



Cases 19-E-0065, 19-G-0066, 18-E-0067 and 18-G-0068
Next Generation Customer Experience Progress Report
Q3 2020

Dated: November 30, 2020

I. Next Generation Customer Experience Program Summary

The Next Generation Customer Experience (Next Gen CX) program discussed herein is a portfolio of investments that will allow Consolidated Edison Company of New York, Inc. (Con Edison or the Company) to continue to meet customer's rising expectations, facilitate policy goals, and drive operational efficiencies. The three major categories of investments included in the Company's Next Gen CX initiative are Business Intelligence, Omni-Channel Optimization, and Back Office Automation and Agents Tools. Business Intelligence is an investment in a Data and Analytics program that uses advanced data and analytics to drive new customer and business insights. Omni-Channel Optimization enables a seamless multi-channel self-service experience for customers with investments in the ongoing Digital Customer Experience (DCX) program¹, Journey Mapping, Virtual Assistants, and Bill Redesign. Back Office Automation and Agent Tools includes the development of intelligent tools designed to improve processes and operational efficiency and concentrate on value-add customer focused activities.

The Next Gen CX program has two overarching benefits for customers. First, customers will see more streamlined, prompt, and accurate customer service in the customer's channel of choice (e.g., web, phone, text, chat). This includes, for example, new enhanced self-service tools for managing payments and faster resolution of inquiries when interacting with the Company. Overall, customers will see more choice, control, and convenience when managing their energy usage and interacting with the Company. Second, customers will benefit from cost savings realized through operational efficiencies such as resolution of issues on lower-cost self-service channels, and automation of back office work. In addition, Next Gen CX supports the Company's Business Cost Optimization (BCO) initiative through cost savings.

As required by Joint Proposal approved by the Commission in its January 16, 2020 *Order Adopting Terms of Joint Proposal and Establishing Electric and Gas Rate Plan* ("2019 Rate Order") in Cases 19-E-0065 and 19-G-0066, the following report summarizes the status of the Next Gen CX initiative, including recent and planned activities, costs, BCO savings achieved and non-financial benefits achieved.²

¹ For purposes of this filing, all Next Gen CX investments, costs and associated Business Cost Optimization (BCO) savings described are related to Con Edison only, with the exception of the DCX program which covers both Con Edison and Orange and Rockland Utilities, Inc. ("O&R").

² 2019 Rate Order, Attachment A – Joint Proposal, pp. 95-96.

II. Quarterly Update Reports

1. Business Intelligence - Data & Analytics

The Data and Analytics program is a key enabler to improving the customer experience and reducing operating costs by gaining a deeper understanding of customer needs through robust business intelligence. The Company has previously had success understanding customer needs by conducting direct customer research such as surveys, focus groups and interaction with the Company's online Con

Edison Advisory Community. However, to meet rising customer expectations, best-in-class companies across industries are now utilizing advanced data analytical tools in addition to traditional customer research to more deeply understand customer needs and improve service.

Through the Data and Analytics program, Con Edison is using modern data and analytics platforms to connect these data sources, and sort through data to identify patterns, trends, correlations and relationships. This connected data can then be utilized to develop a better understanding of customer pain points and predict current and future needs for all customer types.

1.1 Q3 2020 Highlights

In the third quarter of 2020 the Company began Phase 1 of its implementation plan for the Data and Analytics program's core tooling and capabilities. As a part of this effort the Company selected its Phase 1 implementation vendor, began its workstream to define a multi-year program governance structure, and began its infrastructure build workstream.

Program Governance

The program governance workstream is focused on defining and mobilizing accountabilities, reporting, communications, and training needs to ensure that the later Phase 2 and Phase 3 implementations are successful. Within Q3 the workstream the Company completed multiple deliverables including:

- Define the program steering committee
- Align on program metrics definitions
- Define program management tools including status updates, change control process, change log, and risk and issue tracker.

Infrastructure Build

The infrastructure build workstream is intended to finalize the remaining Microsoft Azure cloud components, defining protocols and tooling needed to appropriately secure the environment, and to build the development, test, and production cloud environments for this solution. Within Q3 the workstream completed multiple deliverables including:

- Align and approve the solution’s physical architecture diagram
- Select the data engineering toolkit
- Create the project plan and activities needed to provision the development, test, and production of environment
- Began configuring the cloud environment

Implementation Plan

The delivery of this business intelligence program will be broken up into three phases, outlined below, that are intended to deliver iterative value to customers and the Company. Given that some of the underlying platform technology is new to Con Edison, this program is supported by the Company’s Customer Operations and Information Technology (IT) organizations to ensure a standard and enterprise extensible technical architecture. For additional information on the workstreams and associated timelines within each of the phases please see Appendix A.

Phase 1 (Q3 2020 – Q1 2021) – Establish Analytics Core Capabilities and Quick Wins

- Establish program governance, analytics delivery teams, and design program metrics
- Stand up Data and Analytics infrastructure, and deliver data engineering quick wins
- Design data governance operating model

Phase 2 (Q4 2020 – Q4 2022) – Phased Data & Use Case Implementation

- Integrate data sources
- Iterative releases of use cases based on value and complexity

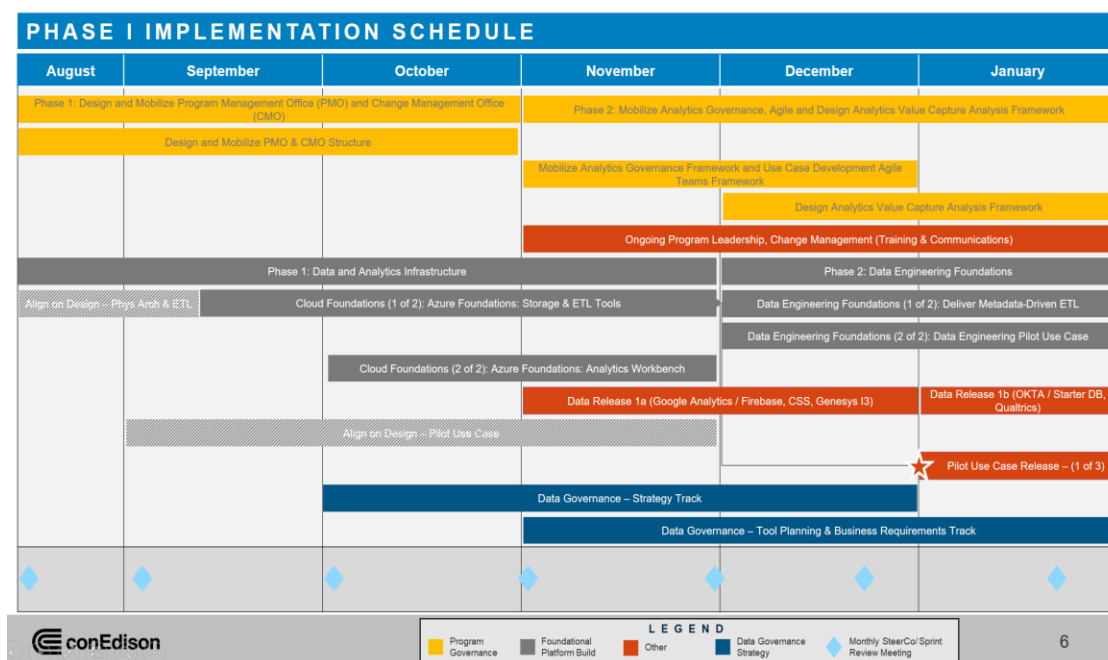
Phase 3 (Q1 2023 – Ongoing) – Iterative Extension and Analytics Standardization

- Standardize and provide training on advanced analytics tools
- Enable advanced analytics (i.e., machine learning) models for applicable use cases

1.2 Planned Work for Q4 2020

In the fourth quarter the Company plans to finish its Infrastructure Build workstream and start two new workstreams to build out the core capabilities of the Data and Analytics program: Data Engineering and Data Governance Strategy. The Company also plans to start integrating its initial data sources defined in its Phase 2 implementation plan by building integrations to its initial data source and starting the team for customer segmentation. Table 1 provides an overview of these programs and timelines.

Table 1 - Phase 1 Implementation Schedule



2. Omni-Channel Optimization

2.1 DCX

The DCX program was established in 2016 to improve the digital experience for customers through a redesign of the www.conedison.com and www.coned.com external websites (with a new mobile-enabled design), the My Account portal, and mobile apps (iOS and Android). Quarterly reports filed by the Company in Cases 16-E-0060 and 16-G-0061 provide additional information on the first three years of the program.

For the 2020-2022 rate plan, the DCX program will continue to optimize and expand the Company's digital platforms in order to offer additional online self-service tools, enhance mobile app functionality, provide customers with more personalization and control, consolidate additional existing legacy applications into the DCX program scope, and expand customer payment options, among other things.

Project Management and Guiding Principles

The Company's approach to digital transformation departs from traditional project management methods by using an "Agile" development process that focuses on a customer-centric design approach. Agile is an iterative, incremental method of managing the design and build activities of a project that is characterized by the division of tasks into short phases of work and frequent adaptation and reassessment of plans. Consistent with a "customer first" philosophy, each quarterly planning phase or "program increment" starts with an examination of what customers have told us they want. For

additional information on the Agile process as applied in the DCX program, see the DCX Quarterly Reports filed in Cases 16-E-0060 and 16-G-0061.

Across workstreams and program increments, there are six principles that continue to guide DCX program efforts:

- **Customer First** – Through surveys, in-depth interviews, personas and journey mapping, Con Edison customers are guiding us to a best-in-class digital customer experience.
- **Simplicity** – One login is all a customer should need for access to intuitive services that minimize customer effort and have a consistent look and feel.
- **Personalization** – Data-enabled analytics and customer-driven optionality to allow customers to continually view highly relevant content and tailored solutions.
- **One Company** – The DCX operating model enables a collective, cross-functional approach and delivers a digital experience that is consistent across the entire website/app.
- **Agility** – Underlying solution architecture and an Agile operating approach allow the Company to quickly adapt to changes in customer preferences, markets, regulatory requirements, etc.
- **Security** – Safeguarding customer information – and maintaining

With these principles as guideposts, the Company has incorporated Program Increment (PI) planning, an Agile planning tool. The incorporation of PI planning improves the Company's ability to plan and align projects on a 3-6-month outlook. This is achieved through routine team updates on business context and vision, followed by planning breakouts where teams create iteration plans and objectives for the upcoming Program Increment. Following this process, the Company's technical, communications, and business resources work together throughout each planned sprint with a shared vision, allowing the team to adapt to changes quickly and reshuffle priorities to remain in line with customer needs and business objectives.

