POLL

No right or wrong answers here – want to get sense of where other utilities are at:

Poll 1 – organization maturity around customer

How would you rate your utility's current customer maturity?

1 Customer focus is important but understanding is still being developed

2 Customer-focus is well understood. Customer priorities, expectations and values are important but not fully understood so we are gathering intentional information to support

3 Customer expectations, needs priorities, and values are an important lens for work planning and priorities and Council, Leadership vision for customer at Utility

4 Customer expectations and needs are integrated into The Utility's strategy and objectives, direct priority work, and set the bar for measuring success

5 Customer is part of The Utility's DNA it is the core driver for activities, decisions and business planning

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Agenda

1. Share some history, shifts in culture and setting goals around customer and level of service

2. Bigger picture: how to start and where to focus with bringing customer into level of service; approach to the research; what Utility can do with the research

3. Zoom-in on the details:
   - Including: specific examples of survey/focus group questions
   - What and how-to ask? Translating "Utility world" into customer-oriented concepts

Quick note on "customer"

- Today we are sharing how we are bringing "customer voice, lens, insights" into how we establish our customer levels of service in advance of our next business cycle, at a high level

- The Utility also has other initiatives and efforts underway to use "customer lens" mindset on business problems, and how we can use customer empathy approaches to bring the customer into specific project/service spaces to support shifting mindsets and surface high value opportunities
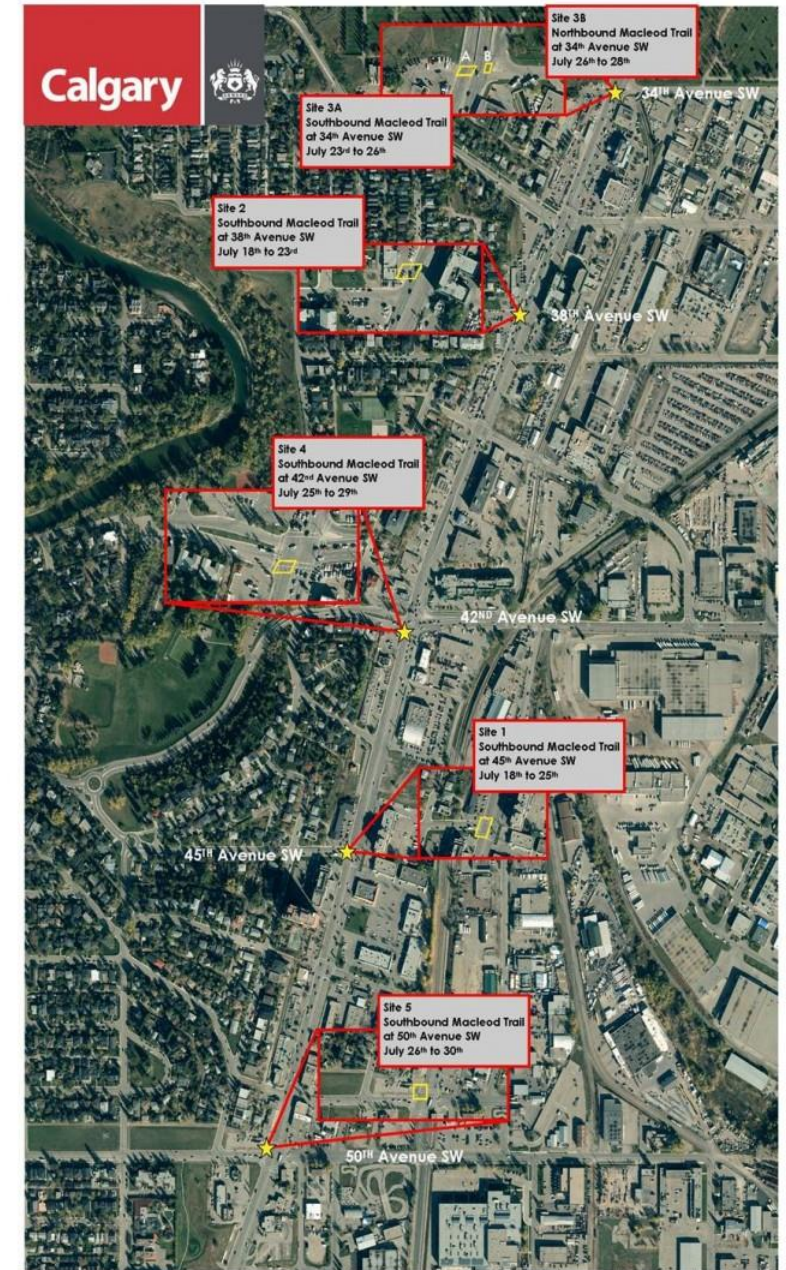
Shifting culture and setting goals around customer: some history

Macleod Trail South Feedermain Valve Upgrade Project

WATER SERVICES IN YOUR AREA

The City of Calgary will be in your neighbourhood installing anodes on water pipes from:

06:30 - 18:30

Please obey all worksite signage

For more information on the Anode Retrofit Program and how it protects water pipes throughout the city, check out: Calgary.ca

For more information on this project in your neighbourhood, call 311.

Site 3B
Northbound Macleod Trail at 34th Avenue SW
July 26th to 28th

Site 3A
Southbound Macleod Trail at 34th Avenue SW
July 23rd to 26th

Site 2
Southbound Macleod Trail at 38th Avenue SW
July 18th to 23rd

Site 4
Southbound Macleod Trail at 42nd Avenue SW
July 25th to 29th

Site 1
Southbound Macleod Trail at 45th Avenue SW
July 18th to 25th

Site 5
Southbound Macleod Trail at 50th Avenue SW
July 26th to 30th

34th Avenue SW
38th Avenue SW
42nd Avenue SW
45th Avenue SW
50th Avenue SW

Shifting culture and setting goals around customer:
improving service value for customers by connecting what we do with what customers care about, and making sure we invest appropriately to deliver in our 3 service lines

Create organizational clarity on "the why" Two fundamental drivers:
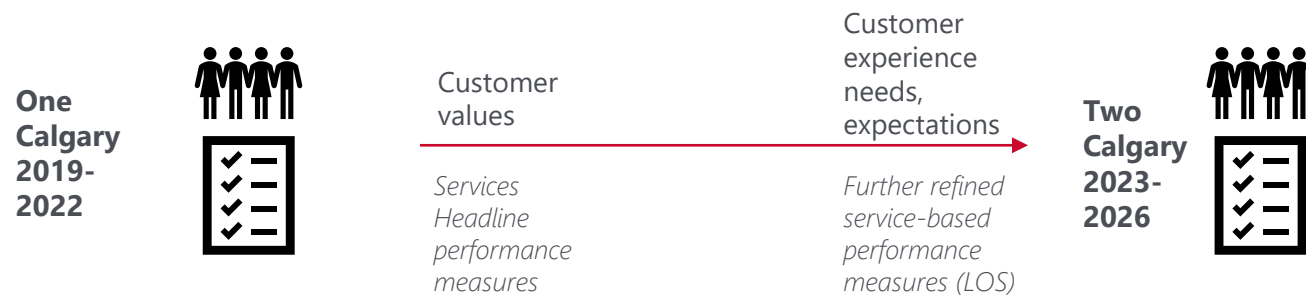
- <u>Customer</u>

- <u>Financial</u>

- Service levels either support or disrupt us in achieving service value.

