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Honorable Kathleen H. Burgess
Secretary
State of New York Public
Service Commission
Three Empire State Plaza
Albany, NY 12223-1350

RE: Cases 16-E-0060, 16-G-0061, 18-E-0067 and 18-G-0068 - Con Edison and O&R Digital Customer Experience Report

Dear Secretary Burgess:

As required by Section L(7) of the Joint Proposal adopted by the New York State Public Service Commission ("Commission") in its January 25, 2017 *Order Approving Electric and Gas Rate Plans* and Section J(9) of the Joint Proposal adopted by the Commission its March 14, 2019 *Order Adopting Terms of Joint Proposal and Establishing Electric and Gas Rate Plans*, Consolidated Edison Company of New York, Inc. and Orange and Rockland Utilities, Inc. hereby submits their Digital Customer Experience Report for the second quarter of 2019.

Very truly yours,
/s/
Kerri Kirschbaum
Associate Counsel



Cases 16-E-0060, 16-G-0061, 18-E-0067 and 18-G-0068

Digital Customer Experience Quarterly Progress Report

Q2 2019

Dated: September 4, 2019

1. Digital Customer Experience Program Summary

The Digital Customer Experience (DCX) project is a multi-year program that continues to deliver an improved online experience for customers, following the complete redesign and re-platforming of the www.conedison.com, www.coned.com, and www.oru.com external websites, responsive mobile websites, "My Account" portals, and mobile apps.[1] Consolidated Edison Company of New York, Inc. and Orange & Rockland Utilities, Inc (both to be referred to as the "Company") seeks to continue to develop and evolve its digital platform to offer a best in class customer experience by providing customers with better and more coordinated information across multiple channels. This is achieved through the continued evolution and transformation of digital offerings, new technology, improved analytics, and the digital operating model. The foundational technology that DCX has built its digital landscape upon is iteratively enhanced and improved to support enhanced digital interactions, development of a new web and mobile customer experiences, and further implementation of tools and functionality to support multi-channel communication such as chat, text, and email. DCX continues to evolve and develop the digital landscape and self-service offerings to meet emerging customer, regulatory, and industry needs.

1.1 Customer-Centric Approach and Agile Project Management

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. 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. The Company learned from its Phase 0 benchmarking efforts that executing a successful digital transformation included not only overhauling architecture and content, but also continuously striving to anticipate and meet evolving customer expectations. Accordingly, the company developed six guiding 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 position Con Edison to quickly adapt to changes in customer preferences, markets, regulatory requirements, etc.
- **Security** – Safeguarding customer information – and maintaining customers' trust – while maximizing usability is a central objective of DCX.

[1] As part of the DCX program Con Edison is partnering with Orange & Rockland Utilities (O&R) to standardize and enhance digital experiences across both companies.

With these principles as a guidepost, the Company continues to utilize the "Agile" project management approach, and has incorporated Program Increment (PI) planning, an agile planning tool. Agile is an iterative, incremental method of managing the design and build activities of a project, rather than treating traditional project phases like analysis, design, building, and testing as discrete efforts. The incorporation of PI planning improves upon the Agile approach 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. Using this Agile approach, the company's technical, communications, and business resources work together throughout each phase, allowing the team to adapt to changes quickly and reshuffle priorities to remain in line with customer needs.

To illustrate, on a quarterly basis the DCX team plans program increments by identifying goals, regulatory needs, and most importantly any customer needs based on feedback and analytics. Next, the team identifies "user stories," or what customers want the new websites and apps to do. The user stories are prioritized and grouped into categories aligned with the identified goals and needs. Acceptance criteria of the minimum viable product (MVP) necessary for incremental improvement is established. The MVP must meet a customer-driven need or build out net new functionality. Following planning, work is completed in three-week increments, referred to as "sprints." Depending on the feature size and impact, several rounds of design may be shared with customers where things like navigation, functional design, photography, and naming conventions are improved upon based on feedback. Once the MVP is met and the user story is closed out, work to improve the product will be prioritized against new requests in subsequent sprints and program increment planning efforts. Managing the program this way has many benefits, including optimizing resources, aligning teams on goals, and the ability to make timely, responsive decisions.

1.2 Content Strategy and Voice of the Customer

Throughout the DCX program the team maintains focus on executing and refining the company's digital content strategy and defining the voice of the customer based on continuous feedback. The main objective of this work stream is to maintain a consistent creative look and feel that is in line with what customers convey they want over time. Work items include:

- **Internal stakeholder needs assessment** – Identify essential content vs. outdated information.
- **Usability testing** – Test site navigation, look and feel with major customer segment representatives such as residential and business customers, mobile site users, renters and homeowners.
- **Editorial and style guides –** Create and refine comprehensive digital editorial style and design style guides so that web copy and design layouts are user friendly, meet accessibility standards, conform to current digital best practices, and provide a uniform look and feel.
- **Iterative creative user testing –** Assess customer reactions to multiple versions of homepage layouts and imagery, which test administrators continuously adjusted throughout the test to develop content.
- **Iconography –** Implement a new, standardized icon library to simplify navigation and action options for customers at a glance – and then update periodically based on customer feedback.

