

505 Nicollet Mall PO Box 59038 Minneapolis, MN 55459-0038

May 25, 2022

Mr. Will Seuffert Executive Secretary Minnesota Public Utilities Commission 121 East Seventh Place, Suite 350 St. Paul, MN 55101-2147

### Re: In the Matter of CenterPoint Energy's Paperless Billing Customer Initiative Docket No. G-008/M-22-\_\_\_

# Informational Filing of CenterPoint Energy Minnesota Gas

Dear Mr. Seuffert:

CenterPoint Energy Resources Corp. d/b/a CenterPoint Energy Minnesota Gas ("CenterPoint Energy" or the "Company") respectfully submits the attached Informational Filing to the Minnesota Public Utilities Commission (the "Commission").

The Company has developed a customer initiative to auto enroll customers who have already chosen to use CenterPoint Energy's online service, My Account, so that they receive paperless bills. These customers can continue receiving paper bills if they so choose. This Informational Filing provides the Commission with detailed information regarding this initiative.

If you have questions, please contact me at seth.demerritt@centerpointenergy.com or (612) 393-6216.

Sincerely,

/s/

Seth DeMerritt Manager, Regulatory Affairs

#### Attachment

c: Service List

#### STATE OF MINNESOTA BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

121 Seventh Place East, Suite 350 St. Paul, MN 55101-2147

Katie Sieben Valerie Means Matt Schuerger Joseph Sullivan John Tuma Chair Commissioner Commissioner Commissioner

In the Matter of CenterPoint Energy's Paperless Billing Customer Initiative

Docket No. G-008/M-22-\_\_\_\_

#### Informational Filing

# Introduction

CenterPoint Energy Resources Corp. d/b/a CenterPoint Energy Minnesota Gas ("CenterPoint Energy" or the "Company") respectfully submits this Informational Filing regarding the Company's customer initiative to auto enroll customers who have already chosen to use CenterPoint Energy's online service, My Account, so that these customers receive paperless billing beginning July 2022. If they so choose, these customers can continue receiving paper bills. CenterPoint Energy first plans to auto enroll those My Account customers who have already chosen to use the Company's Auto Pay feature. CenterPoint Energy will then begin auto enrolling all remaining My Account customers so the benefits of paperless billing described below can be achieved.

# I. Paperless Billing Customer Initiative Benefits

The benefits paperless billing offers to our customers include:

- Convenience to view bills and pay online,
- Access to bills from anywhere,
- Access bills quicker and eliminate postal delays,
- Positive environmental impact, and
- Easier recordkeeping without clutter.

The benefits paperless billing offers to the Company include:

- Increase operational savings that will be recognized in future rate proceedings,
- Improve remittance processing through more electronic payments,
- Improve cash flow by accelerating payments,
- Reduction in call center traffic, and
- Positive environmental impacts.

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# II. CenterPoint Energy Response to Issues Raised by the Consumer Affairs Office (the "CAO")

The Company initiated discussions regarding its paperless billing customer initiative with the CAO and an outreach meeting was held on April 26, 2022. During this meeting the CAO raised five issues.

First, was the fact that the Company intends to auto enroll My Account customers into paperless billing using an opt-out option, as opposed to allowing customers to opt-in. The Company intends to implement this initiative in two phases to allow for time to receive customer feedback prior to moving forward with additional customers. Phase 1 will be implemented across four CenterPoint Energy service areas, including Minnesota, totaling approximately 300,000 customers. The number of Minnesota customers impacted in Phase 1 of the initiative is 77,000 or 9% of total Minnesota customers. Phase 1 of this initiative will only consist of customers that currently engage electronically with The Company. These customers are enrolled in My Account online where they log into the computer to manage their accounts and these customers utilize auto draft to pay their bills. The customers will have several opportunities throughout the transition to remain on paper billing should they so choose, and the customers will have the opportunity to return to paper billing at any time. The Company will analyze and review customer feedback prior to moving forward with Phase 2 in 2023 and will adjust the implementation accordingly.

The Company has chosen this method of auto enrolling to increase customer participation, again customers will receive multiple communication and opportunities throughout the transition to maintain or return to paper billing. Customers already have the option of opting into paperless billing, and currently 33% of My Account customers do take advantage of paperless billing. However, auto enrollment provides the greatest opportunity to realize the benefits previously mentioned and increase participation to the range of 45%-55%. Of course, if they so choose, customers will have multiple opportunities to select an opt-out option. These opt-out options will be included in the communications My Account customers receive before and after receiving their first paperless bill, specifically:

- A website banner to indicate the customer is enrolled in paperless billing with an opt-out link when the customer logs into their My Account page,
- Initial email with auto enroll communication, including opt-out provision, one month prior to initial paperless or e-bill,
- Email welcoming customers to paperless billing and notifying customers of one additional paper bill with instructions on using My Account to return to paper bills,
- Paper bill, with bill message and bill insert with instructions on using My Account to return to paper bills,
- Initial Bill Ready to View email, and
- Monthly Bill Ready to View email (no paper bill).

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The Company believes these numerous communications with customers provides sufficient opportunities for customers to opt-out of paperless billing if they choose.

The second issue the CAO asked the Company to address is related to customers who do not use their email accounts, do not have access to computers, use Auto Pay but prefer paper bills, and visually impaired customers. The Company wants to stress that this paperless billing customer initiative is only for customers who have chosen to use the Company's online service, My Account. Given this fact, these customers are the segment of CenterPoint Energy's customer base who are familiar with computer technology as they have already chosen to use the Company's online services. Additionally, if these customers still prefer to receive paper bills, they will have ample opportunities as previously discussed to receive paper bills. Finally, to the extent customers are visually impaired and not using My Account because online activity creates difficulties, these customers will be suppressed from the receipt of CenterPoint Energy paperless billing communications based on their special billing indicator.