2.1.2 Q3 2020 Highlights

The third quarter's improvements have further optimized, expanded, and transformed the Company's digital offerings. This work has touched functionality across multiple digital channels, with a focus on enhancing the My Account portal to create a more convenient, simple and customized customer experience to drive self-service options and adoptions.

Deferred Payment Agreements (DPA)

In response to the financial challenges many of our customers are facing during the COVID-19 pandemic, the Company updated My Account to allow for more flexible and lenient online payment agreements for residential customers. O&R now has expanded functionality that aligns to the more flexible payment agreement terms previously released for CECONY customers. This experience provides customers with more flexible

offerings with the capability to negotiate online, similar to how they would on the phone with a Customer Service Representative (CSR).

A significant development in Q3 was to give both residential and commercial customers even greater flexibility for online DPAs to be delivered in early Q4. This work is being done in order to meet customers' evolving payment assistance needs, as the Company moves toward resumption of credit and collection activities (at an appropriate time following the expiration of the COVID-19 State of Emergency declared in Governor Cuomo's Executive Order 202 of 2020). These additional DPA functionality updates will adhere to recent Amendments to Public Service Law §§ 32, 89-b, 89-l, and 91 (Chapters 108 and 126 of the Laws of 2020), which provides for \$0 down payments on DPAs for residential customers that indicate they are financially impacted by the COVID-19 State of Emergency.

Account Management

DCX has expanded self service offerings to CECONY customers looking to manage their Level Payment enrollment. Customers can now enroll in Level Payment through My Account without an active solicitation. Previously without solicitation offerings a customer would have to contact the call center to enroll. Additionally, customers on Level Payment can now choose to de-enroll from the plan on the web, something they couldn't do via self-service in the past. We have also provided contextual information upon de-enrollment to provide reconciliation details to the customer on any balances or credits that would be due upon de-enrollment.

In Q3 the Company also made improvements to customers' navigation to commercial data visualizations with expanded capabilities planned over the next several months. Now all CECONY and O&R commercial customers will have an intuitive path to more tools to analyze their billing and usage. This is part of planned work to address the deployment of AMI meters for large commercial customers. These new and improved data visualizations using interval data and new billing feeds to provide commercial customer with a richer experience, including end use analytics, demand intensity charts, operating schedules, and power charts. Additional offerings are planned through Q1 2021.

Following Tropical Storm Isaias, the DCX program launched new functionality for customers to submit outage related claims for food spoilage through an online event-specific claims form. Both CECONY and O&R customers now have a template form for residential and commercial customers to submit claims online. This new feature allows customer to complete the form on the web and upload documentation for a simpler and better customer experience. DCX also plans to expand this template over the next two quarters to general and blue-sky food spoilage claim forms to improve the overall claims journey for all customers.

The Company also implemented a new address search option for Start Service to further improve the customer experience. The Company has focused on the Start Service journey with great results increasing the digital self-service completions from 23% to 35% over the past few years. This new address look-up feature provides a "google like" search with fewer clicks for customer to find their service address. This is planned to roll out to both report and check outage transactions over the next quarter.

Payment & Billing

The payment experience continues to be a focus for DCX. The credit card payment flow for

CECONY customers has been improved through a streamlined integration with our credit card processing vendor, reducing the number of steps and information needed to be entered on the vendor site to process a payment. We now automatically pass on the account number to the vendor site, so the customer doesn't have to enter it again. By making a simple change such as this in the bill payment flow, we make it convenient for customers and overall a better customer experience. This enhancement is also planned for O&R in 2021.

The Company has also improved the experience for customers that are on Direct Payment, making it possible for them to request a payment extension online, until their next meter reading date. This allows customers more time to pay their bill while remaining on Direct Payment. In the past, a customer would only be able to get an extension by contacting the call center if they were on this program.

The Company also continues to expand customer payment notifications. Though the infrastructure established as part of DCX, customers making cash payments at CECONY authorized payment centers will now receive notification that their payment has been received. This creates parity with other channels such as My Account and provides customers with confidence that their payment was received. Additionally, the Company has launched a new overdue payment alert for customer on payment agreements. Customers that become overdue on their payment agreements will now receive an email or SMS advising them of their overdue state.

CECONY customers that enroll in the new Select Pricing Plan (i.e., Electric SC1 Rate IV) have a new personalized experience that provides customized tips unique to the new rate plan and a new My Account suggestion tile, directing customers to rate specific information and details. DCX plans to roll out more functionalities to customer on this new rate plan throughout Q4 2020.

Mobile Apps

The Company continues to align its mobile app experiences to the web where appropriate. Following Q3 both CECONY and O&R mobile users can view their payment agreement details mirroring previously released web capabilities. This feature gives customers insight into the status of the payment agreement and helps them to more easily manage and understand their progress on a DPA. Additionally, mobile app users are also now able to enroll and de-enroll in a Level Payment Plans, creating parity to the web offerings.

Con Edison and O&R mobile users can also explore assistance programs on the app through improved navigation. The Company plans to continue iterate upon the journey of looking for more information on payment assistance options and enrollments through 2021

Accessibility

The Company continues to make progress to improve the customer experience for customers with special needs through focused accessibility work. This effort has become its own work stream within the DCX program for both Companies to address accessibility issues and improve the customer experience for customers with visual, cognitive, or motor challenges. Improvements to date cover several aspects of the websites, including the global navigation menu, registration, log in, add an account, and report outage transactions. In Q3 we optimized the following experiences to be more compatible with keyboard use and screen readers: Report & Track Outage, Navigation Menu, Registration, Log In, and Add Account experiences.

Voice Assistants (Google/Alexa)

Con Edison completed the bulk of its development in Q3 to enable customers to transact with both CECONY and O&R through voice assistants such as Google Home and Amazon Alexa platforms. The initial launch includes the following features:

- Account authentication
- Balance inquiry, providing contextual information for various accounts states such as customers on auto pay, payment agreements, or with overdue balances.
- Make payment from last used bank account
- Customers will also be able to set up native reminders on their device

It should be noted that this supports the Company's accessibility efforts, including a multi-modal implementation on smart devices that will help customers through voice offerings. The multi-modal implementation allows the customer experience to be compatible with smart voice devices and those with screens such as the Amazon Echo Show or Google Nest Hub.

2.1.3 DCX Performance Update

Tables 1-4 below reflect 2020 performance trends for the DCX web and mobile platforms, broken out by company. Additional performance information can be found in Appendix B, which covers topics such as online DPAs, visits to the 'Billing & Usage' tab that presents customers' interval usage, volume of customers completing the Home Energy Analysis survey, online eBill enrollments, customer satisfaction survey scores, and transaction success rates, among other things.

Table 2 – Web Metrics Overview

Metric	Q1 2020 Con Edison	Q2 2020 Con Edison	Q3 2020 Con Edison	Q1 2020 ORU	Q2 2020 ORU	Q3 2020 ORU
Sessions	5M	5M	7.1M	473K	503K	1.3M
Pageview	20M	21M	28.1M	204K	212K	4.1M
Average Bounce Rate	23.96%	22.86%	22.7%	19.93%	20.16%	22.88%
Average Page Load Time (sec)	4.18	4.23	3.68	4.5	4.09	3.62
Registrations	89,549	112,641	121,641	9,317	10,144	12,984
NPS Score*	48	48	48	48	56	50

**Data Source: Google Analytics*

**The NPS score is an index ranging from -100 to 100 that measures the willingness of customers to recommend a company's products or services to other*

Metric	Metric Description
Sessions	A session is a group of user interactions with your website that take place within a given time frame.
Pageviews	A pageview (or pageview hit, page tracking hit) is an instance of a page being loaded (or reloaded) in a browser.
Average Bounce Rate	Bounce rate is single-page sessions divided by all sessions, or the percentage of all sessions on your site in which users viewed only a single page and triggered only a single request to the Analytics server.
Average Page Load Time (sec)	Total amount of load time on average across all pages.
Registrations	Total number of digital My Account Registrations.
NPS Score	An index ranging from -100 to 100 that measures the willingness of customers to recommend a company's product or services to others.

Table 3– Mobile Metrics Overview

Metric	Q1 2020 Con Edison	Q2 2020 Con Edison	Q3 2020 Con Edison	Q1 2020 ORU	Q2 2020 ORU	Q3 2020 ORU
iOS Downloads	25,964	55,768	41,397	1983	675	5,507
iOS Uninstalls	7,634	18,809	14,581	661	622	1,083
iTunes Store Rating	4.8	4.8	4.8	4.7	4.7	4.8
Android Download	9,927	10,912	14,625	791	1,278	1,930
Android Uninstalls	8,281	11,483	9,913	628	1,436	1,323
Google Play Store Rating	4.8	4.8	4.8	4.6	4.8	4.7

Table 4– Digital Transaction Volumes

Quarter	Q1 2020 Con Edison	Q2 2020 Con Edison	Q3 2020 Con Edison	Q1 2020 ORU	Q2 2020 ORU	Q3 2020 ORU
Start	52.5K	47.5K	87.1K	1.2K	1K	1.5K
Stop	32.5K	59.1K	92.2K	824	850	1.2K
Transfer	5.8K	7.2K	8.8K	N/A	N/A	N/A
Report Outage	9.6K	25.1K	269.7K	4.5K	13.7K	73.6K

**Data Source: Customer Information System, updated Q1 & Q2 columns to reflect totals for each Quarter*

**In the Q2 2020 Report, Q1 & Q2 volumes were reported residential transactions only. In this report, residential and commercial transactions were reported. All volumes have been reconciled.*

**For additional web metrics and details see Appendix B, Section 4*

Table 5 – Percentage of Transactions Completed Digitally (% of Total Transactions)

Quarter	Q1 2020 Con Edison	Q2 2020 Con Edison	Q3 2020 Con Edison	Q1 2020 ORU	Q2 2020 ORU	Q3 2020 ORU
Start	30%	33%	35%	6%	8%	10%
Stop	29%	37%	37%	10%	16%	14%
Transfer	31%	37%	24%	N/A	N/A	N/A
Report Outage	22%	38%	51%	51%	44%	42%

2.1.4 Planned Work for Q4 2020

The Company identified the following features and enhancements for development and/or implementation in the fourth quarter. Note that the planned work below may shift or change to meet evolving customer needs.