2. DCX Progress Report – Q2 2019

2.1 Q2 2019 Accomplishments

This quarter's improvements – developed in line with DCX principles – have further optimized, expanded, and transformed the Company's digital offerings and functionality across multiple digital channels. As described in detail below, enhancements made in Q2 include additional options for customers seeking to start/stop/transfer service online, options to negotiate payment assistance plans online, Smart Energy Plan tools, outage notification choices, and improvements to user support, security measures and website speed.

My Account Enhancements

We continue to transform the digital experience by further enhancing features that allow customers to self-serve. In Q2, the Company made multiple enhancements to its start, stop and transfer service journey, including:

- Customers who complete a start service transaction online and are required to pay a deposit now have the option of paying the deposit online when they process the start service transaction. In the past customers would have wait to receive a notice about their deposit requirement to then make a payment.
- Customers at Con Edison who do not have a My Account profile that want to stop service now have the option of doing so online. This feature creates a better experience for those customers who no longer need our service and do not want to create a My Account profile just to close their account online. The new process is secure and only requires the customer to provide their account number and be able to access the email or phone number on record for their account. This option is also being planned for O&R following implementation at Con Edison.
- We have extended the start service lead time to 180 days to provide customers more flexibility when establishing a Con Edison account. Previously, digital start service requests could not be processed more than 30 days in advance of the requested start date.
- To assist customers that are having difficulty completing the start service process, we have improved error messaging to provide customers with better direction and information.

Each of these enhancements improves the customer experience by providing customers with convenience and flexibility on how and when they choose to start, stop or transfer service. These enhancements are currently only available to Con Edison customers but the templates and functional design can be extended to O&R in future iterations.

Con Edison and O&R customers have a new and improved My Account landing page. The new page provides clear and simple verbiage and a FAQ module designed to make the moving (i.e., transfer service) process more customer friendly. We have also enhanced the My Account registration confirmation email. The new email provides clear guidance and next best actions. In an effort to provide a consistent experience through all our channels, we have made emails for both Con Edison and O&R consistent in style and copy.

As noted in the Q1 2019 DCX Report, Con Edison residential customers can accept alternate deferred payment agreement (DPA) terms (i.e., terms that differ from the Standard Agreement Offer (SAO)

required by HEFPA) in My Account. These alternate DPA terms are determined by the Company's CIS system. In Q2 2019, the Company took further steps to enhance the payment assistance journey by giving customers the ability to negotiate DPA terms online if they cannot accept the SAO terms or the alternate DPA terms generated by CIS. This new feature will improve service for a large population of customers who would otherwise need to speak with a CSR to negotiate DPA terms. This feature is only available for Con Edison at this time but the functionality and design can be leveraged for O&R in future sprints.

Smart Energy Plan customers (i.e., Innovative Pricing Pilot customers) now have new tools in My Account to better understand how their usage impacts their demand-based charges. Enrolled customers can compare their new Smart Energy Plan bills to what their bill would have been under their former rate. A bar chart displays their monthly average demand for the year and daily visualizations highlight the three highest demand readings during a bill period. We believe that providing customers with such information will empower them to make smart, money-saving energy usage decisions.

In Q2 2019 the Company also delivered an improved billing history in My Account for Con Edison customers. This billing history is inclusive of both cancelled and current bills, providing customers a more complete billing history. This change was made in response to frequent requests from commercial customers for prior invoices, including adjusted bills. Previously these customers had to call the Company to request copies of bills that were adjusted and no longer available online. This new billing history will also be available to O&R utilities once their Q4 2019 migration to the digital bill print vendor is complete.

Outage Notifications

Con Edison customers can now choose how they would like to receive notifications after reporting an outage: voice or text message. Adjustments were also made to how estimated times of restoration (ETRs) are presented to customers in order to provide clearer information to customers experiencing the inconvenience of an outage. Specifically, ETRs are now presented in a 12-hour time format, and customers who report their outage will no longer see an expired ETR if the Company's prior ETR has not been updated.

User Support, Security Measures and Back-End Improvements

We continue to provide assistance options to customers having difficulty navigating online experiences. An automated customer guidance feature implemented in Q2 identifies customers struggling to self-serve through the Company's website or My Account and proactively offers useful information to help customers complete their intended action, ideally before live chat assistance becomes necessary. Live chat assistance is also available for customers that are not able to overcome the issue impeding their progress. This guidance feature is also available to Orange & Rockland customers.

