



Department Source: City Utilities - Water and Light

To: City Council

From: City Manager & Staff

Council Meeting Date: December 19, 2016

Re: New Utility Billing System Report

Executive Summary

Utility billing involves multiple functions and requires coordination between many departments and divisions of the City. In addition to Utility Customer Service in the Utility Department, the other divisions and departments involved are Applications Division of the I.T. Department; Cashiers and Accounting in the Finance Department; Service Workers, Meter Maintenance, Meter Reading, Rates, and Commercial Solid Waste divisions in the Utility Department; and the GIS Department.

In February 2015, the City of Columbia began the implementation of a new utility billing software. CIS Infinity Version 4 is the latest software developed by Advanced Utility Systems and replaces the legacy utility billing system from SunGard Public Sector. The new system became operational on August 29, 2016.

Discussion

This report documents some of the improvements and challenges that were created when the new system was implemented.

Solid Waste Container Inventory – Labeling and verification of commercial solid waste containers was completed during implementation and entered into the new utility billing system. This will ensure commercial solid waste customers are billed correctly.

Storm Water Impervious Surface Area – Commercial properties are billed based on impervious surface. During the implementation process, all impervious surface data was updated and verified to insure proper billing.

Consolidation of Bill for Solar Customers – In the legacy system, customers with net-metered solar were sent two utility bills. The new system has allowed the presentation of all information on one bill.

Usage Graphs and Detailed Charges – The new system has allowed more information to be presented to customers including usage graphs for water and electric customers and a detailed breakdown of charges for each service. While most feedback on the bill design has been positive, providing more information has also resulted in a number of calls from customers that were unaware of previous usage (for example high water usage in June because of dry conditions was not noticed until new bill in September) or were unaware of the increasing tier rates structures (water started in early 1990's and electric started in 2005).



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Shortened and Lengthened Bill Periods – Metered services (water and electric) are read in 16 cycles spread throughout each month. All other services are billed by the month. Closing out the legacy system and implementing the new system required that some cycles were shortened in the legacy system and lengthened in the new system for the transition only. Six cycles had reading periods outside the normal range of 27 to 35 days. Customers stated that they were being overcharged by large amounts and local media presented the information as if all customers were impacted and overcharged. The only significant impact was to electric customers that may have been charged at a higher tier for part of their usage because of the longer billing period. An analysis of the over 29,000 customers in the six cycles resulted in 8,000 customers having been impacted an average of \$3.50. The customers being impacted will receive a bill credit for reimbursement in December.

On-Line Payments – Because of the system change, customers had to re-establish their profiles on the on-line payment processing system. Because the customer account structure changed, there was some frustration in re-establishing the profiles. There was an issue for some customers that were able to access a “test” payment portal that resulted in those making payments that did not actually occur. This issue was quickly resolved and all customers were contacted.

Budget Billing Customers – About 2,800 budget billing customers received bills that did not show their correct running total. The running total is the actual bill minus the budget bill and could be positive or negative. This issue has been resolved and information is being presented correctly. At no time, were customer balances actually impacted. The issue was an issue of presentation on the bill only and has been resolved.

Other Bill Presentation Issues – There have been other bill presentation issues including doubling of balances; graph errors; and missing detail. All of these issues have been resolved.

Deposits – For new customers, deposits are added to the first bill after a customer establishes service. For customers that started service in August and September, the system did not apply the deposit which had to be done on a later bill.

Delinquent/Disconnection Notices – There were several issues with delinquent/disconnection notices. System issues resulted in; notices being sent to about 1,800 budget billing customers that had a deferred balance (in their favor); notices being sent to about 1,400 customers on payment arrangements; and, notices being sent that said the customer would be shut-off on the following day. These issues were resolved.

Fixed Pay Date – About 425 customers that had been on a fixed pay date in the legacy system were not converted properly. This issue is still being worked on; however, the customers are being accommodated.

Final Bills – Final bills were not generated for customers in August and September. This issue has been resolved.



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Issuance of Refunds – Several system issues, including the utility billing software interface with the financial software, had delayed refunds to about 700 customers. These are primarily for final bills that result in a credit. These are currently being processed and should be complete by the time this report is presented.

Human Error 1 - Human error resulted in customers that had paid their bill being sent a delinquent notice because the cashier processing the payments had inadvertently entered a future date and the system did not process resulting in the utility billing system not having the payment information. Training and reconfiguring the system should eliminate this potential in the future.

Human Error 2 – Some customers did not receive bills in the new system. This occurred when meter changes were incorrectly entered. In the legacy system, the customer would have been billed incorrectly. In the new system, the customer is skipped. All of the missed accounts have been billed. A process has been established to identify any difference in the number of bills that should have been processed and the actual number. Additional training has been provided to the appropriate staff.

Telephone System – The City of Columbia had been in the process of migrating to a new telephone system; however, the utility billing office was still on the old system when the new utility billing system was implemented. Rather than a customer being told what number they were in the queue, the customer heard a continuous ring or may have been dropped. In late October, the utility billing office was moved to the new system; however, a new problem was identified as the total call volume created with the addition of the utility billing office would overload the entire system (call volume normally fluctuates and this was due to normal peak call periods (beginning of day, beginning of week, beginning of month)). The I.T. Department attempted to “throttle” the utility billing office call volume which resulted in customers being dropped. Currently, the utility billing office has ten lines in their queue and customers are told their place in line. The I.T. Department is investigating the cost of additional lines that can be dedicated to the utility billing office.

Functionality Not Yet Implemented – There are several features of the new system that have not been implemented, including:

Electronic Bills – This feature existed in the legacy system. Advanced Utilities recommended that the City of Columbia wait for the new web portal which was released last month. That software will be implemented over the next few months with the goal of having this feature available again by spring.

Energy Efficiency Loans on Bill – Because of the other billing system issues, placing energy efficiency loans on the utility bill has been delayed. We are planning on beginning testing of this feature with the goal of implementing it in the first quarter of calendar 2017.



Consolidated Billing – This feature will allow owners of multiple accounts to receive one bill with information for each individual account. Testing and implementation of this feature will start soon.

It should be noted that implementation of the legacy system in 1997 resulted in incorrect bills being sent to customers and took months for issues to be resolved. While there have been issues with this implementation, the actual calculations of charges have all been correct. It should be anticipated that “system stability” will take additional time and there will be additional issues that may arise as upgrades occur. Staff will endeavor to communicate issues to management and Council to help alleviate citizen frustration.

Fiscal Impact

Short-Term Impact: None

Long-Term Impact: None

Vision & Strategic Plan Impact

[Vision Impacts:](#)

Primary Impact: Primary, Secondary Impact: Secondary, Tertiary Impact: Tertiary

[Strategic Plan Impacts:](#)

Primary Impact: Primary, Secondary Impact: Secondary, Tertiary Impact: Tertiary

[Comprehensive Plan Impacts:](#)

Primary Impact: Primary, Secondary Impact: Secondary, Tertiary Impact: Tertiary

Legislative History

Date	Action
None	

Suggested Council Action

None