Account Management (Web)

- New functionality that will allow customers to enroll in our Concern program outside of the start service flow. Customers will be able to self-identify as Elderly, Blind, Disabled or a combination of the three. (CECONY)
- New functionality which will allow customers to track the progress of their enrollment in the LSE program. This feature will allow customers to track their status from their initial request until the end of the process. (CECONY)
- New feature will allow customers to select the account they would like to view directly after logging in creating a more streamlined and customer friendly experience. (CECONY)
- DCX Assist (a My Account toll used by CSRs to help manage user profiles) users will have the ability to see pending access requests made by a Third Parties and the status of each request, (i.e., pending/denied) just as Third Parties can see on their dashboard. (CECONY)
- Add search functionality for CSRs to find accounts within a profile so that a DCX Assist user will have a search bar to search for an account number within a profile. (CECONY, O&R)
- Continued iteration on the Start Service journey to allow customers to self-serve to establish to establish accounts with AMI cold meters and remote connect capabilities.

Billing & Payment Web

- New functionality that will allow customer to attest, online, that they were impacted financially by the Covid-19 pandemic as required by Parker-Mosley law. (CECONY; O&R)
- Continued iteration on DPA offerings with a \$0 down payment for residential customers impacted by Covid-19. (CECONY; O&R)
- Net new functionality that allows commercial customers to enroll in a DPA with a single agreement offering. (CECONY; O&R)
- Customer experience enhancement to include the last 4 digits of customer account number in all billing communications. (CECONY; O&R)
- Continued expansion of email and text notifications for various payment scenarios such as a Payment Agreement Reinstatement Alert, informing customers when their DPA has been reinstated. (CECONY; O&R)
- Additional Select Pricing Plan tools will be provided in My Account to help customers better understand their bill through new billing and usage visualizations. (CECONY; O&R)

Accessibility:

- More accessibility improvements, including redesigns of company sites with high contrast colors on coned.com, conedison.com & oru.com. (CECONY; O&R)

Mobile Applications:

- Ability to see detailed information regarding enrollment in the low-income programs. Information may at first include the commodity that is receiving the discount rate as well as other general information on the specific program. (CECONY)
- Continued iteration on DPA offerings with a \$0 down payment for residential customers impacted by Covid-19. (CECONY; O&R)
- New functionality that allows commercial customers to enroll in a payment agreement with a single agreement offering. (CECONY; O&R)
- Replacement of deprecated web view framework on IOS for presentment of data visualizations through mobile apps. (CECONY; O&R)
- Streamlined credit card payment flows that align with improvements implemented on web in Q3 2020. (CECONY)
- The launch of capabilities for customers to transact through voice assistants (Google/Alexa) that was previously described in the Q3 development work.

Other:

- Account data filtering and restriction to enhance the way APIs return data to clients and consumers outside of My Account. Examples include Google/Alexa and other virtual assistants. This will allow The Company to send only the data that is truly required versus sending all the data contained in the API, aligning to best practices for security/privacy (CECONY; O&R).
- Multi-Regions Resiliency for DCX APIs, enhancing the way DCX APIs are designed to ensure the highest availability and resiliency for customers. This entails setting up new infrastructure across multiple cloud regions (CECONY; O&R).
- My Account registration auto-healing in the event a customer experiences an issue registering to mitigate registration states that requires call center support to resolve (CECONY; O&R).
- The adoption of GIT to simplify the process of merging and releasing code for My Account service layer, allowing DCX to streamline the code review process with tooling support through GIT pull requests and Azure DevOps (CECONY; O&R).

2.2 Journey Mapping

Customers are increasingly comparing the experience with their utility to that of other industries such as banking and telecommunications. The Company's Journey Mapping program aims to not only get to the heart of what customers want, but to also provide *optimal* customer touchpoints. Companies that consistently offer best-in-class customer experiences see a variety of business improvements associated with the increases in satisfaction and loyalty from consistent positive experiences.

Journey mapping is a process improvement method that explores the full sum of a customer's experience when interacting with a company, not just discrete interactions or

transactions (referred to as customer touchpoints). A full customer experience, or “journey,” is when a customer starts and finishes a transaction with no additional wants or needs from a company. For example, beyond looking at the discrete action of a customer requesting utility service with a phone call, a journey mapping team would review what caused the customer to call in the first place, the actual call experience, and any additional steps up to the point where the customer receives and understands their first bill.

2.2.1 Q3 2020 Highlights

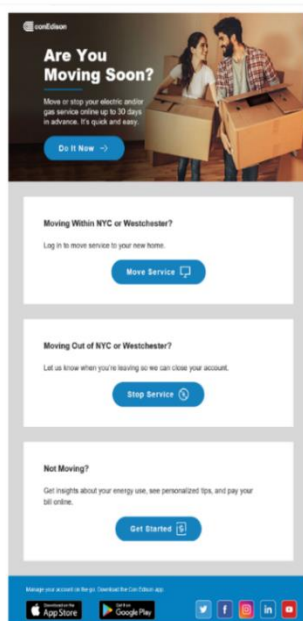
Con Edison implemented many meaningful improvements to the customer’s experience during the Sign Up for Service, Outage Communications, and Payment Assistance Customer Journeys. All improvements and enhancements are based on in depth customer research, operational data, and cause analysis.

Sign Up for Service and Onboarding Journey

The goal of this journey is to create more self-service options and features to enable customers to complete their sign up and onboarding with low effort and high satisfaction. Improvements implemented during Q3 include:

- Proactive Moving email campaign
 - Given the high rental turnover rates in some boroughs in New York City, Con Edison sends customers an email that will prompt them to transfer their service online. The emails are sent to customers with Start Service anniversary date of one, two or three years from the following month (shown below in Figure 1).

Figure 1: Proactive Moving Email



Outage Communications Journey

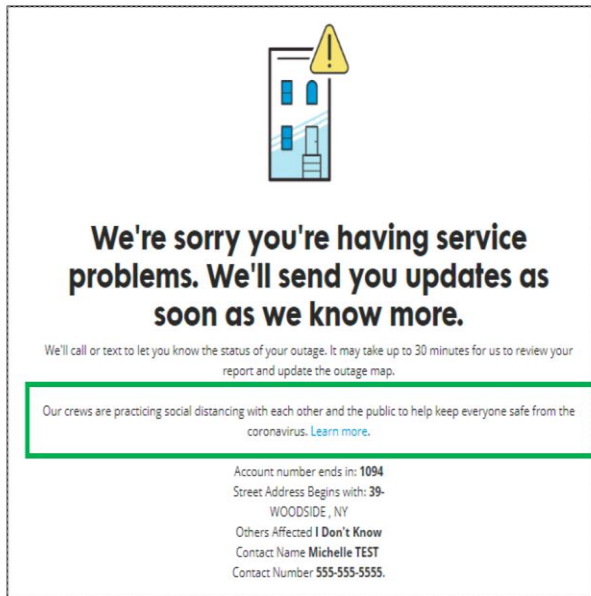
The intended experience for this journey is to communicate with customers via the channels of their choice (i.e., phone, text and/or web), increase frequency of communications, and simplify the process for customers to communicate with Con Edison during a power outage.

- No Estimated Time of Restore (ETR) message
 - In some cases, the Company is unable to send the customer an ETR because damage and safety assessments need to be carried out. Now, when customers report outages and there is no ETR available, we'll send a message to let them know we are investigating the issue they just reported and that we'll follow up with more information as soon as it becomes available (shown below in Figure 2).
- New COVID-19 Pandemic Message
 - Due to the pandemic, many customers need reassurance that safety protocols are in place, if a crew is dispatched to their area. A message stating that our crews will be practicing social distancing was created for the website, IVR and Customer Service representatives (shown below in Figure 3).

Figure 2 – No ETR Message

Text Message	Voice Call
<i>ConEd Alert: We're reviewing your electric service issue at <address> and will send updates as they become available. Track restoration progress at conEd.com/outagemap. Reply STATUS to this msg for updates. Reply STOP to cancel all future outage msgs. Reply HELP for help.</i>	<i>Hello, this is Con Edison with a message about <address>. We are reviewing your report of an electric service problem and will send you updates as they become available. You can track restoration progress at CONED DOT COM FORWARD SLASH OUTAGE MAP. Thank you for your patience. To repeat this message, please press the POUND key. Thank you, goodbye.</i>

Figure 3 – COVID-10 Pandemic Message (website)



Payment Assistance Journey

The Company's objective for this journey is to provide our customers in need of payment assistance with convenient and easy ways to pay; clear, consistent, personalized payment information and options across all channels (phone, web, app); and payment assistance options that help get customers out of the cycle of defaulting on their bill.

- Credit card payments in the field
 - Currently, credit card payments during field collections can be received if a customer calls a specific phone number or goes online. This project will enable the customer, at the time of collection, to use their credit card with mobile devices carried by Company field representatives. The Company sent out a Request for Proposal and has sourced a vendor for the device.

2.2.2 Planned work for Q4 2020

- Start technical design for credit card payments in the field device.
- Improve outage messaging for our smart meter customers.
- Create a customer journey map for customers with life sustaining equipment (LSE).

2.3 Virtual Assistant

The Next Gen CX Virtual Assistant program is focused on leveraging artificial intelligence (AI) to expand communication channels with customers. A virtual assistant, or 'bot,' is a conversational virtual agent that provides a unique, interactive, and personal way for customers to obtain answers and assistance across multiple channels, 24 hours a day, 7

days a week, 365 days a year. Virtual assistant functionality will provide the Company with a new form of frontline customer support that automates many of the simple interactions currently performed by CSRs on the phone.

2.3.1 Q3 2020 Highlights

The Virtual Assistant team continues to design and build use cases that will be delivered to our customers during 2021.

Live Chat Tool Selected

If a customer using the Virtual Assistant on the website asks a question that the bot cannot answer, they will have the option to escalate to a live representative. The live representative will be provided a transcript of the customer's conversation with the bot. This will allow the representative to interact with the customer without having to re-ask questions that were already answered. The Company has selected Moxie for its live chat escalation tool. Moxie is the company's current live chat provider and the decision to maintain this tool will eliminate the need to retrain representatives that use it today.

Completed IVR Call Deflection Design

The Virtual Assistant team has completed the design phase of the call deflection path that will allow customers who call us to opt into using the Virtual Assistant to address their request via a link sent to their smart phone.

Customer-facing Name for Virtual Assistant Bots

Based on surveys that were sent to both employees and customers within our advisory community, the Virtual Assistant was given the name "Watt." This choice was a top option amongst both communities (shown below in Figure 4).

Conduct Cyber Reviews

Security is a top priority for both the Company and our customers. The Virtual Assistant team regularly meets with the Company's Cyber Security team to review proposed architecture designs to meet all existing guidelines and regulations.

