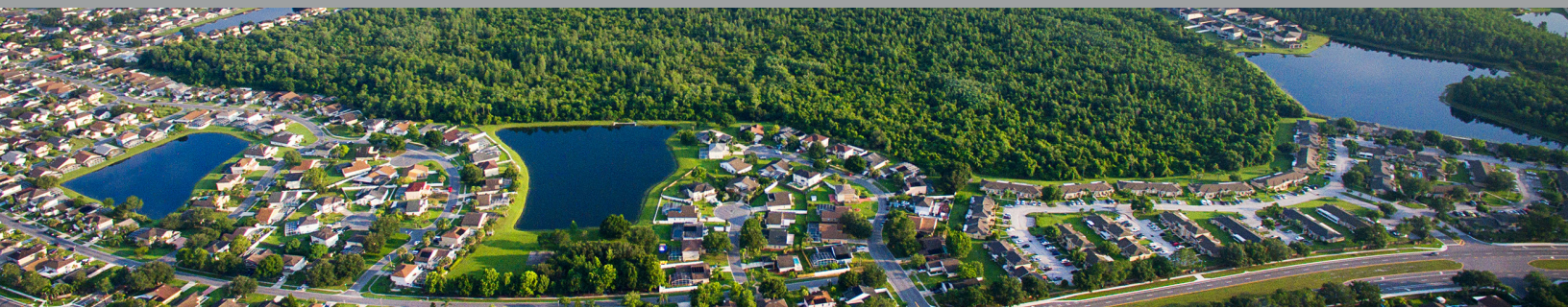


Kissimmee, Fla., Utility Finds Cost Savings, Multiple Uses for Texting

Peter Maloney, Feb 4, 2022



Kissimmee Utility Authority (KUA) expected texting would improve how it handles outage management. What the Florida public power utility could not predict was how quickly it would evolve and lead to improvements in other areas of the utility, as well.

Outage management is a key concern for any utility but for KUA, located in central Florida just south of Orlando, hurricane season is an annual fact of life.

Hurricanes can flood the utility's phone lines, leaving customers in the dark and without answers to their biggest concerns.

"During an outage, an end-user's biggest fears are 'Does the utility know?' and 'When will the power come back on?'" Terrance Farley, KUA's manager of data and telecommunications, said.

Like many utilities, historically KUA's most direct form of communication with its customers has been over its phone lines, and the utility was well prepared with about 140 phone lines, 21 interactive voice response (IVR) systems, and 48 channels. Still, at some point a large enough outage could swamp the capacities of the utility's phone system and result in a bottleneck.

KUA had already doubled its phone line capacity twice and still faced the possibility of being swamped. Then, through a conversation with an outside vendor, Farley heard about TextPower, a company based in San Juan Capistrano, California, that provides text messaging solutions for mission-critical applications primarily for utilities.

"When we did a little research, we found that texting is significantly less than the cost of adding new phone lines," Farley said. "Texting was really the way to go."

"The number of broken (payment) arrangements has dropped from 50% to 13%..."

Joshua Crince
Business Programmer/Analyst
KUA



In addition to cost savings, texting has another advantage over phone lines for contacting customers during outages or other emergencies. Texting can send customized messages to thousands of people simultaneously. “Doing that with phone lines would become cost prohibitive,” Jeffery Gray, vice president of information technology at KUA, said.

“TextPower is extremely affordable. It probably cost less than the cost of adding one phone line—which usually requires commitments for multiple lines on a multiple year agreement.”

That was the beginning. KUA signed a contract with TextPower in November 2018 and by January 2019, the system was up and running.

To begin the opt-in process, KUA sent TextPower all the phone numbers of its 82,000 (today 84,000) customers. TextPower determined which numbers were mobile numbers, which turned out to be about 60,300. “We thought it would take about 8 hours to get the initial text uploaded and sent,” Farley said. “It happened in minutes.”

KUA customers who did not opt out of the texting service -- the acceptance rate was just over 99 percent -- now had the ability to text their utility to tell them their power was out or to receive a text from the utility advising them about an outage. The service also gave KUA the ability to acknowledge when a customer sends an outage notice and to send customers updates with estimates of when service will be restored.

Once the TextPower system was up and running, the immediate result was “our phone lines weren’t saturated anymore; the call volume shifted to texts flowing into our automated system,” Farley said. “Problem solved!”

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Manager of Data & Telecommunications
KUA

If there is a big enough outage – 10,000 customers, for instance – and even just 2 percent of them call, “you’re still going to fill up your phone lines, so you can’t avoid it completely,” Gray said, but “you can shorten the length of time all those people call” by sending out texts in the interim and letting customers know you are aware of the situation and that crews are on the way. KUA can also include a message in its IVR response that tells customers that the fastest way to get a response is by texting. “Staying on the phone on hold during an emergency is not a good idea,” Farley said.

KUA also has a strong social media presence. About 42,000 users follow the utility on Facebook. That is a valuable channel, and it’s free, but it does not provide the same level of “personalized and relevant information to the customer,” Gray said. Social media is great for things like storm updates, but people may not be on Facebook when a storm actually hits.

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"When it comes to customer engagement, it is hard to beat texting," Mark Nielsen, TextPower's co-founder and executive chairman, said. Citing industry information, he noted that only 16 percent of followers are likely to see a post on Facebook and only 30 percent of followers on Twitter are likely to see a tweet, but 98 percent of text messages are read, and 95 percent of those messages are read within 3 minutes of receipt.