The DCX team implemented the reCaptcha security feature for some unauthenticated transactions. ReCaptcha requires the customer to enter a series of distorted letters, numbers, or image recognition that cannot easily be deciphered by computer programs. Subsequently, the Company learned that some

customers were struggling with this new feature and it was preventing some customers from completing unauthenticated transactions like guest pay or reporting an outage. In Q2, the DCX program optimized this feature across our digital platforms by implementing Invisible reCaptcha. Invisible reCaptcha analyzes user activity (e.g., mouse movements and typing patterns) to determine if a user is a computer program. Now only the website traffic suspected of being an automated computer program will be prompted to respond to a reCaptcha challenge in order to submit unauthenticated transactions. This enhancement will enable most customers to complete unauthenticated transactions unimpeded while offering safety and security for our websites and customers.

The DCX team implemented performance improvements in Q2 that increase website speed. These behind the scenes improvements deliver benefits to all customers by enhancing the overall website performance. Con Edison and Orange and Rockland also improved analytics designed to leverage customer activity on Company websites. Leveraging this information will open up new opportunities to provide additional personalized content to our customers.

2.2 Planned Work for Q3 2019

In Q3 2019, the DCX program will focus on the following planned work. The DCX Team will work on improving communications with customers who have an overdue payment. For example, customers who opt-in to receive payment alerts will begin to receive overdue payment alerts via email or text. Providing customers with these alerts will help to quickly and easily inform customers through the channel they prefer.

Improvements will be made to the online payment assistance experience for customers who are ineligible for a payment agreement. Currently, customers not eligible for a payment agreement are not provided with information online regarding the next steps available to them in the payment assistance journey. We will be adding content to provide these customers with clear next steps in obtaining payment assistance. We will also be updating the payment assistance tile to include more helpful content and links to simplify and improve the overall customer experience.

An alert will be added to the payment flow for customers on the Direct Payment Plan. Currently, customers are advised they are enrolled in the Direct Payment Plan and can submit payments manually outside of their scheduled DPP payments. To prevent customers from submitting an additional payment in error we will add a payment processing alert to remind customers that they are enrolled in the Direct Payment Plan prior to proceeding with the manual payment.

We will begin rotating the promotional information included in the tiles customers see when they log into My Account. Currently, various tiles are prioritized for display based on the status of a customer's account (e.g., a customer with an overdue payment will see XXX). The suggestion tile was implemented for Con Edison in 2018 and has proven to be an effective tool in offering personalized content, and helping to drive customer enrollment in programs like ebill and Direct Payment Plan. However, the current prioritization means customer could see the same 'suggestion' tile each time they log in. To keep customers engaged we will introduce business rules in Q3 that will allow different promotions to be displayed each time the customer logs in. By varying the tiles displayed customers will be better informed of programs and offers. Orange & Rockland will have separate releases to have the

promotional tiles added to their My Account Experience early in Q3 with the rotational functionality launched with Con Edison later that quarter or early Q4.

In a continued effort to give customers choices and a convenient experience, we will be introducing ICloud storage which allows customers to have their bills electronically delivered to a cloud storage provider of their choice (e.g., Google Drive, Evernote, Amazon Drive). This feature will begin development in Q3 with a planned release of functionality to customers in Q4 2019. This is planned for Con Edison customers and will be available for Orange and Rockland customers once they migrate to a single electronic billing provider in 2020.

Failed payments from checking or savings accounts due to an erroneous routing number is one of the most common payment errors customer's encounter. Currently customers unable to submit a payment from a checking or savings account receive a message directing them to contact the Company's call center. To improve customers' experience with this high volume transaction the Company will begin verifying routing numbers prior to a customer submitting a payment. The Company will also introduce clearer error messaging when a customer is processing a payment. Providing improved error messaging will help customers to continue to self-serve on their preferred channel and avoid the inconvenience of a follow up call with Customer Assistance.

We are continuing to work on a Third Party Experience feature that will provide a new dedicated experience for third parties to manage their customer portfolios via My Account. This feature is only available for Con Edison at this time but the functionality and design can be leveraged for O&R in future sprints.

We will continue to work toward providing customers a consistent experience throughout all of our digital channels. Orange & Rockland customers will be able to set preferences to receive notifications for transactions like payment confirmation and payment reminder in Q3 2019. Orange & Rockland customers will also receive a more personalized experience through the roll out of personalized My Account suggestion tiles. Similar to Con Edison's My Account tiles, content will be prioritized based on the customer's account status and rotated using the new business rules described above.