Ensuring Accessibility

It is paramount that the Virtual Assistant is available to all our customers. As a result, the Virtual Assistant team spent time in Q3 understanding the accessibility standards that exist on the Company's website today. A set of accessibility guidelines were developed for the Virtual Assistant that have been incorporated across all use cases. Accessibility will continue to be monitored after the Virtual Assistant is rolled out and identified issues will be addressed in an expedient manner.

Virtual Assistant Placement

The DCX and Virtual Assistant teams have worked hand-in-hand to develop a placement strategy that will maintain the aesthetics of the website after the bots are integrated

with the site.

2.3.2 Planned Work for Q4 2020

Develop Additional Use Cases

We would like to gather feedback from our customers to understand how the Virtual Assistant is performing. In the fourth quarter we will develop and design a survey approach that will capture the thoughts of our customers. We will also develop a Customer Feedback use case that will allow customers to create a digital profile for future transactions. This use case will make it easy for customers to create an online account which will also be developed during the fourth quarter.

Testing

The team will test the use cases that are scheduled for the initial release of the Virtual Assistant in the first quarter of 2021. All use cases will go through a rigorous testing process to validate that they are performing at the highest technical and functional level.

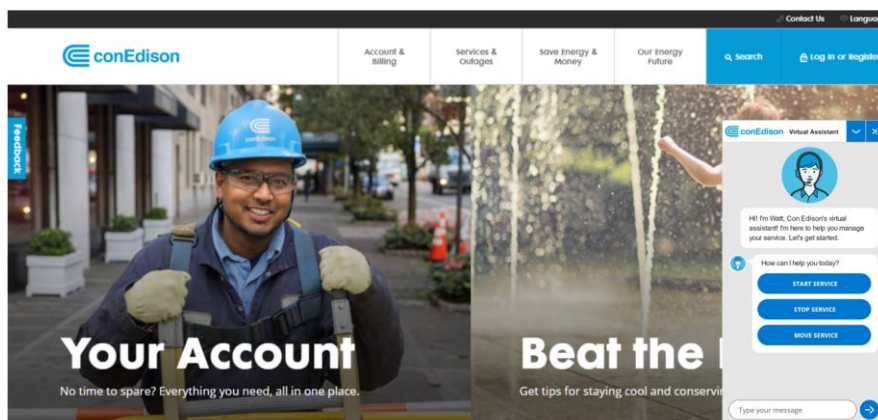
Virtual Assistant Integration with Live Chat

We will work with our live chat vendor to build the integration between our Virtual Assistant and live chat representatives. It is essential that the transition from the bot to our live agents is seamless to our customers and that our agents are provided a full context of the conversation that transpired with the virtual assistant.

Internal Demo of the Virtual Assistant

As use cases are developed and designed, they will be presented to key stakeholders from Customer Assistance, DCX, Customer Experience Center of Excellence, and Corporate Affairs. Feedback received during these sessions will be incorporated into the Virtual Assistant.

Figure 4 – Virtual Assistant Watt Welcome



2.4 Bill Redesign

Bill Redesign development continues on the bill's second page with reformatting of consumption, rates and line item charges. The Bill Redesign project team will focus on creating a communication plan for Customer Service Representatives and customers explaining the new features and enhancements to the new bill format. Customers will be reminded in of the bill redesign in January 2021 with a "new bill format coming soon message", followed by a new bill insert indicating the improved features and enhancements for the March 2021 rollout.

3. Back Office Automation & Agent Tools

The Back Office Automation and Agent Tools program encompasses a collection of investments in software and new systems that will automate repetitive back office tasks, improve the accuracy and efficiency of exception management processes, enhance tools used by the Company's CSRs and centralize knowledge sharing in order to provide more consistent experiences for customers and employees. Specific work streams include implementation of robotic process automation ("RPA") technology, a new exception management tool, and enhancements to the tools used to guide CSRs through customer interactions.

3.1 Robotic Process Automation

Improvements in technology commonly referred to as "Robotic Process Automation" or RPA have made automating routine back-office tasks feasible due to their ability to build processes that take many business rules into consideration and perform actions across several software programs. In this program, the Company has begun to implement a number of automation opportunities using RPA tools, based on a consideration of the overall effort involved in development of the RPA tool, and the associated customer satisfaction and cost saving value.

3.1.1 Q3 2020 Highlights

In the third quarter the deployment of 11 process automations was completed. The process automations cover the following topics: unbilled accounts due to meter reading estimates, commercial net metering, billing exceptions due to supplier changes, PSC complaints, inactive account meter reading failures, conflicting demand readings, adjusting turn-on readings, solar onboarding, importing meter readings from field systems into CIS, rejected turn-on transactions, and rejected meter exchanges. To achieve successful automations each task to be automated was reviewed in detail, broken into steps and documented by the RPA team. The feasibility of each automation was then reviewed, and solutions were developed using a leading RPA software called Blue Prism. Thorough testing was completed, and each automated task was modified to optimize performance. Finally, comprehensive reporting was developed that provides transparency into the RPA's performance, including the percentage of successful transactions. The Company's automated efforts have resulted in approximately 1,630 daily automated transactions and approximately 220 hours of manual effort saved.

3.1.2 Planned Work for Q4 2020

During the fourth quarter of 2020 the back-office automation team will work on the following enhancements:

- Address customer accounts that are not billed up to date after cancellations due to rate changes and ESCO marketer changes.
- Address meter exchange and sets that get rejected when the real meter number is not updated in CIS.

3.2 Exception Management

The goal of the exception management workstream is to improve the accuracy and efficiency of exception management processes, including the completion of back office exceptions by employees. During the 1st and 2nd quarter of 2020, the discovery phase of this workstream began, including meeting with back office employees to document the current tools and processes for managing back office exceptions, reviewing detailed reports included in the current reporting solution, and exploring the requirements for exception handling moving forward. The Discovery phase is continuing through the 3rd and 4th quarters of 2020, where completion of these tasks will be followed by a review of technology solutions that will meet the documented requirements.

3.3 Agent Tools

The Discovery phase of the Agent Tools workstream is expected to begin in Q1 2021.

III. Next Gen CX Cost Summary

Capital Spending

Program	Sept 30 YTD Spending	2020 Budget
Data & Analytics	\$1,449,389	\$3,523,663
DCX*	\$9,725,000	\$14,187,000
Journey Mapping	\$144,190	\$1,080,000
Virtual Assistant	\$2,272,688	\$5,955,236
Bill Redesign	\$581,846	\$1,000,000
Back Office Automation	\$0	\$0
Total	\$14,173,113	\$25,745,899

*Approximately 94% CECONY and 6% O&R

O&M Spending

Program	Sept 30 YTD Spending	2020 Budget
Data Analytics	\$6,000	\$500,000
DCX*	\$4,842,000	\$6,942,000
Journey Mapping	\$2,111,554	\$2,150,000
Virtual Assistant	\$0	\$0
Bill Redesign	\$95,256	\$200,000
Back Office Automation	\$1,030,885	\$1,059,500
Total	\$8,085,695	\$10,851,500

IV. BCO Savings

The 2019 Rate Order requires the Company to identify BCO savings achieved. BCO goals are broken into three cost savings categories: Self-Service Optimization, Workforce Management, and Back Office Automation. The Next Gen CX programs supported a total savings of \$5.5M ³in the first three quarters of 2020 as described below.

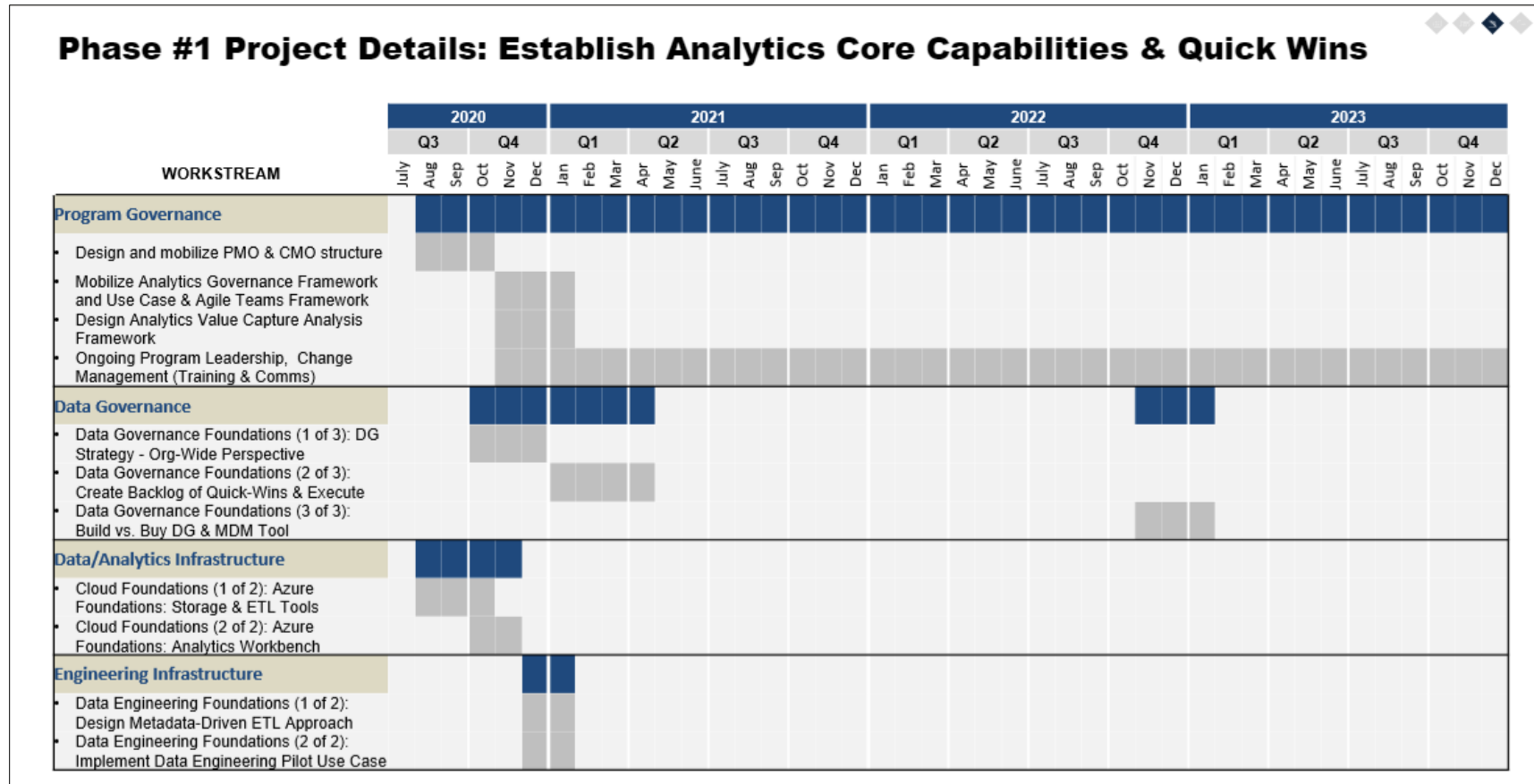
Self-Service Optimization – Allows customers to self-serve through a variety of channels, rather than speaking with a CSR, with a focus on reduction of calls to the Call Center. Savings for Self-Service Optimization in first three quarters of 2020 were approximately \$3M.