"There is no other form of communication that has that type of reach and immediacy as texting, including making a telephone call to someone because most people have calls go to their voicemail," Nielsen said.

Overall, switching from phones to texting for outage notification leads to a 60 to 80 percent drop in customers calling in to report an outage, Nielsen said.

Expanding the Uses

With the texting system up and running, KUA began looking at how it could make the system even better. Gray came up with the idea of using a QR code, the little, scannable block of lines and spaces that has become ubiquitous at restaurants during the Covid-19 pandemic.



Starting last May, a KUA customer can now scan the code with their phone, and it generates a text outage notice. All the customer has to do is hit "send." The system recognizes the number and associated account, and the automation reports the outage in seconds.

KUA puts the QR code on its website and its printed materials. A customer can even cut it out and put it somewhere easy to find -- on the refrigerator, for example -- ready to be scanned when an outage occurs

KUA's goal then shifted from making it easy for a customer to contact them when an outage occurs to reaching out to customers. "Working with our partner TextPower," Gray said, "we came up with a way to proactively send texts out, telling them the three things everyone wants to know when the power goes out: Does the electric company know? Are they on their way? How long will it take to restore power?"

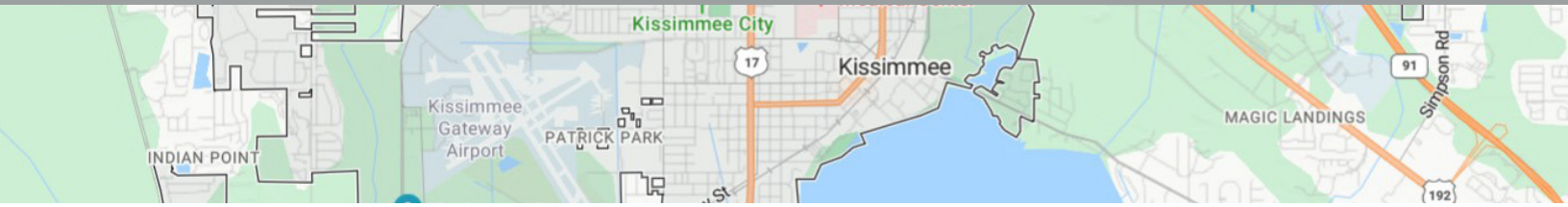
"By doing that, we have curtailed the need to call," Gray said. "It alleviates a lot of that pressure" and leaves the phone lines open. "Once we got that going," Gray said, "we began to think: What else can we do with it?"

KUA can send out as many as 8,000 customer notices a month for payment arrangements whether it's an extension or a partial payment schedule. KUA's customer representatives are held accountable for making those deals and tracking them. "That is really tough on the reps," Gray said.

Joshua Crince, the utility's business programmer and analyst, looked at the problem and thought to apply the same approach he used for enabling the utility to send outage notices proactively. As a courtesy, KUA now sends customers who have worked out payment arrangements a reminder text a day before their payment is due. "The number of broken arrangements has dropped from 50 percent to 13 percent and has not gone back up, and that is during Covid when a lot of people had lost jobs," Crince said.

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Jef Gray
Vice President of Information
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KUA



It has also dramatically reduced the list of customers whose service is eligible for interruption due to non-payment, Crince said. "Customers weren't reminded by coming home to a dark house. They were gently reminded the day before by a text. That's great for the customer."

It is also good for KUA because it helps ensure a steadier flow of revenue and has reduced manpower previously spent on service for rolling trucks to disconnections, and after hour re-connects.

Future Plans

KUA completed its roll-out of advanced metering infrastructure (AMI) in September 2021 and has since integrated it with texting. "The solution," Gray said, "is in taking accurate data from AMI and using it to get a custom outage notice sent to the customer more quickly."

"A large number of utilities migrate to more uses for texting," Nielsen said. "They typically start using texting in the engineering department for outages, but then other departments start to see the value."

An outage is just one of the potential uses for texting. Utilities are also using the service to alert customers about storms, load curtailments, or they could use texting to send customers recurring messages, for example, alerts to remind them to conserve energy during extreme weather events. The utility also has the ability to associate each mobile number with various groups to segment their customer base by type of service or load control program, for example.

"Texting can be used whenever there is a need to communicate with the customer," Nielsen said. In fact, he said, any municipality that uses TextPower's products also has the right to use them outside the electric department. For example, one city's water department is using text alerts for leak detection and has seen its customer response rate go from under 10 percent to over 50 percent.

Texting has already saved time and money for KUA and has opened a lot of new possibilities. "I imagine we will have at least three more uses in the near future," said Brian Horton, KUA's CEO and General Manager.

KUA is looking at using texting to send out scam alerts. The utility also plans to incorporate the ability to include photos into its texting service. One possible use would be to have customers send a picture of a downed tree or of branches that are close to a power line to aid in the utility's vegetation management efforts.

Nielsen said TextPower plans to add photo capability to its texting service in the next couple of months. "KUA is an excellent example of a utility leveraging our service to incorporate other applications," he said. The uses customers find for TextPower's products pushes the company to expand its system, Nielsen said. "We build it out in direct relation to the feedback we get from customers."

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