- Our levels of service will need to strike the right balance between assets, financials, operations and customer expectations and preferences associated with our services.

- City of Calgary current state: current performance measures (customer levels of service) from our 2019-2022 business plan and budget are connected to our customers' values, we do not have further insights: how they view their service experience ,what they expect, etc.

- Utility committed to advancing maturity in this space with timeline of next cycle (2023-2026) to have validated, refreshed and informed customer levels of service. This research looks a bit different and augments existing information Utility collects

Assumptions of work: a fundamental aspect of levels of service is understanding customer expectations and values, and the relative appetite of organization to adjust service delivery based on this, and what we intentionally measure sets us up to best intentionally manage
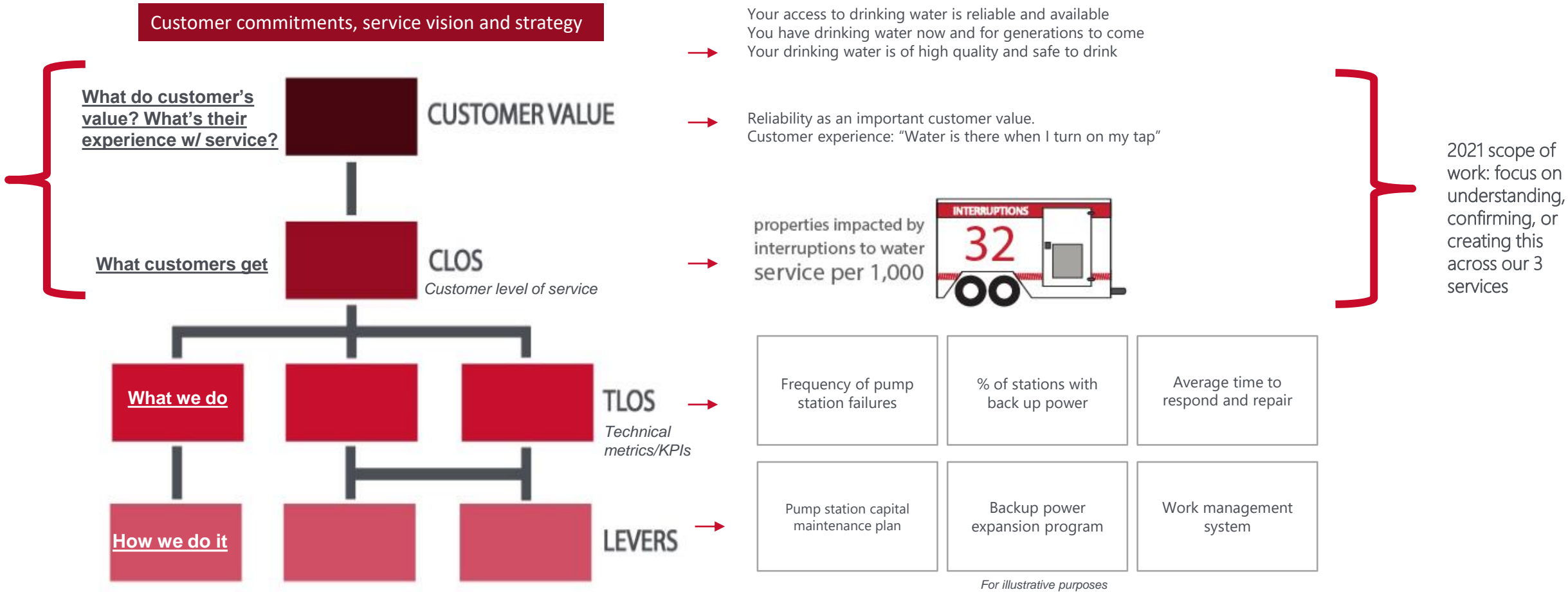
One Calgary 2019-2022

Customer values

Services Headline performance measures

Customer experience needs, expectations

Further refined service-based performance measures (LOS)

Two Calgary 2023-2026

"Customer's care about reliability – reliable service."

"Water is there when I turn on the tap"

"I am not restricted in when or how much water I use"

- Unlocks the customer voice: challenges us to then ask, "Do we measure this experience?" and "How do we measure this and is it a good fit?"

- Gives us clarity on gaps and allows us to ask ourselves how we want to manage, including creating new or adjusted levels of service for next cycle

How to start and where to focus: Level of service framing around customer

Customer commitments, service vision and strategy

Your access to drinking water is reliable and available
You have drinking water now and for generations to come
Your drinking water is of high quality and safe to drink

What do customer's value? What's their experience w/ service?

CUSTOMER VALUE

Reliability as an important customer value.
Customer experience: "Water is there when I turn on my tap"

What customers get

CLOS
Customer level of service

properties impacted by interruptions to water service per 1,000

INTERRUPTIONS
32

2021 scope of work: focus on understanding, confirming, or creating this across our 3 services

What we do

TLOS
Technical metrics/KPIs

Frequency of pump station failures	% of stations with back up power	Average time to respond and repair

How we do it

LEVERS

Pump station capital maintenance plan	Backup power expansion program	Work management system

For illustrative purposes

1. Created a scope of work – what do we need to understand to help us bring in the customer lens?

2. Based on this, conducted initial customer research to better understand customer priorities and tested our key customer levels of service to understand customer expectations

3. Applied research to our scope of work/questions to determine where we are aligned, and where there are opportunities (gaps) with our current customer levels of service

1. **Do we know what customers care about and do we understand their experience with the service?** (Translating customer priorities into experience statements)

2. **Do we measure this at a customer level? If so, is it a good fit for the customer experience? If no, should we get one?** Review customer level of service measures for alignment in order to represent expressed customer priorities?

3. **Is our target/performance aligned with customers' expectations? If we don't have a measure to begin with, what would a reasonable target be?** (Use customer expressed expectations to assess customer level of service. Where do we have alignment and where are we at risk of an expectation gap?)

4. **Are we setting ourselves up for success with info/data that is reliable, good quality, and can be pulled with relative ease? Is it visible to people in the organization?** (Common approach for pulling data for reporting/performance dashboard)

Customer experience: "Water is there when I turn on my tap

If I experience a quality issue (unsafe, discoloured, odour, bad taste), or a water outage, it is resolved quickly.

✓ Timeline: April

✓ Timeline: May, June, July

Current step   Timeline: Sept, Oct

Ongoing - dashboard

V05

How to start and where to focus:
Conducted initial customer research around customer priorities and tested customer levels of service

First: Focus groups, 311 insights, past research

Uninfluenced view of what is important to customers to identify common items
(Customer value focus groups residential customers - October, 2019 & other sources of insight -311, previous relevant research, etc.)