Workforce Management – Savings in this category are a result of identifying and using data analytics, call volume forecasting and scheduling efficiencies to decrease the staffing required to handle customer inquiry demand. Workforce Management focuses on labor

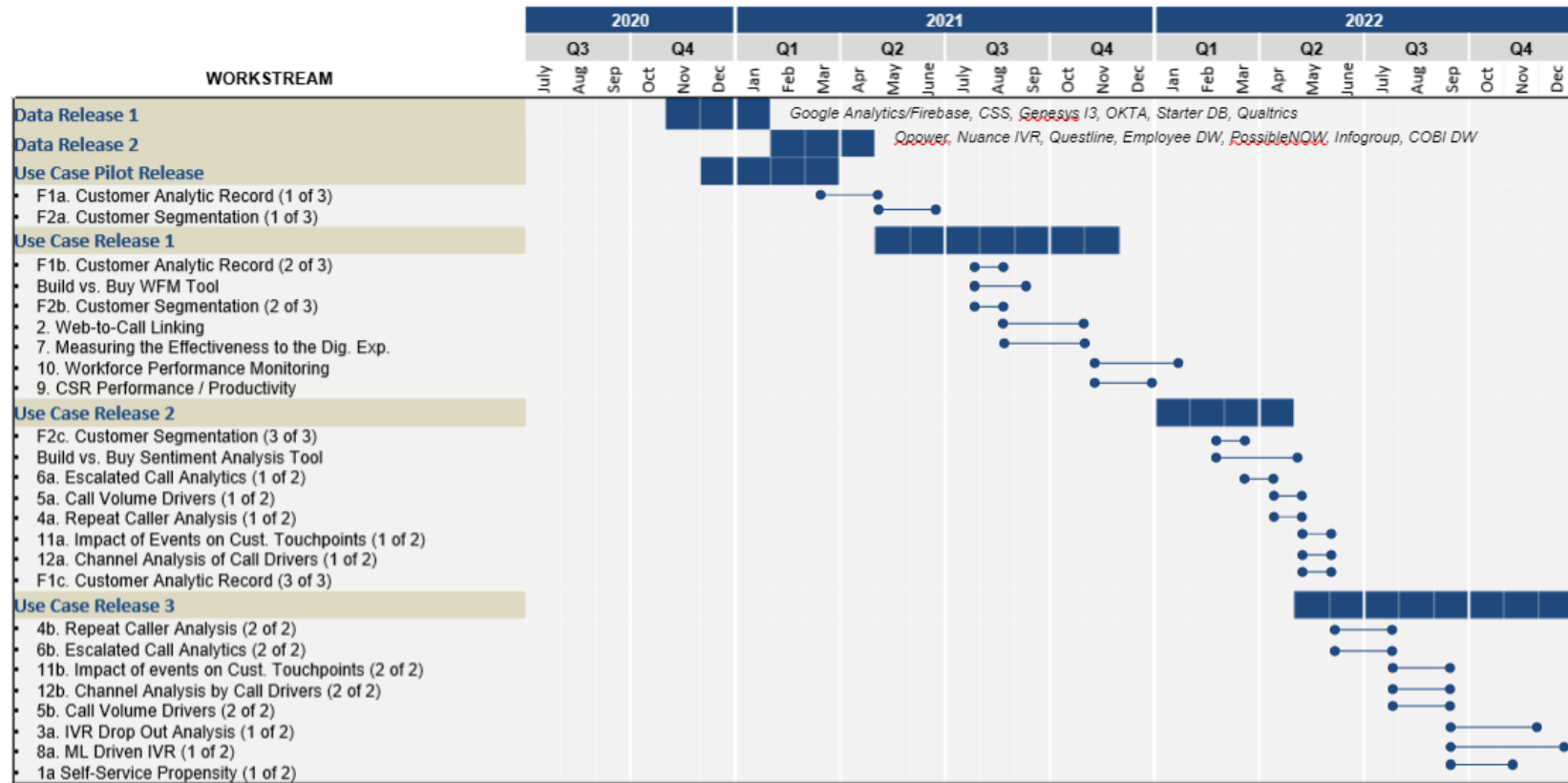
³ Of the \$5.5M in savings, \$500K resulted from postage reductions and minimal savings related to call handle time reductions.

cost savings and optimizing staffing and schedules. Savings for Workforce Management in the first three quarters of 2020 were approximately \$2M.

Back Office Automation – These initiatives streamline and automate back office processes, consolidate work functions and eliminate manual tasks, thereby reducing labor and other expenses. As described above RPA use cases have been deployed and are beginning to shrink the backlog of billing exceptions requiring investigation. Additionally, the volume of exceptions caused by the Company's ongoing AMI deployment is declining. With continued progress made on these backlogs we anticipate the Company will begin to see savings in this category later this year or in 2021.

Appendix A: Data & Analytics Implementation Plan Details

Phase #2 Project Details: Phased Data & Use Case Implementation





Next Gen CX Progress Report – Q3 2020

Appendix B: DCX Enterprise Dashboards

Con Edison DCX Enterprise Dashboard

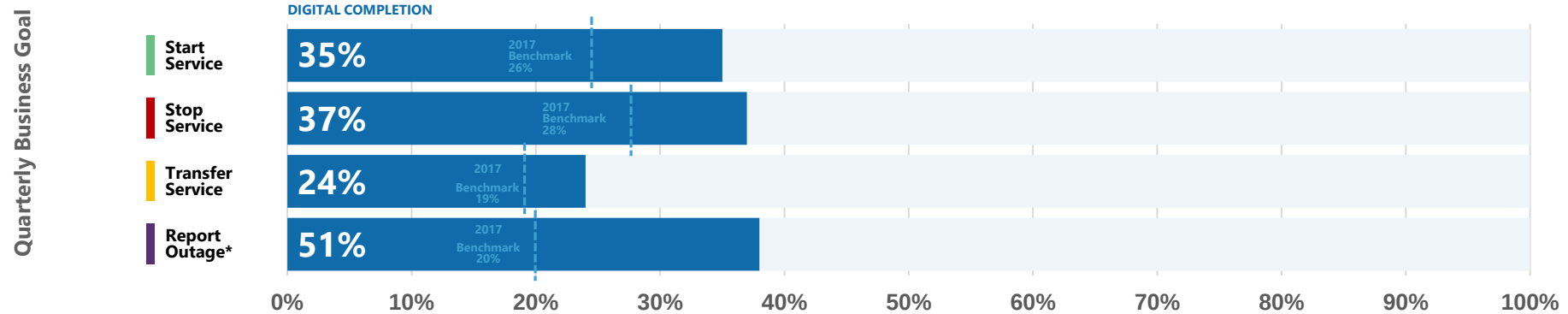
ENTERPRISE DASHBOARD – CON EDISON

BUSINESS COST OPTIMIZATION	Start Service Completion Stop Service Completion Report Outage Completion E-Bill Adoption Completion Payment Agreement Completion	
CUSTOMER SATISFACTION IMPROVEMENTS	Start Service NPS Stop Service NPS Report Outage NPS E-Bill Adoption NPS	Overall Site NPS iOS App Rating Android App Rating
CUSTOMER EMPOWERMENT	Home Energy Enrollees Home Energy Gas Report Home Energy Electrical Report Monthly Average Users O-Power Usage	

ENTERPRISE DASHBOARD – CON EDISON

BUSINESS COST OPTIMIZATION

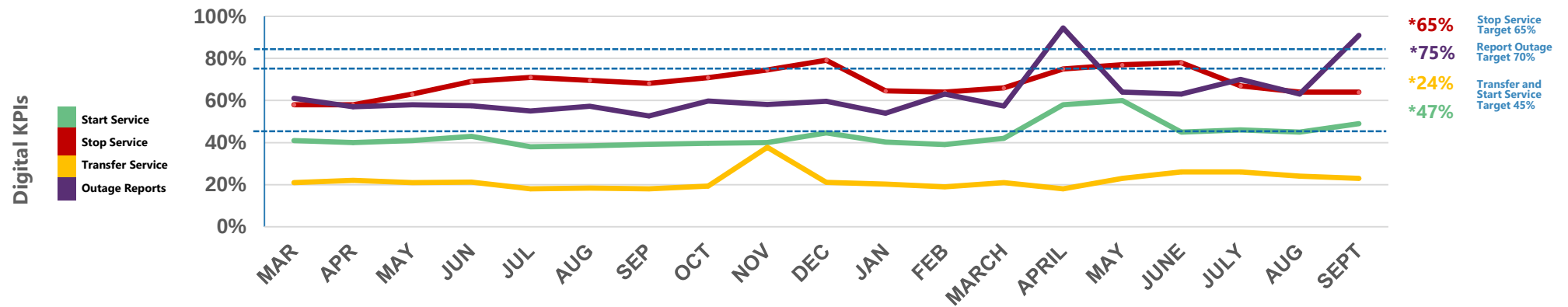
Digital Usage (Q3 2020): Transactions completed digitally, as a percentage of Total Transactions



Residential & Commercial Data

CECONY App & Web digital completions. Note: Start service is not provided on the app. Source: ConEdison

Digital Success Rates: Percentage of Digital Transaction Attempts Successfully Completed, by month



*Numbers are cumulative averages of March '19 – March '20 Users starting a transaction on the web divided by successful completions. Start Service & Report Outage have "intent" actions tagged. Source: Google Analytics

