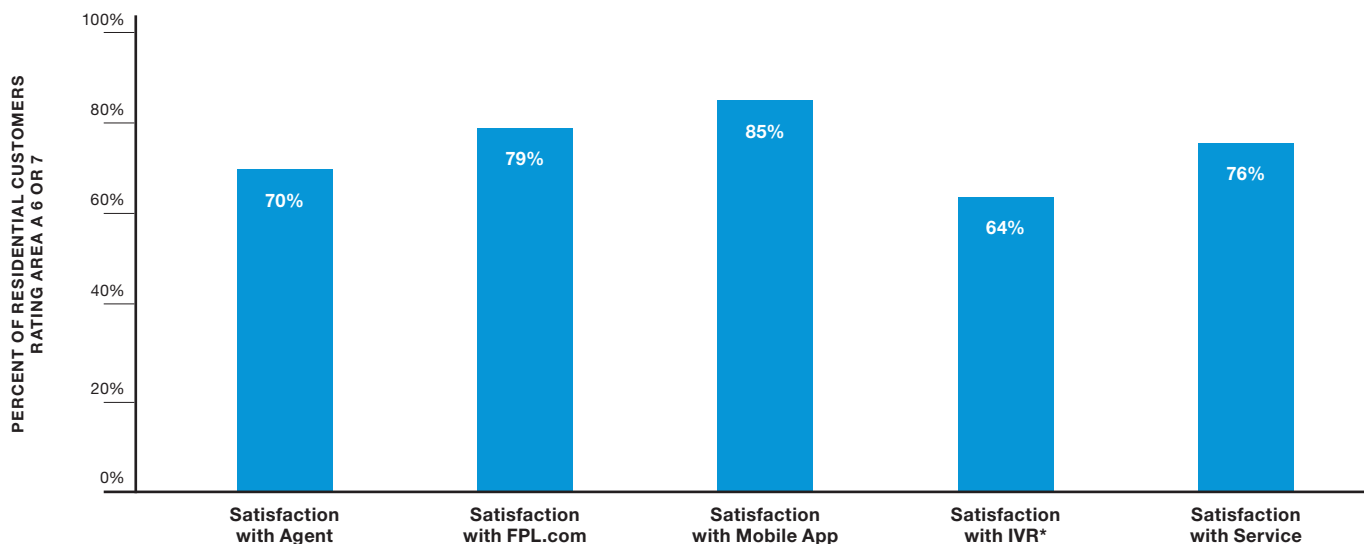
2020 FPL Customer Satisfaction Research

The satisfaction score is the percent of FPL customers rating the area being measured as a six or seven on a seven point scale. Seven indicates the highest level of satisfaction.