- Water is reliable
- Clean
- Safe
- Keep the river healthy
- Enough water for everyone
- Tastes good
- Property doesn't flood
- No smell
- Good value
- I have the information I need
- Efficient use of money
- When I flush the toilet it goes away
- Good value

Then: LOS Phase 1 Residential

LOS Phase 1 Research- Residential

When? October 14-25, 2020

What? Quantitative research

How? City's online citizen research panel

How many? 1242 people participated
(43% of invited list)

Why?
Current CLOS represent our view of what is important to customers, generally, but in many cases are not informed by customer priorities /expectations

- Do they reflect what's MOST important to our customers? Are we missing pieces?
- Are our targets well aligned to their expectations?

Goal
1. Go deeper on values
2. Understand customer priorities within that deeper level
3. Explore expectations/ tolerance related to those priorities within the service experience (CLOS)

Priorities and Expectations

- Ranked attributes related to service from most to least important
- (Water T & S only) Ranked 8 service issues from most disruptive to least disruptive
- Stated acceptability of a variety of CLOS within context of an experience

Applying the research and the 3 questions….
What did/does the research allow us to do?
Example: stormwater service line

Strategy or direction	Customer Value and Commitment	Customer Experience Statement	Customer Level of Service	Performance	Do we know what customers care about and do we understand their experience with the service?	Do we measure this at a customer level? If so, is a good fit for customer experience? If no, should we get one?	Is our target/performance on par with customers' expectations? If we don't have a measure to begin with, what would a reasonable target be?
Goal 1: Create livable and safe communities with reliable services for all Calgarians	Resiliency/reduces risk

You can count on use to manage stormwater to protect public safety and reduce property damage | GAP – didn't have anything so needed to create. | Properties at risk of localized flooding for 1 in 100 return period

GAP – ok but could be improved. | GAP: Issues with data but we know we have communities who do not meet this LOS and continue to experience flooding. | Not really. So, let's create an experience statement. | Yes we measure this. It's an ok fit- should better reflect the high risk properties/ communities. Also - design standard is technical – try plain language. | Bring in summary of research:
Tested: Street flood recovery time - Storm water mgmt has lowest satisfaction - 47% are v. satisfied, 35% are somewhat satisfied. 82% are satisfied. Reasons shared for dissatisfaction: storm drains clogged, flooding and ice build up. Street flooding in your community is a frequent thing - 43% of customers have experienced this. This information does point that people do experience street flooding and their satisfaction is relevant (not an issue of not understanding stormwater service). Generally customers expect to not experience a flooding event. When they do experience this event, drives lower satisfaction in the stormwater service and in turn, may impact value for money perceptions of Water Utility. When given "you can rely on City to deliver stormwater and reduce damage to property" ,73% agreed. |
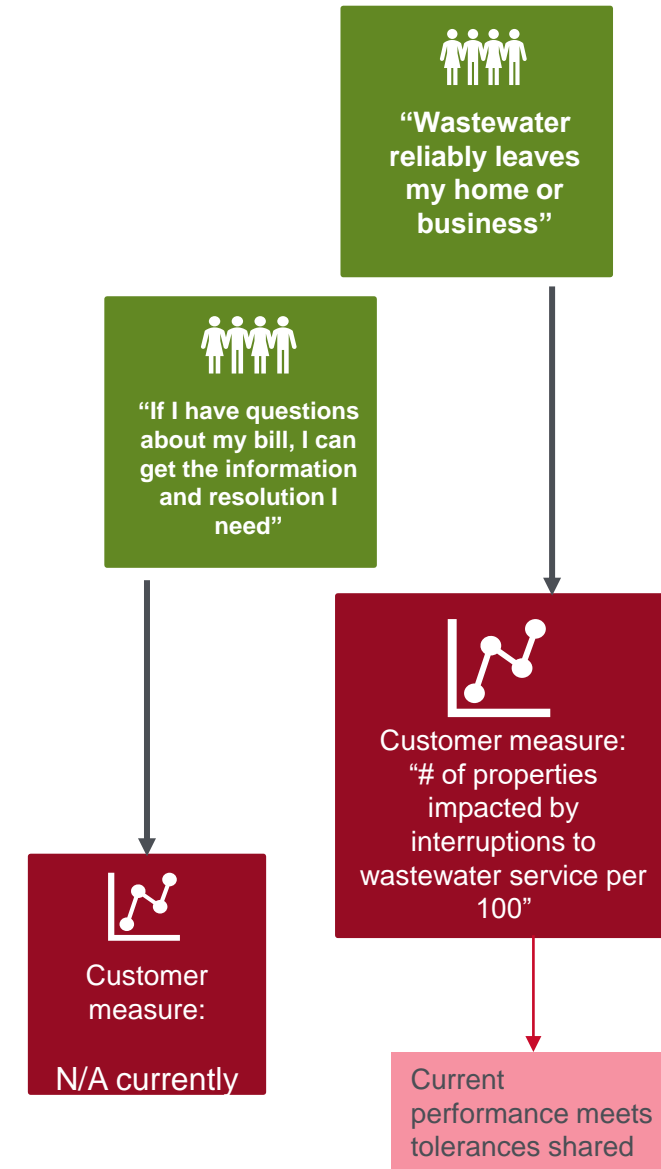| | | The risk that I, or Calgarians, will experience property damage, safety risks, or travel disruption due to flooding from rain/snow is low | #/% of properties or communities at high risk of flooding | With current investment program, will not sufficiently meet level of service or customer's expectations. What is our target? What communities do we need to do additional customer expectation/willingness to pay research? | | | |

1. **Customer experience statements**

   – These tie our work to the customer. **Plain language** way of representing customer lens **to customers, Sr Leaders, Council**

   ➢ Water: 13 experience statements

   ➢ Wastewater: 7 experience statements

   ➢ Stormwater: 6 experience statements

   ➢ Cross- Service: > 10 experience statements (information, understandable, predictable bill, value-for-money)

2. **Reviewed our existing statements against existing customer levels of service for alignment and against criteria for a good customer level of service**

   – Do we have a measure? If yes, is it a good fit? If no, do we need a measure? What might be a good measure?

   ➢ Create a repository of this gap analysis – what do we have, what is missing

   ➢ We have around **10 proposed CLOS/per service line** (some carrying forward from existing plan)

   ➢ We have this assessment across our 3 services, including cross-service, which gives us **GOOD to GO and GAPS** to discuss with teams on where we'd like to fill gaps

3. **Current step: understand gaps between performance and stated expectations** from customers on measures we do have, to support understanding gaps and areas to focus/prioritize

   ➢ In our repository, indicate where we have some tolerance information from customers, and compare against what we know currently of performance. FLAG disconnects.

   ➢ Wastewater back ups - avg response time is faster than shared expectations of customers – we have room here.

"Wastewater reliably leaves my home or business"

"If I have questions about my bill, I can get the information and resolution I need"

Customer measure: "# of properties impacted by interruptions to wastewater service per 100"

Customer measure:

N/A currently

Current performance meets tolerances shared

Using the research to advance your levels of service:
What does this provide us?