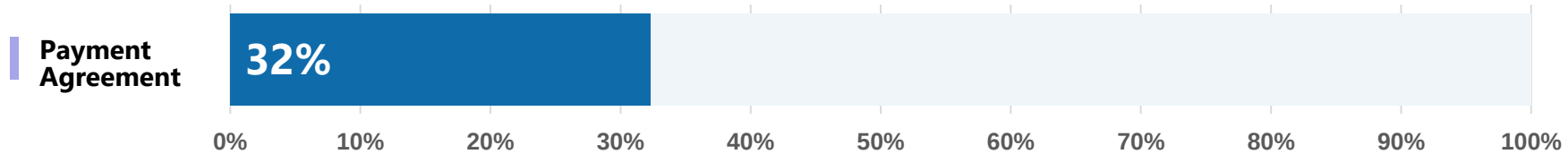
*Report Outage includes IVR

ENTERPRISE DASHBOARD – CON EDISON

BUSINESS COST OPTIMIZATION

Quarterly Digital (Online and IVR) Payment Agreement Usage (Q3 2020): Customers completing Payment Agreement Digitally, as a Percentage of Total Agreements

Quarterly Business Goal

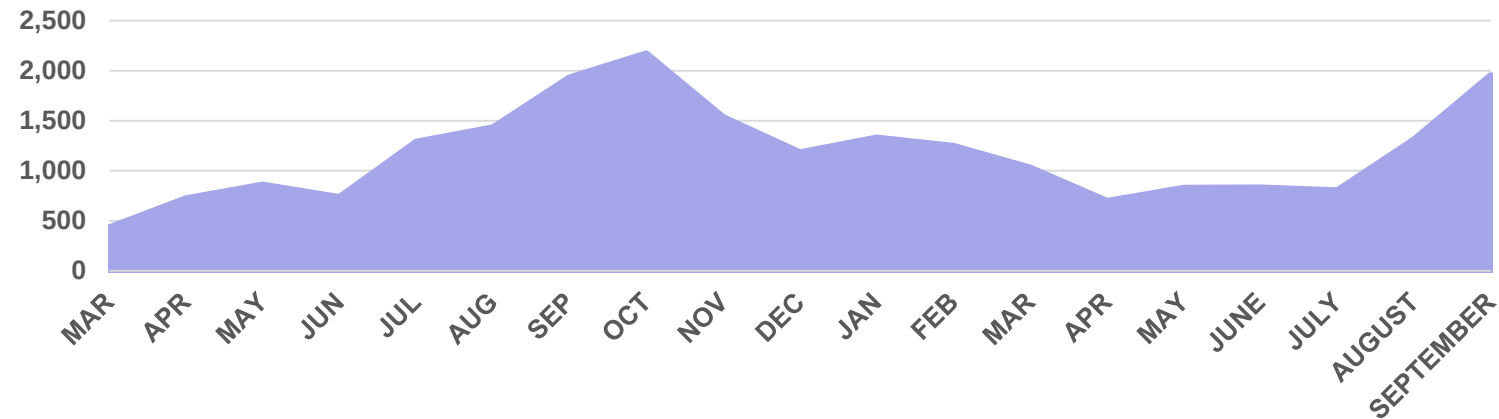


Note: Online payment agreements account for ~4.8% of all payment agreements, most digital payment agreements are via IVR. *Source: ConEdison*

Digital Payment Agreement Completions: Volume of Payment Agreements successfully completed online, by month

Digital KPIs

10,018
Payment
Agreements
(YTD)



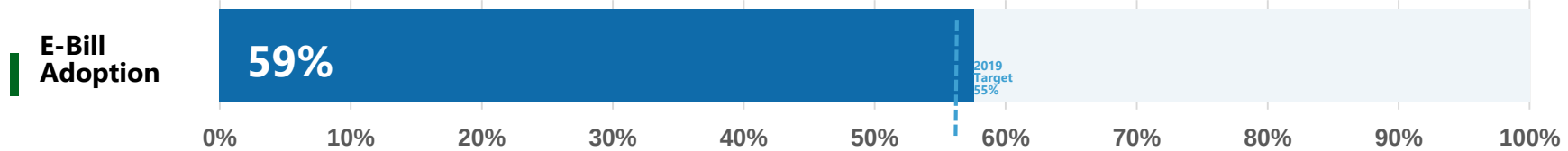
February Volume From Service Layer. Source: Google Analytics

ENTERPRISE DASHBOARD – CON EDISON

BUSINESS COST OPTIMIZATION

Quarterly E-Bill Usage (Q3 2020): Customers who receive E-Bill, as a percentage of all customers

Quarterly Business Goal

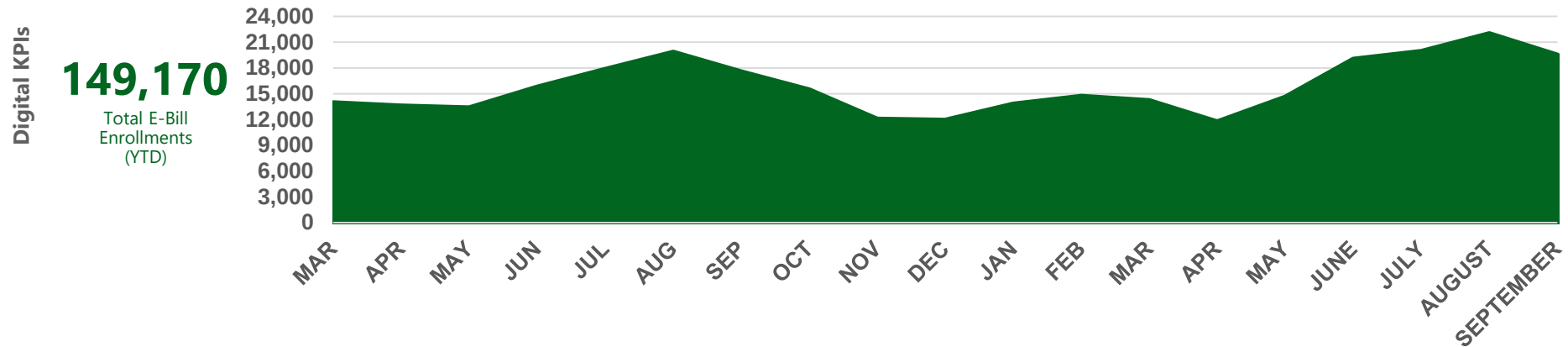


*Data cumulative of 2020 Data

*Percent Increases/Decreases is cumulative data vs benchmark

Source: ConEdison

E-Bill Enrollments: Volume of My Account Customers who enroll in E-Bill digitally, by month



New enrolments only. Source: Google Analytics

*2019 E-bill Enrollments includes enrollments during Start Service transaction

ENTERPRISE DASHBOARD – CON EDISON

CUSTOMER SATISFACTION IMPROVEMENT

Quarterly CSAT scores (Q3 2020)

Quarterly Business Goal



38 NPS

Overall Site
NPS



3.7/₅

State
Mandated
CSAT



4.8/₅

iOS App
Rating



4.8/₅

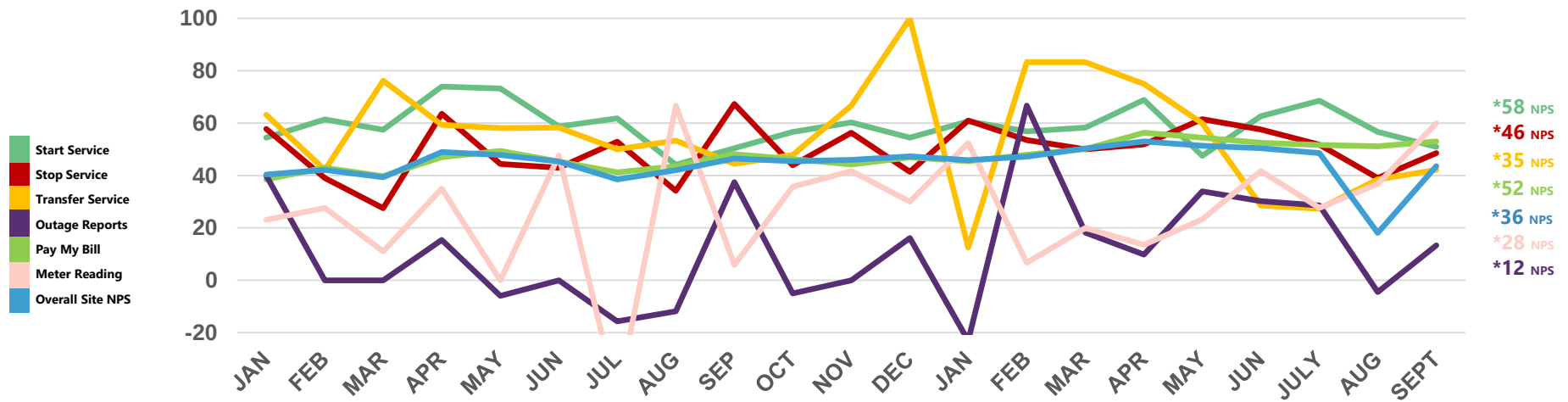
Android App
Rating

**Numbers are cumulative averages of Q1 2020 data*

Source: Qualtrics, JD Power, iOS App Store, Google Play Store

Net Promoter Scores, by month

Digital KPIs



**Numbers are cumulative averages of Q3 2020 data*

Source: Qualtrics

ENTERPRISE DASHBOARD – CON EDISON

CUSTOMER EMPOWERMENT

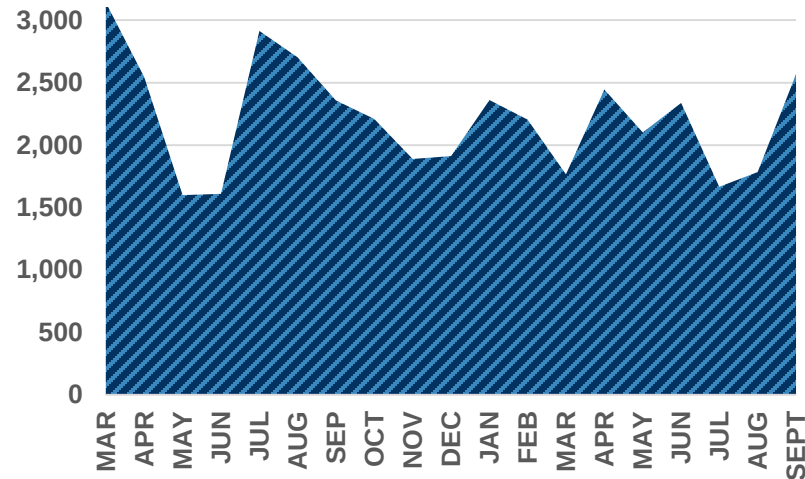
Quarterly Home Energy Analysis Survey (Q3 2020)