Residential Customers



Business Customers

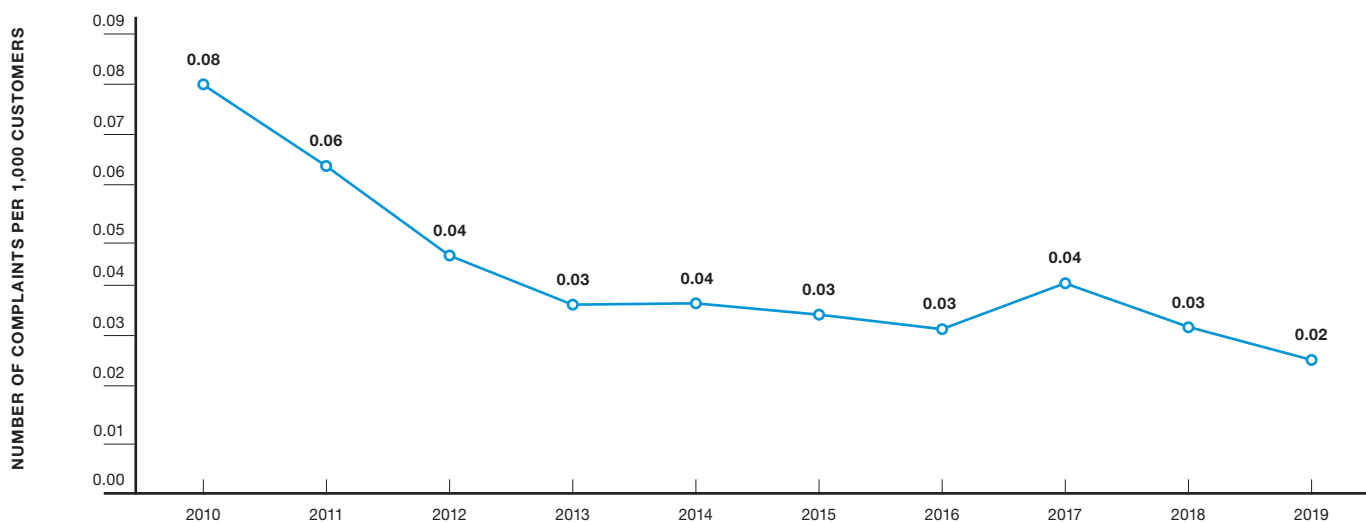


* Interactive Voice Response

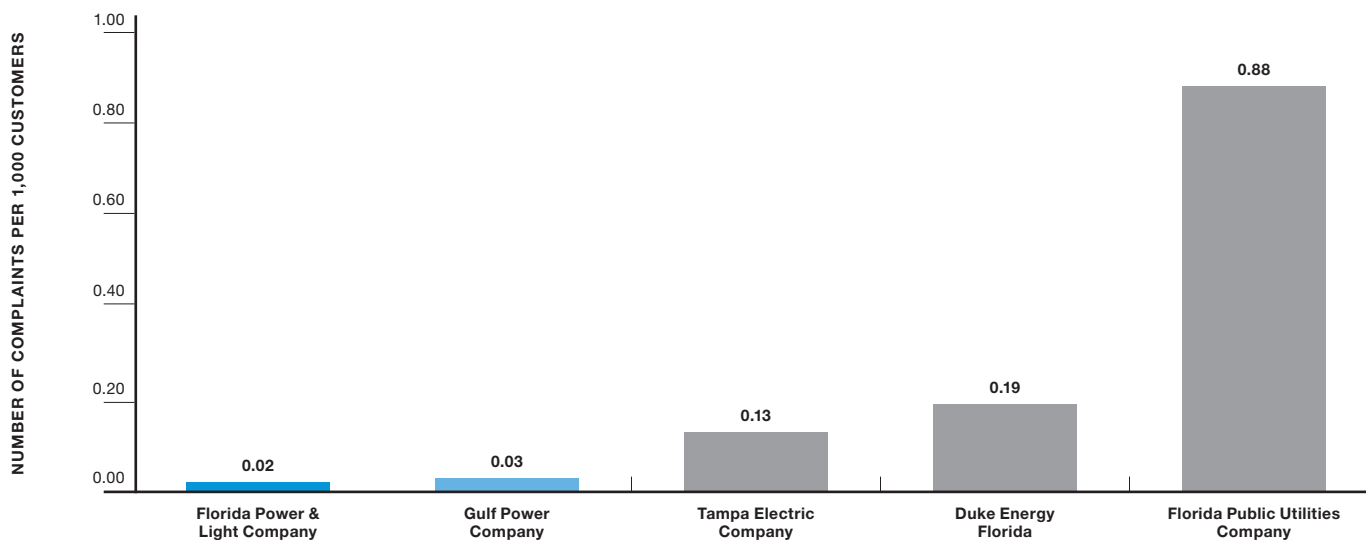


Florida Public Service Commission Logged Complaints

FPL Historical Logged Complaint Rate 2010 - 2019



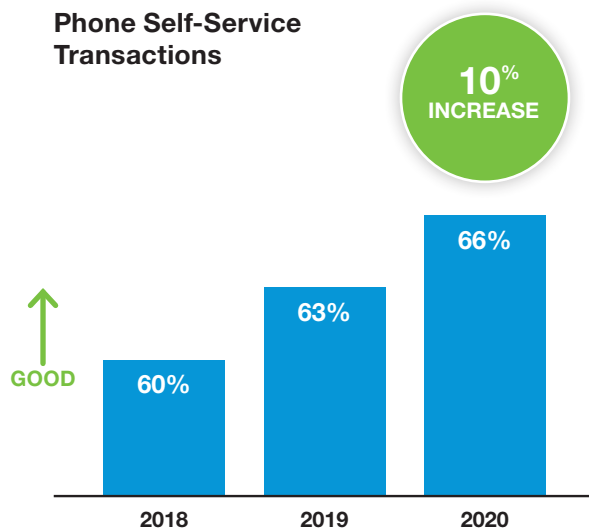
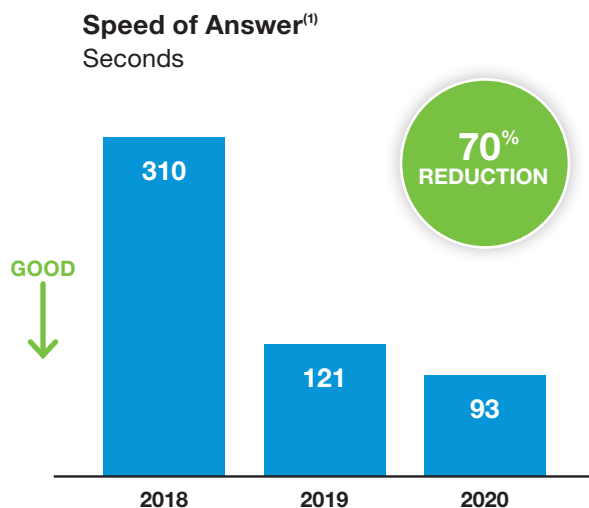
Logged Complaints for Florida Investor Owned Utilities January - December 2019



* Interactive Voice Response



Gulf Power is increasing value through customer experience improvement since acquisition



¹ Time a customer is waiting once they are placed in queue to speak to a representative; calculated by taking total time all customers spend in queue divided by the total number of calls placed in queue