- Clarity on what our customer levels of service are or should be
  - If we identify things that are important to customers and we do not measure them explicitly, we are at risk of not meeting expectations. Need to discuss as organization on what gaps are important to close due to this.
  - LOS "by design or default"

- Clarity on where we should focus our data improvement – where do we have incomplete or missing data for our level of service targets? What gaps does organization want to close?

- Embedding customer voice in our framing of service delivery and levels of service
  - Experience statements
  - Plain language customer levels of service
  - Presentation of research within this context, not as one-offs

- Foundational, baseline understanding to build and evolve from – biting off what we can chew

Value for money perceptions

- Adding a lens of value-for-money to our understanding of our customer levels of service

- Question to explore: how do we make sense of our 20-25 customer levels of service across our service lines? Are these things are equal? Do they all carry the same importance and weight? How do we understand which levels of service we should pay attention to and why?

- Short answer: we can start to see they do not all hold the same importance and weight, depending on what might be important or relevant to the organization.

- E.g. Tier 1 (Things that are expected- delivering on them is a must , doing poorly on them will bring decrease perceived value): **If I experience a wastewater backup into my basement a crew is onsite quickly**

- E.g. Tier 2 (Things that are "value drivers" - doing well on them will increase perceived value, doing poorly will decrease perceived value): **If wastewater backs up into a home or business, I can quickly get the information on what to do next**

- If interest, can go through that thinking with group if time allows at the end (next few slides). If not, can share or discuss offline.

Not all things are created equal: Some things impact value for money perceptions more than others. Let's look at how they can be categorized

If perceptions of performance	Perceptions of value go

Tier 1: Things that are expected- delivering on them is a must , doing poorly on them will bring down value perceptions.

Tier 2: Things that are "value adds" - doing well on them will increase perceived value, doing poorly will decrease perceived value

Tier 3: Things that don't influence value for money perceptions but may still be important to customers for other reasons

We wanted to explore: what is value and why use it to inform LOS work, and strategic decision-making

Strong KPI that incorporates key items

Things that are important to me

My expectations of those things

My experience with/perceptions of performance

How much it costs me
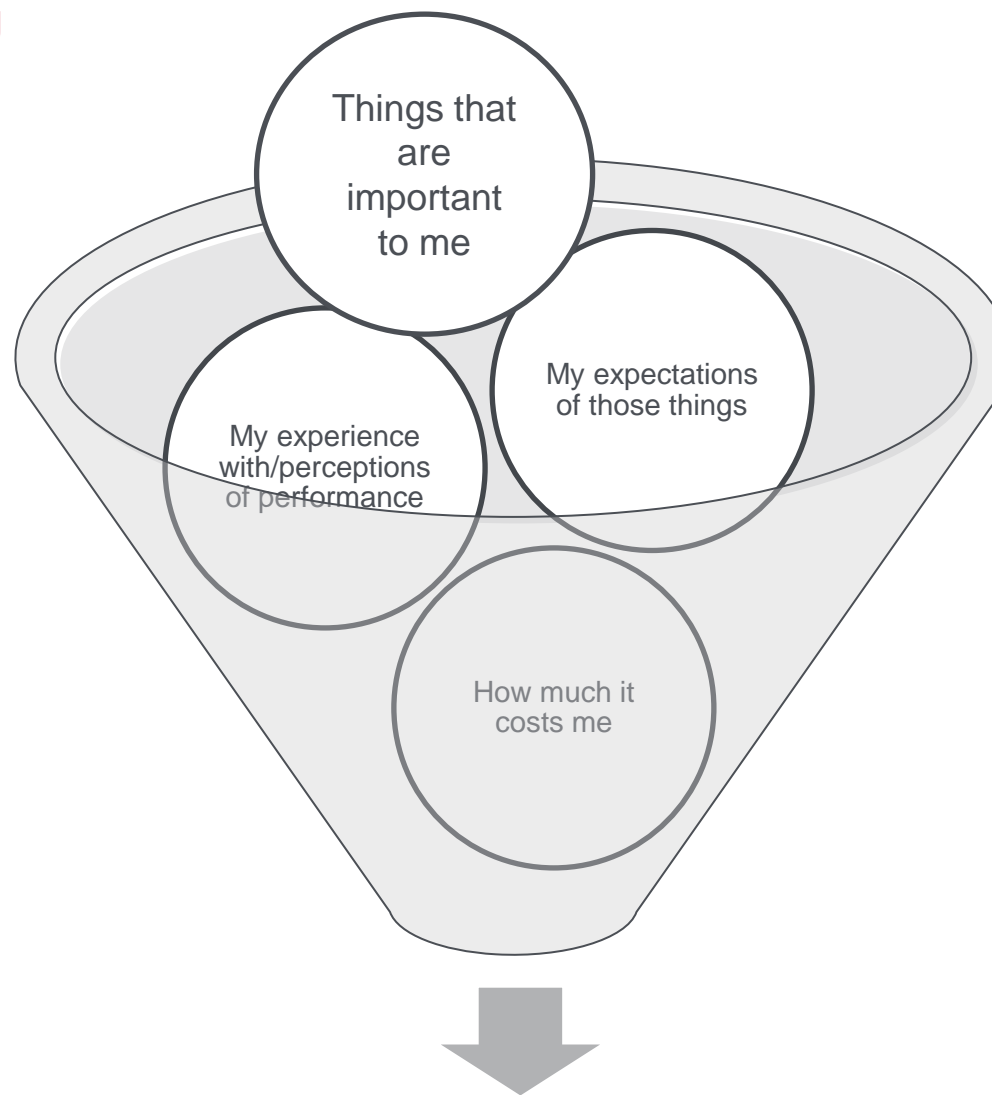
Point of view with value for money is focused on customer's perception (how does the customer view the value for money – what they pay for what Utility service value they perceive, how they experience/what they expect)

Value for money

Not all things are created equal: Some things are more important to customers than other things and some things influence their perceptions of value more than other things

Things that are important to me

Safe to drink	1.68
Clear	4.16
Pleasant Taste	4.30
Ensure quality & supply meet future demand	5.11
Minimal smell	5.23
Low risk of water outage	5.28
Satisfactory water preasure	5.53
Minimzing impact of drought	5.79
No outdoor water restrictions	5.93

MORE IMPORTANT

LESS IMPORTANT
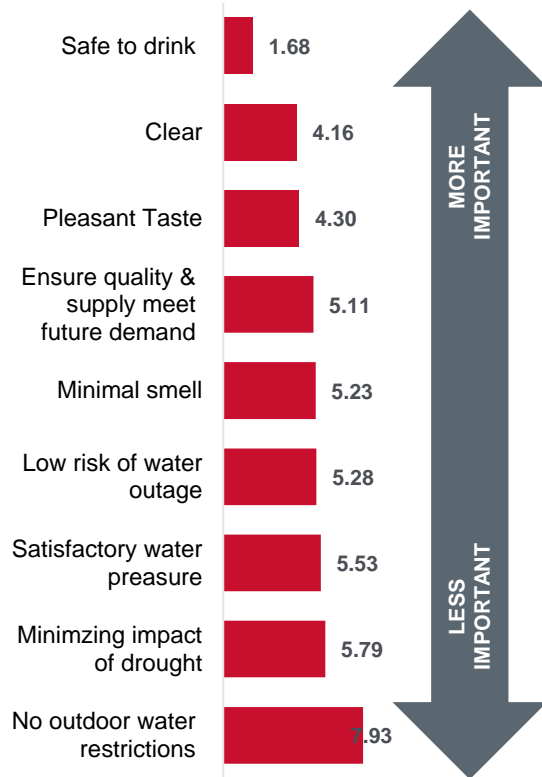
My perceptions of how you are doing on these things (influenced by expectations and experience)

Access to drinking water is reliable and available	94%
Drinking water is safe to drink	89%
Drinking water is high quality	86%
Watersheds are healthy	81%
Issues with water are dealt with quickly	78%
Adequate water supply for future generations	71%

■ Top 4 box (7-10/10)

I would like you to give an overall assessment from 1 to 10, where 1 is strongly disagree and 10 is strongly agree.