6,017_K

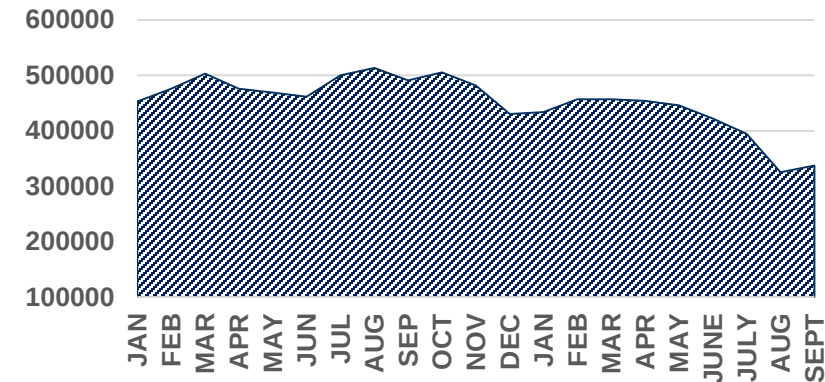
Home Energy
Analysis Completions

Home Energy: Volume of Customers who complete the Home Energy Analysis, by month



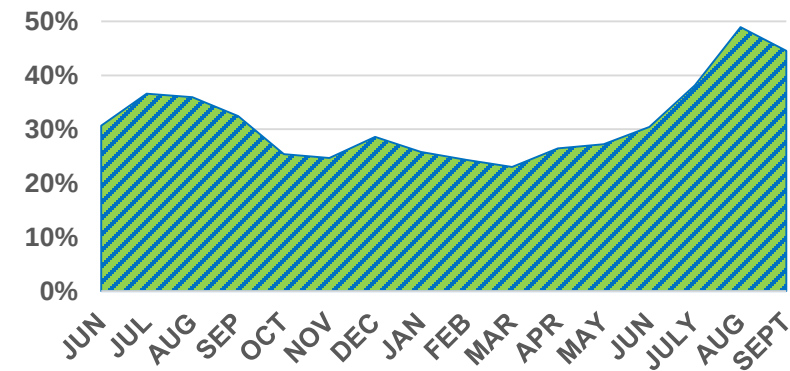
Source: OPOWER

My Account Monthly Active Users



- Customers logged into My Account. Source: OKTA

Billing & Usage Tab Users as a percentage of MAUs, by month



Customers who have clicked on the Usage tab in My Account: Source: OKTA, Google Analytics

ENTERPRISE DASHBOARD – ORANGE & ROCKLAND

BUSINESS COST OPTIMIZATION

Start Service Completion
Stop Service Completion
Report Outage Completion
E-Bill Adoption Completion
Payment Agreement Completion

CUSTOMER SATISFACTION IMPROVEMENTS

Start Service NPS Overall Site NPS
Stop Service NPS iOS App Rating
Report Outage NPS Android App Rating
E-Bill Adoption NPS

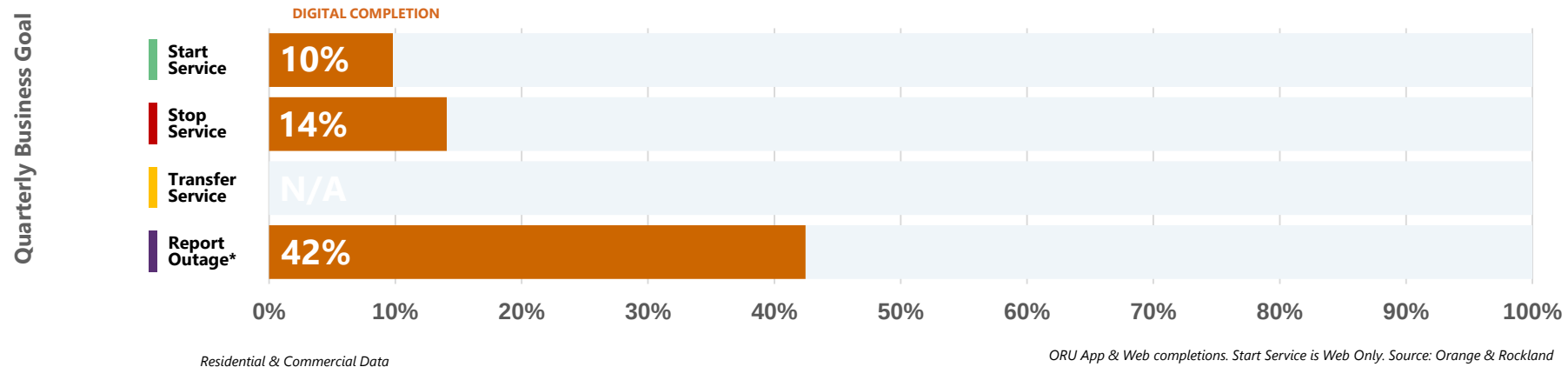
CUSTOMER EMPOWERMENT

Home Energy Enrollees
Home Energy Gas Report
Home Energy Electrical
Report
Monthly Average Users
O-Power Usage

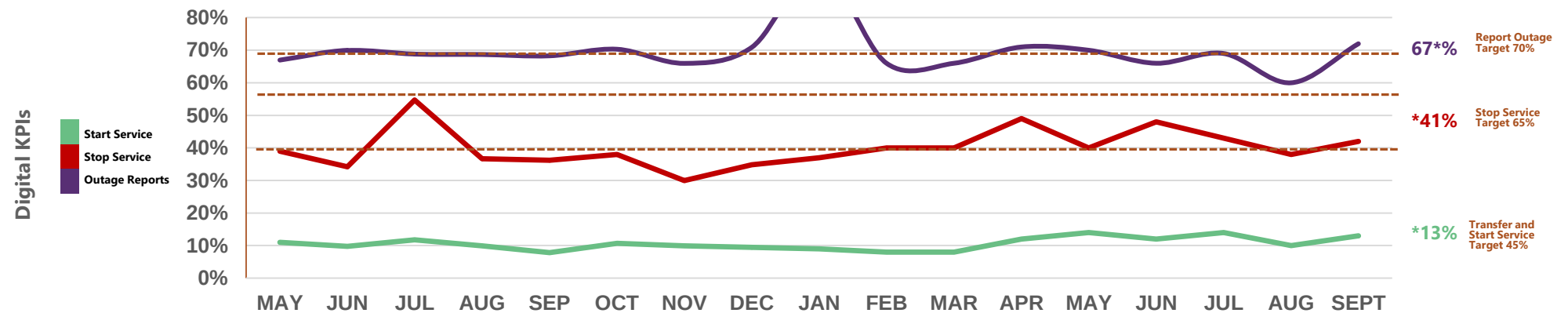
ENTERPRISE DASHBOARD – ORANGE & ROCKLAND

BUSINESS COST OPTIMIZATION

Quarterly Digital Usage (Q3 2020): Transactions completed digitally, as a percentage of Total Transactions



Digital Success Rates: Percentage of Digital Transaction Attempts Successfully Completed, by month



*Numbers are cumulative averages of Q1 2020

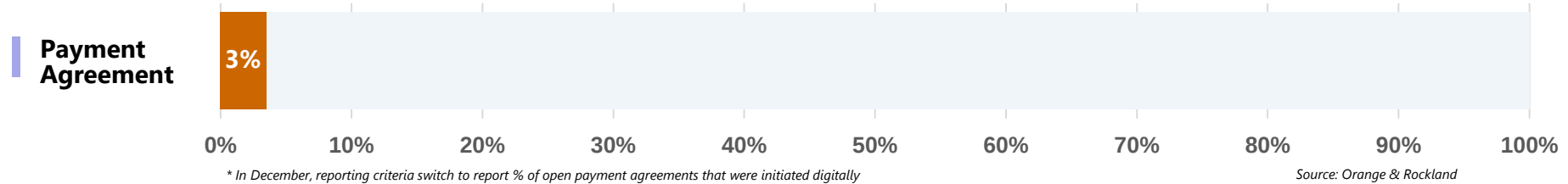
Users starting a transaction on the web divided by successful completions. Start Service & Report Outage have "intent" actions tagged. Source: Google Analytics

ENTERPRISE DASHBOARD – ORANGE & ROCKLAND

BUSINESS COST OPTIMIZATION

Quarterly Digital Payment Agreement Usage (Q3 2020): Customers completing Payment Agreement Digitally*, as a Percentage of Total Customers

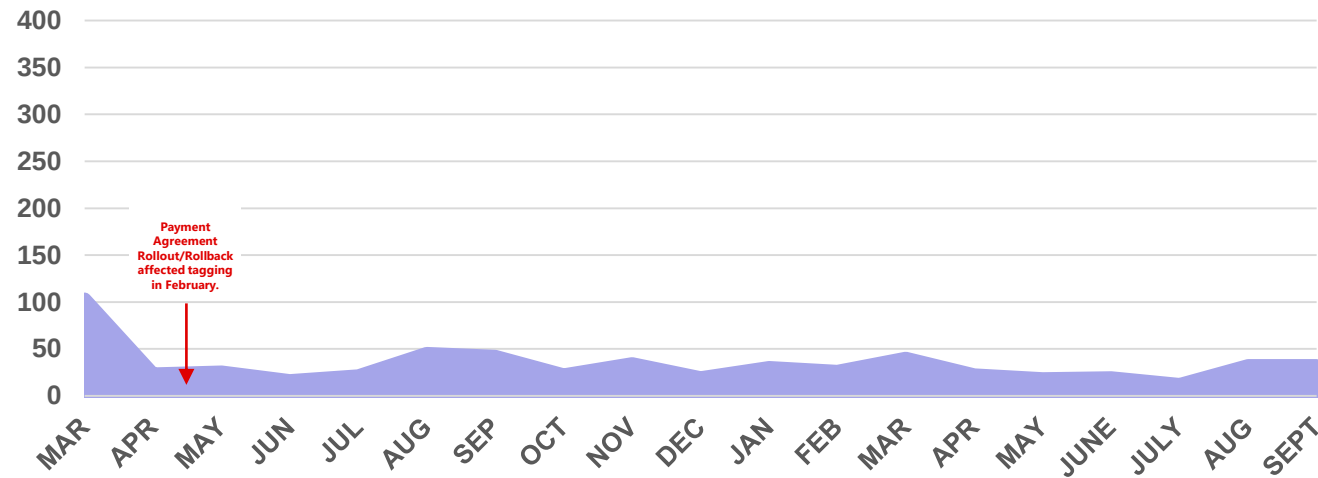
Quarterly Business Goal



Digital Payment Agreement Completions: Volume of Payment Agreements successfully completed online, by month