The third issue identified by the CAO is associated with the disconnection process. However, given current protections under Minnesota rules and statutes, disconnection requires written notice by first class mail. Additionally, an affidavit under oath regarding such mailing must be made by a utility representative. In lieu of mailing, disconnection notices may be hand delivered and the customer must sign the notice, or the utility representative must make an affidavit of delivery under oath. Further, service can only be disconnected in conjunction with a personal visit by a utility representative who must "attempt to make personal contact with the customer at the address." Please see Minnesota Rules 7820.2400 and 7820.2500. The requirements remain applicable to all customers and the Company will continue to adhere to these legal mandates regarding disconnection.

The CAO's fourth issue is related to plan design and testing. Specifically, the CAO questioned the overall size of the phases and our plan for stabilization checkpoints, implementation processes, and the testing of opt-out procedures. It is important to note that this is an enterprise-wide initiative and thus, the 300,000 Auto Pay customers identified in Phase 1, as well as the 511,000 My Account customers identified in Phase 2, represent CenterPoint Energy customers in all four jurisdictions it serves. The number of Minnesota customers impacted in Phase 1 of the initiative is 77,000 or 9% of total Minnesota customers. The Company has built in a hyper care and monitoring period after the completion of Phase 1 and before implementation of Phase 2. During this timeframe, the Company will monitor customer issues, and implement fixes, conduct system testing and monitor processes, including social media reaction, specifically negative reactions, increased online de-enrollment, in addition to working with our call center representatives to monitor any increase in calls as we gauge customer reaction before Phase 2 implementation. The Company acknowledges it has had some billing issues in the past; however, we continue to proactively add checks and balances as we strive to increase bill accuracy for our customers. Additionally, all involved processes, including the opt-out process, will be tested and reviewed to ensure the best possible implementation plan.

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The last CAO issue is to ensure that the Company is using best practices for the auto enrollment into paperless billing. The Company has engaged other utilities to gather lessons learned from their processes and to better prepare for a smooth transition and response to customer questions and concerns. The team connected with other utilities including Florida Power & Light, Xcel Energy, Consumers Energy, and Reliant Energy to understand their approaches to paperless billing, and implemented best practices from the companies that utilized auto enroll programs.

#### Conclusion

The Company appreciates the opportunity to provide this Informational Filing in response to the issues raised by the CAO during our April 26, 2022, outreach meeting.

# **CERTIFICATE OF SERVICE**

Melodee Carlson Chang certifies that on Wednesday, May 25, 2022, she served the attached Informational Filing of CenterPoint Energy Minnesota Gas in Docket No. G-008/M-22-\_\_\_\_ on all persons at the addresses indicated on the attached service lists for Docket No. G-008/M-21-303 (Gas Service Quality Annual Report) by having the document delivered via electronic filing.

<u>/s/</u>

Melodee Carlson Chang Senior Regulatory Paralegal CenterPoint Energy

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Generic Notice	Commerce Attorneys	commerce.attorneys@ag.st ate.mn.us	Office of the Attorney General-DOC	445 Minnesota Street Suite 1400 St. Paul, MN 55101	Electronic Service	Yes	OFF_SL_21-303_M-21-303
Sharon	Ferguson	sharon.ferguson@state.mn .us	Department of Commerce	85 7th Place E Ste 280 Saint Paul, MN 551012198	Electronic Service	No	OFF_SL_21-303_M-21-303
Amber	Lee	Amber.Lee@centerpointen ergy.com	CenterPoint Energy	505 Nicollet Mall Minneapolis, MN 55402	Electronic Service	Yes	OFF_SL_21-303_M-21-303
Generic Notice	Residential Utilities Division	residential.utilities@ag.stat e.mn.us	Office of the Attorney General-RUD	1400 BRM Tower 445 Minnesota St St. Paul, MN 551012131	Electronic Service	Yes	OFF_SL_21-303_M-21-303
Will	Seuffert	Will.Seuffert@state.mn.us	Public Utilities Commission	121 7th PI E Ste 350 Saint Paul, MN 55101	Electronic Service	Yes	OFF_SL_21-303_M-21-303

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Generic Notice	Commerce Attorneys	commerce.attorneys@ag.st ate.mn.us	Office of the Attorney General-DOC	445 Minnesota Street Suite 1400 St. Paul, MN 55101	Electronic Service	Yes	SPL_SL_21-303_M-21-303 IRS ONLY CenterPoint
Sharon	Ferguson	sharon.ferguson@state.mn .us	Department of Commerce	85 7th Place E Ste 280 Saint Paul, MN 551012198	Electronic Service	No	SPL_SL_21-303_M-21-303 IRS ONLY CenterPoint
John	Kundert	john.kundert@state.mn.us	Department of Commerce	85 Seventh Place East, Suite 500 St. Paul, MN 55101	Electronic Service	No	SPL_SL_21-303_M-21-303 IRS ONLY CenterPoint
Amber	Lee	Amber.Lee@centerpointen ergy.com	CenterPoint Energy	505 Nicollet Mall Minneapolis, MN 55402	Electronic Service	Yes	SPL_SL_21-303_M-21-303 IRS ONLY CenterPoint
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