My perceptions influence how I answer the question "overall, I am very satisfied with the value for money of my Water Utility services."

10 - Strongly agree	12%
9	13%
8	23%
7	21%
6	10%
5	12%
4	4%
3	2%
2	1%
1 - Strongly disagree	2%

Top 4 box 66%

Not all things are created equal: Some things impact value for money perceptions more than others. Lets look at how they can be categorized using an airline example

	Tier 1: Things that are expected- delivering on them is a must , doing poorly on them will bring decrease perceived value	Tier 2: Things that are "value drivers" - doing well on them will increase perceived value, doing poorly will decrease perceived value	Tier 3: Things that don't influence value for money perceptions
Things that are important to customers (and their perceptions/experience of perf.)	My bag arrives with me at my destination (95% of customers agree that TwoWings ensures baggage isn't lost) My movie screen works (80% of customers agree that their screen worked)	Inflight entertainment (90% of customers agree that TwoWings' has a good entertainment selection) Timely delivery of baggage (40% of customers agree that they were able to claim their bag in a reasonable amount of time)	Seat recline (40% of customers agree that the incline is adequate) Selection of beverages (95% of customers agree that TwoWings has a good selection of beverages)
Customer Expectations	Customers expect that we will not lose their bag- low tolerance for deviation	80% of customers expect less than a 10 min wait at baggage claim	5 varieties of wine, juice, pop, beer, and coffee and tea

CLOS

TwoWings has an baggage delivery average of 90% of baggage arriving with customers. TwoWings needs to MAINTAIN performance on delivering bags or perceived value for money will decrease.

TwoWings' average baggage claim delivery time is 40 min from landing equating to a 25 min customer wait. TwoWings can improve its baggage delivery time and will see an increase in value for money perceptions, if performance worsens they will see a decrease in perceived value

TwoWings' provides a broad selection of beverages with 7 varieties of each. They could reduce their selection to 2 of each and see no impact to perceived value

Not all things are created equal: Some things impact value for money perceptions more than others. Let's look at how they can be categorized using a wastewater & water example

	Tier 1: Things that are expected- delivering on them is a must , doing poorly on them will bring decrease perceived value	Tier 2: Things that are "value drivers" - doing well on them will increase perceived value, doing poorly will decrease perceived value	Tier 3: Things that don't influence value for money perceptions
Things that are important to customers (and their perceptions/experience of perf.)	If I experience a wastewater backup into my basement a crew is onsite quickly	If wastewater backs up into a home or business I can quickly get the information on what to do next. If I want information on wastewater treatment and collection, I can get the information I need	Adequate water supply in Calgary for future generations.
Customer insights	The majority of customers (55%) feel in the event of a wastewater back up a crew arriving onsite within 6 hours is acceptable	Customers expect to have access to the information they need. In the event of a disruption this becomes even more important	Not a strong driver for value for money (caveat: doesn't mean we stop doing things associated with this- maybe means we don't prioritize communications/info sharing on this)
CLOS	Our current target is 3 hours, perf. at 4.8hrs. We could potentially increase time to onsite with no impact to value perception as we may be overdelivering (deep dive exploration)	We don't currently have measures for this – we should prioritize getting some as this is a key driver of value for money	Water example: total pop Calgary can provide water to on a peak demand day

Now let's look at the things that are in Tier 1 via our customer experience statements

Tier 1 Things that are expected

• My water is safe to drink from tap • Water is there when I turn on the tap • My water is clear from tap • My water has a pleasant taste from the tap • My water is generally odourless from the tap • If I experience a quality issue (unsafe, discoloured, odour, bad taste), or water outage it is resolved quickly • The quality of our source water meets Calgary's needs now and in the future.	• Wastewater reliably leaves my home or business • If I experience a wastewater backup into my basement a crew is onsite quickly. • If I experience a wastewater disruption my service is restored quickly. • My wastewater is cleaned, protecting the health of the river • I can release my wastewater into the system (or haul it).	• Pollution from road runoff and harmful substances are kept out of the river. (River health ranked highest, before localized flooding)

Now let's look at the things that are in Tier 2 via our customer experience statements

Tier 2 Things that are "value drivers"

• If I want information on my water quality I can get the information I need • If there is/will be a disruption to my water quality or water service, I have the information I need • If my water use is/will be restricted I have the information I need and I know what to do	If I want information on wastewater treatment and collection, I can get the information I need If wastewater backups into a home or business we quickly provide information on what to do next	• If I want information on Stormwater management, I can get the information I need • If there is a local flooding or pollution incident, I can find the information I need • I understand my role in Stormwater Management and how I can manage stormwater on my property

• I understand the charges on my bill

• I trust that The Utility finds opportunities to improve efficiency, reducing environmental impact and manage costs

• The Utility invests in the things that rate payers value and prioritize

• Rates are fair

• Employees who deliver my water services are supported and treated well

We have been applying our Phase 1 research and a picture is taking shape

Convo 1 (April) ✓

Do we know what customers care about and do we understand their experience with the service? (Translating customer priorities into experience statements)

Convo 2 (May-July) ✓

Do we measure this at a customer level?

If so, is it a good fit for customer experience?
If not, If no, should we get one?

Review customer level of service measures for alignment in order to represent expressed customer priorities (experience statements)

Convo 3 (Sept)

Is our target/performance on par with customers' expectations? What are the implications? If we don't have a measure to begin with, what would a reasonable target be? Use customer's priorities to guide efforts

(Use customer expressed expectations to assess customer level of service. Where do we have alignment and where are we at risk of an expectation gap?)