Digital KPIs

231
Payment
Agreements
(YTD)

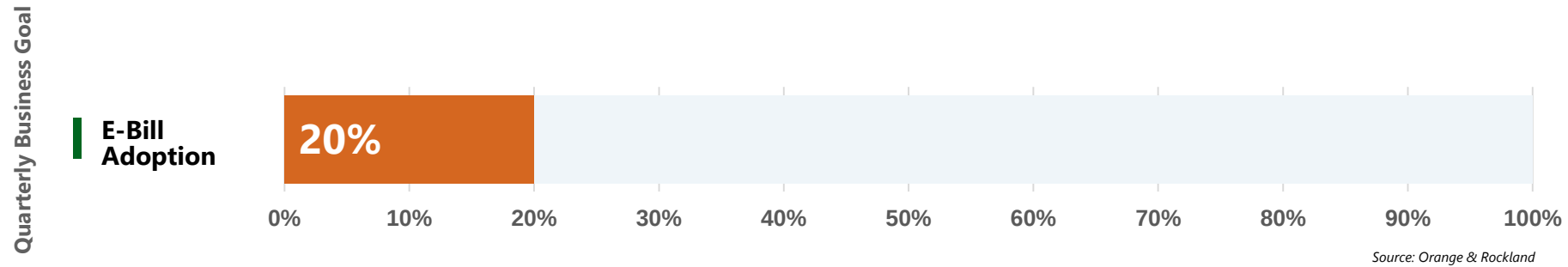


Source: Google Analytics

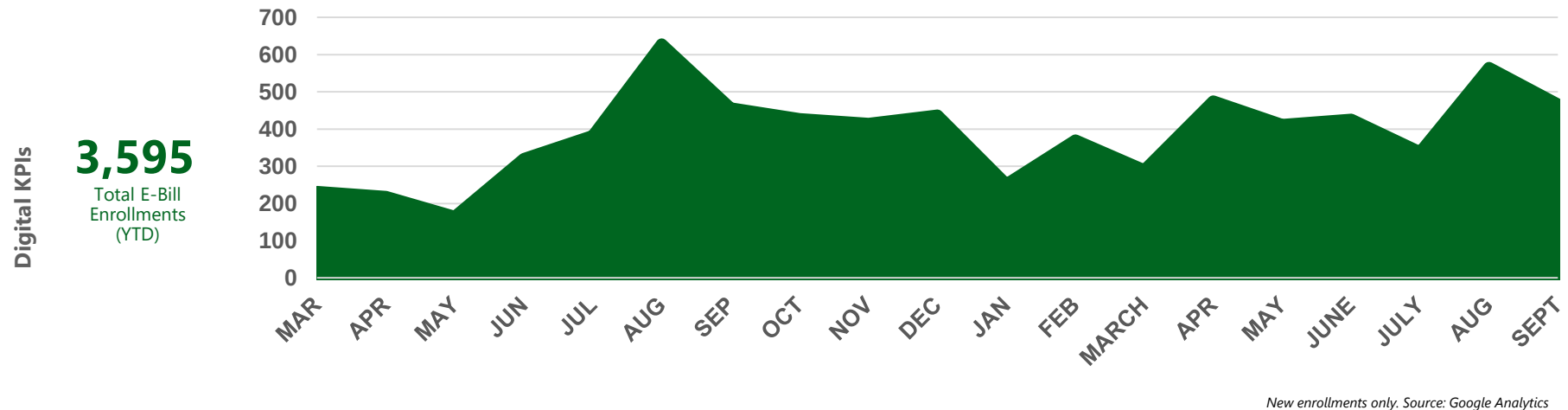
ENTERPRISE DASHBOARD – ORANGE & ROCKLAND

BUSINESS COST OPTIMIZATION

Quarterly E-Bill Usage (Q3 2020): Customers who receive E-Bill, as a percentage of all customers



E-Bill Enrollments: Volume of My Account Customers who enroll in E-Bill digitally, by month



ENTERPRISE DASHBOARD – ORANGE & ROCKLAND

CUSTOMER SATISFACTION IMPROVEMENT

Quarterly CSAT scores (Q3 2020)

Quarterly Business Goal



50 NPS

Overall Site
NPS



N/A

State
Mandated
CSAT



4.7 / 5

iOS App
Rating

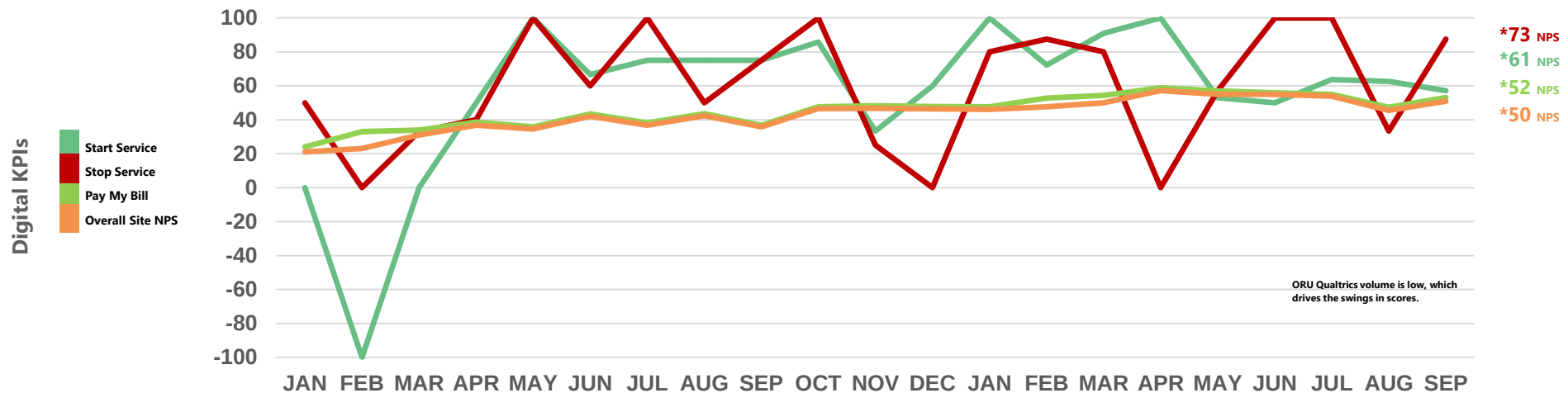


4.8 / 5

Android App
Rating

Source: Qualtrics, JD Power, App Store, Google Play Store

Net Promoter Scores, by month



ENTERPRISE DASHBOARD – ORANGE & ROCKLAND

CUSTOMER EMPOWERMENT

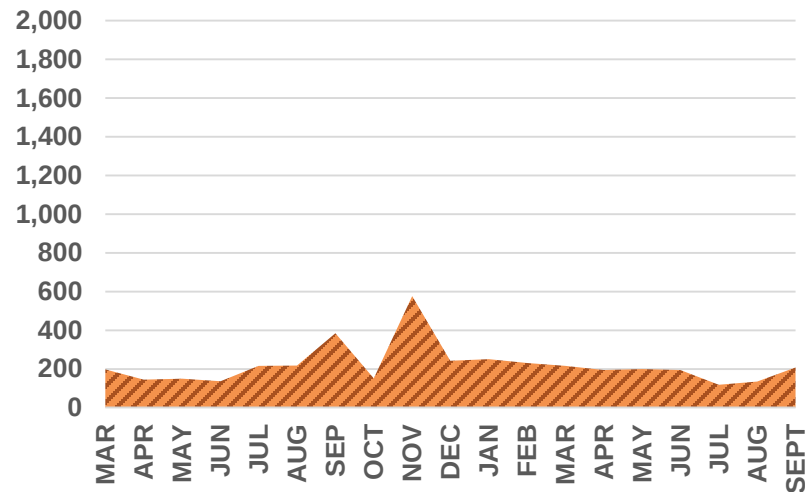
Quarterly Home Energy Analysis Survey (Q3 2020)



460

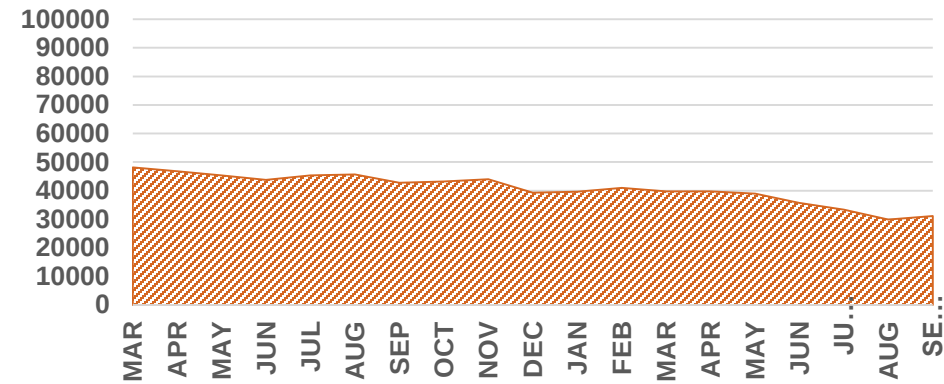
Home Energy
Analysis Completions

Home Energy: Volume of Customers who complete the Home Energy Analysis, by month



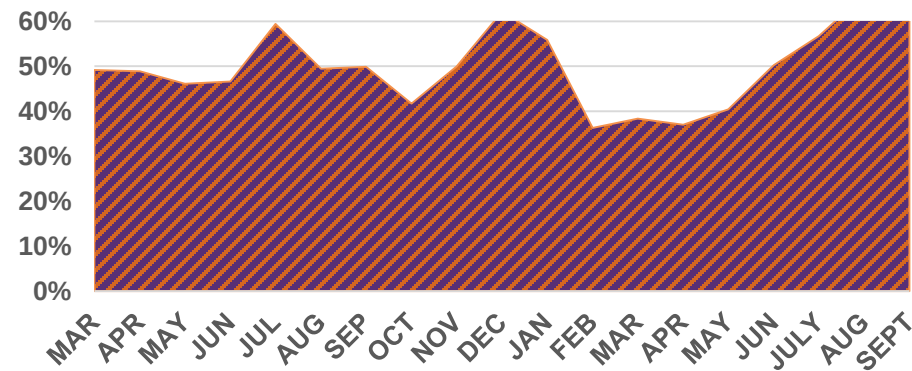
Source: OPOWER

My Account Monthly Active Users



- Customers logged into My Account. Source: OKTA

Billing & Usage Tab Users as a percentage of MAUs, by month



Customers who have clicked on the Usage tab in My Account: Source: OKTA, Google Analytics