We will get into this in a moment

Customer Commitment	Customer's experience	Customer Levels of Service Measure	Is it a good fit/ should we get one?	Customer Levels of Service Current Performance	CLOS Performance against customer expectations	How important is it to our customers Tier 1,2,3
You can rely on us to collect and remove your wastewater	Wastewater reliability leaves my home	Yes: Properties impacted by interruption to WW service	Yes, good fit	10 properties impacted by interruption to WW service by 1000	Marginal gap generally customers want a low risk of this happening (43% said 2% chance and 34% want less than 2% chance)	Tier 1
	If I experience a backup into my basement I know what to do and who is responsible for what		We should get one. When?	N/A	In the event of any disruption information is key	Tier 2
	If I experience a wastewater disruption my service is restored quickly	Yes: Responsive time for City crew to arrive	Partial fit: only tells part of story, additional measure to consider (Time it takes to restore wastewater service)	4.2 hours to respond	Potentially over delivering (55% of customers said 6 hours to respond would be acceptable)	Tier 1

Zoom in on details – how to get the information you need

Research approaches and translating "Utility world" into customer-oriented concepts:
How to approach the research and how to formulate the "right" kind of questions/prompts

- Recognized current research approach: generally focused on collecting information that confirms existing path forward

- This research was more exploratory and less about Utility sharing information and more about getting our customers to share with us

- Customer Experience Leader paired with Level of Service Leader

- Resourcing and skillsets: collaboration across, strong research methodology practice and experience, mindset focus on customer, critical thinking and application to level of service framework

  - Not necessarily a communications exercise
  - Business designed the question and areas to explore; used external surveying support to execute

- Used focus groups and surveys

Research approaches and translating "Utility world" into customer-oriented concepts: Clear objectives

- Started with what were our immediate needs for LOS work and developed research objectives:

  - Gain a better understanding of customer's current perceptions of service
  - Understand customers priorities at a deeper level
  - Begin to explore expectations around targets and customer levels of service through scenarios

These were already in existence

Value	One Calgary Tested	LOS: Rank these attributes by importance	LOS: Understand expectations for service
Availability	Drinking water is available with limited disruptions.	• It is unlikely that I will experience a water outage – no water when I turn on my taps • My outdoor water use isn't restricted	• There is a **X% chance** in any given year that a water main break would occur leaving you with no water service to your home for between 1 and 3 days
Quality	Drinking water is of high quality and safe to drink.	• My water is safe to drink straight from the tap • My water has a pleasant taste • My water has minimal smell • My water is clear- no colour or sediment • My water pressure is satisfactory	• There is a **X% chance** in any given year that there would be a 48 hour boil water advisory where you would have to boil your water before drinking or preparing food • Up to **X times a year** your drinking water may have a slight yellow tinge and an earthy taste for up to 48 hours – it would remain safe to drink • Up to **X times** a year your drinking water may have a slight yellow tinge and an earthy taste for up to 48 hours – it would remain safe to drink
Reliability	The City works to protect the water supply.	• Planning for the future- work is being done to ensure water quality and supply will meet future demand • Drought management- plans are in place to minimize the risk of water shortages during times of drought	(protection of water supply captured in stormwater)
Responsiveness	The City responds quickly to any delays to my water service.		• A water main breaks leaving you without water service, it will take **X hours** to restore your service - you will have access to an alternate source of water during the repair • An alternate water source (such as a water wagon placed on your street) will be provided if you are without water service for more than **X hours**

Leveraged focus groups, 311 and past research & worked with SMEs to develop the attribute list for each line of service

Worked with SMEs to create customer experience scenarios to evaluate CLOS expectations

High-level customer value	Unpacking associated attributes	Current CLOS	Translate measure and CLOS Ranges: Understand expectations for service
Availability	• It is unlikely that I will experience a water outage – no water when I turn on my taps • My outdoor water use isn't restricted	**Properties impacted by interruptions to water service per 1,000**	• There is a **X% chance** in any given year that a water main break would occur leaving you with no water service to your home for between 1 and 3 days
Quality	• My water is safe to drink straight from the tap • My water has a pleasant taste • My water has minimal smell • My water is clear- no colour or sediment • My water pressure is satisfactory	**Regulations met for treated drinking water.** Target and performance are 100% and is a regulatory requirement so explicit tolerance not tested. Captured via boil water and added quality item	• There is a **X% chance** in any given year that there would be a 48 hour boil water advisory where you would have to boil your water before drinking or preparing food • Up to **three times a year** your drinking water may have a slight yellow tinge and an earthy taste for up to 48 hours – it would remain safe to drink
Reliability	• Planning for the future- work is being done to ensure water quality and supply will meet future demand • Drought management- plans are in place to minimize the risk of water shortages during times of drought	N/A	(protection of water supply captured in stormwater)
Responsiveness	Tested with separate question as this is an availability or quality "failure"	• **Average time for return to water service during a main break** • **Response time for alternate water provision during service interruption**	• A water main breaks leaving you without water service, it will take **X hours** to restore your service - you will have access to an alternate source of water during the repair • An alternate water source (such as a water wagon placed on your street) will be provided if you are without water service for more than **X hours**

Research approaches and translating "Utility world" into customer-oriented concepts:
A ranked view of what is important to our residential customers

Drag and drop question: Below is a list of items that represent aspects of the [NAME OF SERVICE] services you receive. Please rank the items (1-9) in order of what is most important (1) to least important (9) to you when it comes to your water treatment and supply services. [USE DRAG AND DROP RANKING FUNCTION]

Item	Value
Safe to drink	1.68
Clear	4.16
Pleasant Taste	4.30
Ensure quality & supply…	5.11
Minimal smell	5.23
Low risk of water outage	5.28
Satisfactory water preasure	5.53
Minimzing impact of…	5.79
No outdoor water…	7.93

Item	Value
Wastewater treated to regulatory standards	2.53
Low risk of wastewater backup into basement	2.82
Unlikely to experience a service outage	2.96
Quick contact if exp. backup	3.09
No sewage smell in my community	3.60

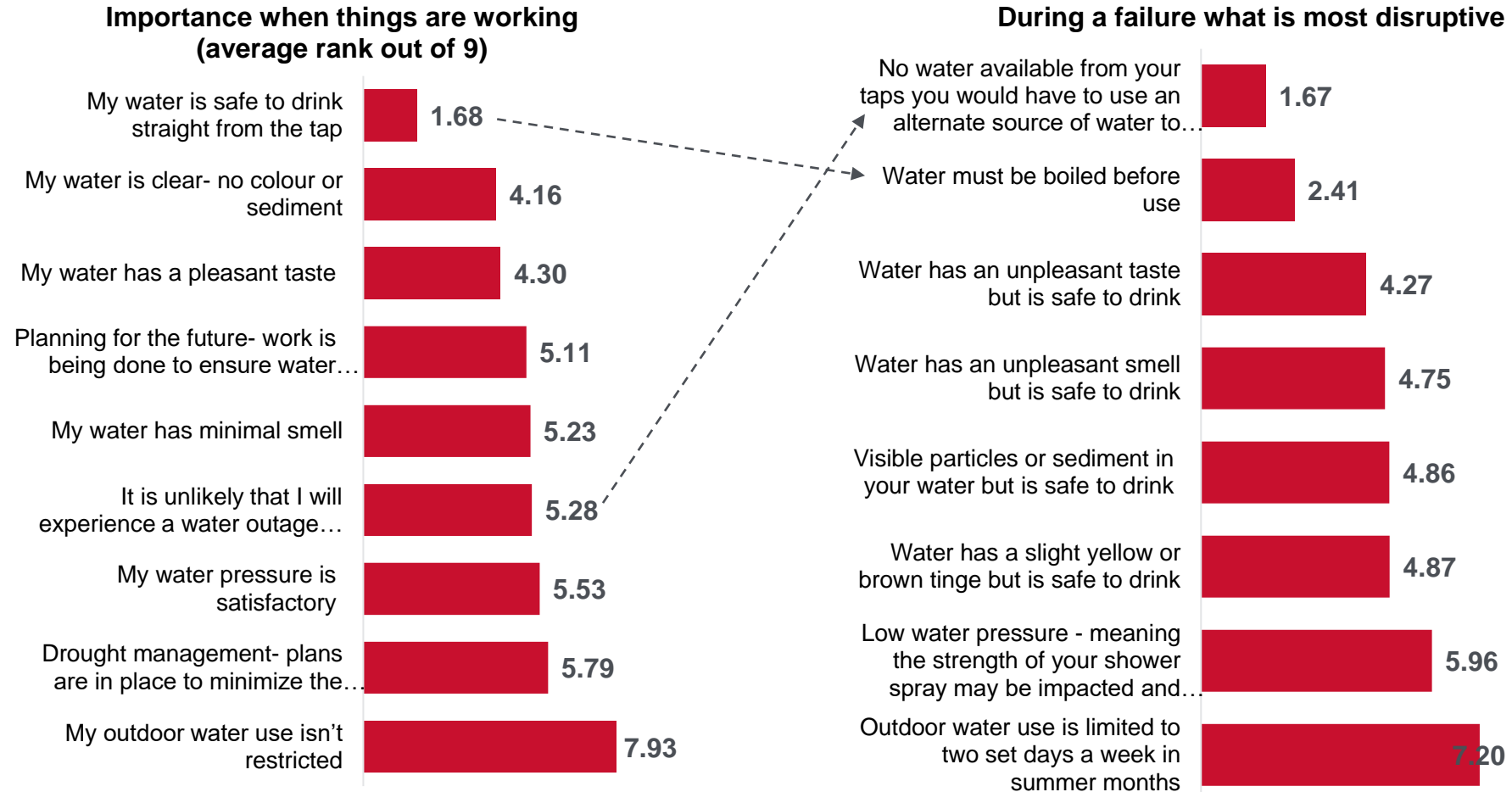| Item	Value
Limit sediment/other pollutants from entering river	1.90
Reduce risk of river flooding	2.95
Maintain health of river banks & surrounding areas	3.21
Unlikely rain/snow flood community's streets	3.69
Storm ponds visually maintained	4.36
Minimize odor from storm ponds	4.89

This gives us a better sense of customer priorities within each of our services

Extra insight for Water Treatment & Supply service because of the nature of the service experience

Please rank the items (1-9) in order of what is most important (1) to least important (9) to you when it comes to your water treatment and supply services

The following are examples of issues that could occur with your water treatment and supply service. Please rank them in order (1-8) of what would be most disruptive (1) to least disruptive (8) for you, if you were to experience them.

Importance when things are working (average rank out of 9)

Item	Rank
My water is safe to drink straight from the tap	1.68
My water is clear- no colour or sediment	4.16
My water has a pleasant taste	4.30
Planning for the future- work is being done to ensure water…	5.11
My water has minimal smell	5.23
It is unlikely that I will experience a water outage…	5.28
My water pressure is satisfactory	5.53
Drought management- plans are in place to minimize the…	5.79
My outdoor water use isn't restricted	7.93

During a failure what is most disruptive

Item	Rank
No water available from your taps you would have to use an alternate source of water to…	1.67
Water must be boiled before use	2.41
Water has an unpleasant taste but is safe to drink	4.27
Water has an unpleasant smell but is safe to drink	4.75
Visible particles or sediment in your water but is safe to drink	4.86
Water has a slight yellow or brown tinge but is safe to drink	4.87
Low water pressure - meaning the strength of your shower spray may be impacted and…	5.96
Outdoor water use is limited to two set days a week in summer months	7.20

Customer Levels of Service: Water Treatment & Supply

Below are examples of experiences related to your water treatment and supply service. For each, please indicate to what degree you find each service experience to be either acceptable or unacceptable. And, how would you feel about the following service experiences? And, what if these were your service experiences?

Scenario tested	Acceptable (somewhat or completely)			Current LOS or Lower Acceptable	Highest LOS or Lower Acceptable
	Lower	Current CLOS Target	Higher		
Time w/o water- *A water main breaks leaving you without water service, it will take X hours to restore your service - you will have access to an alternate source of water during the repair*	65% (72 hrs)	7% (48 hrs)	12% (24 hrs)	**72%**	84%
Access to alternate source- *An alternate water source (such as a water wagon placed on your street) will be provided if you are without water service for more than X hours*	65% (72 hrs)	9% (48 hrs)	10% (24 hrs)	**75%**	85%
Risk of no water service- *There is a X% chance in any given year that a water main break would occur leaving you with no water service to your home for between 1 and 3 days*	39% (5%)	12% (3%)	16% (1%)	**51%**	66%
Taste/Appearance issue- *Up to X times a year your drinking water may have a slight yellow tinge and an earthy taste for up to 48 hours – it would remain safe to drink*	51% (3 times)	9% (2 times)	7% (1 time)	**NA**	68%
Water unsafe to drink- *There is a X% chance in any given year that there would be a 48 hour boil water advisory where you would have to boil your water before drinking or preparing food*	38% (5%)	11% (3%)	13% (1%)	**NA**	63%

General indication of what customers "expect" (without $ or awareness of existing LOS)

Base: Valid respondents (n=1,242) *Questions about current and highest LOS were only asked of those respondents that found the preceding LOS unacceptable. Results have been re-based to reflect the proportion of the total population.

- Leadership mindsets around customer – iterative. Need to show and tell while building support for this work. History of asset-first –hill to climb on reframing to customer outcomes.

  - To mitigate, don't wait, just start. Hire or train good people who can make sense of customer within level of service context.
  - Pace of bigger organization (City of Calgary) influences pace of Utility

- Propensity for desire to review research results or bring back "customer insights". Consider resisting urge to report back on "numbers" or "results" as the power comes from contextualizing within program goals – otherwise can leave Leaders wondering "so what do I do what that?" or "ok that's done now"

  - To mitigate, we created the scope of work for 2021 and the research questions we wanted the customer research to help us answer when it comes to our customer levels of service. Kept scope top of mind. Brought back customer research with levels of service examples. Not on its own.

- Keep the eye on the prize and where you want to go (there will be more research!). "What about Bob, Joe, Sarah, this brewery, this customer group, this specific example" – propensity to go into weeds or make it complicated, or the thought that research will never be enough to take action/we don't know enough

  - To mitigate, we framed this research as (a) foundational; and (b) based on the general experience of an average customer (residential), adding in some business perspective where it made sense to do so. This exercise was not about specific needs of specific customer groups - yet!

- Keep an eye out for having existing business practice influence how the research question guide is formed or developed.

  - For example, water outages. We asked "It is unlikely I will experience a Water outage" instead of "Water is there whenever I turn on my tap" - we used our practice of a "water outage" vs how a customer experiences it which is the water not coming out of tap. Changes how people respond – this one is ranked 6th out of 9 for importance and the hypothesis is it would be ranked higher if we worded it differently. We know it's the most disruptive of service interruptions so it being ranked 6th is suspect.

- Translating to customer side of things takes energy and effort.

  - For example, to test our existing level of service on water quality, we were working with a not so great measure "100% of regulations met for drinking water quality", when we know we want to test the dimensions of quality – safe and aesthetics.
  - For example, river bank quality. Had to translate to how a customer would view this – flora/fauna aesthetics (water looks normal, riverbanks looks lush), feels comfortable going into the river.

- Start with a low-cost research approach to start. It allows you to practice with the questions in a low-risk way.

  - For example, we leveraged a city-panel that already existed. It cost us around $1200 to run the survey.
  - A more significant effort could cost upwards of $50k+
  - While these are likely where we want to go, we intentionally didn't start there. We chose a lower cost channel to trial this out, get a general pulse. The stakes for using this information were not particularly high.

Discussion/Q's

- Sharing other experiences!

  - How is this approached in other Utilities?

  - Are others farther along?

  - What has that looked like and how has that gone?

- Generally, culture and leadership support for customer?
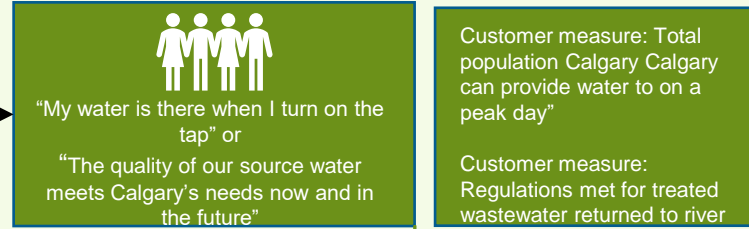
Other customer tools/approaches

- The Utility also has other initiatives and efforts underway to use "customer lens" mindset on business problems, and how we can use customer empathy approaches to bring the customer into specific project/service spaces to support shifting mindsets and surface high value opportunities

what	purpose
Customer segmentation	Better understand the population served by meaningful characteristics like needs, circumstances, location in City, etc
Customer personas	Better understand a segment in a personalized way. Use personas as way to bring the customer into the room. Test a problem, understand user, understand opportunity or solution fit
Customer journey mapping	Review from customer POV how they move through the service (e.g. bill inquiry) to understand the feelings, steps, and expectations a customer has during their interactions with you.
Customer needs identification	Understand what a customer's needs might be in certain interactions with your service.
Customer opportunity analysis	Based on needs, what high value customer-focused opportunities might be available to the organization to pursue to achieve an improved experience for customer.

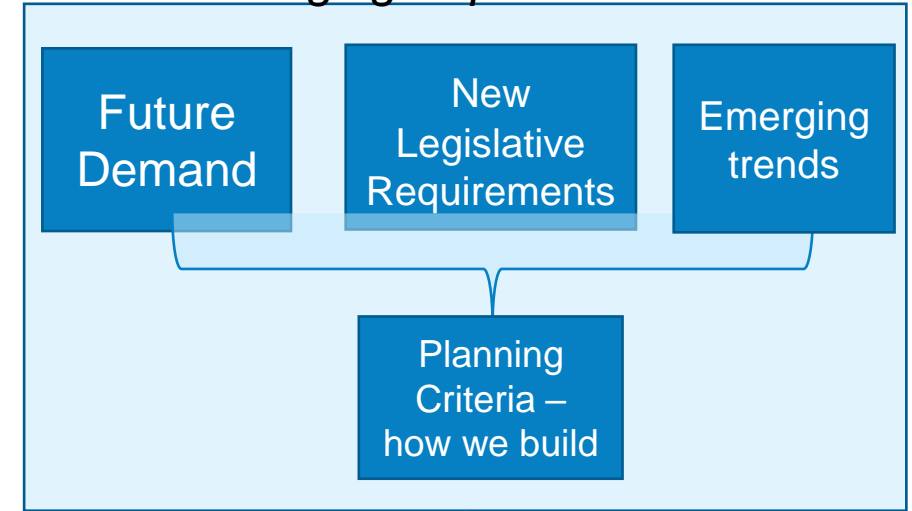# Delivering an expected, consistent service experience for Calgarians, customers:

Current service levels and service expectations:

Emerging requirements

"My water is there when I turn on the tap" or
"The quality of our source water meets Calgary's needs now and in the future"

Customer measure: Total population Calgary Calgary can provide water to on a peak day"

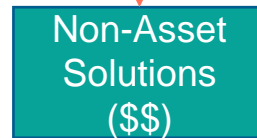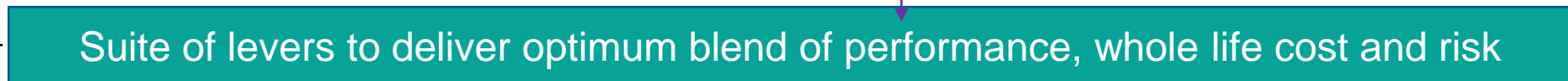Customer measure: Regulations met for treated wastewater returned to river

Existing Asset Base to support delivering:

Asset Performance

Operational Performance

Future Demand

New Legislative Requirements

Emerging trends

Planning Criteria – how we build

feedback loop – how are we doing delivering current level of service?

Asset investment plans and decisions:
- Risk to service experience
- New Assets
- Upgraded Assets

Suite of levers to deliver optimum blend of performance, whole life cost and risk

Non-Asset Solutions ($$)

Operational Changes ($$)

Capital Investment ($$$)
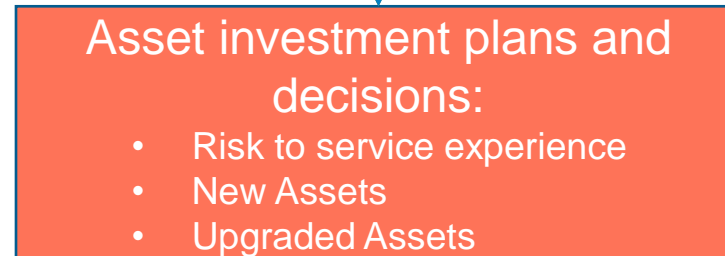
e.g. adjusting behavior via education, programs, etc (demand mgmt, for example)
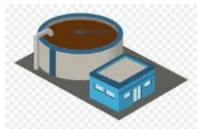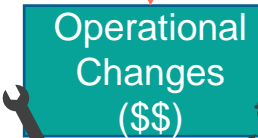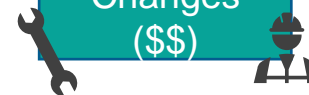
Delivering an expected, consistent service experience for Calgarians, customers:

What options/levers do we have to deliver an expected level of service for Calgarians? We can build to meet expectations, we can repair to mitigate service risks, and we can drive non-asset solutions (e.g behavior changes to address service risks – what not-to-flush, etc). We can use a combination of levers.

The levers we choose depend on cost, willingness to pay, acceptability to Calgarians, risk appetite of Utility and Council, and appropriateness to address risk.

Current service levels and service expectations:

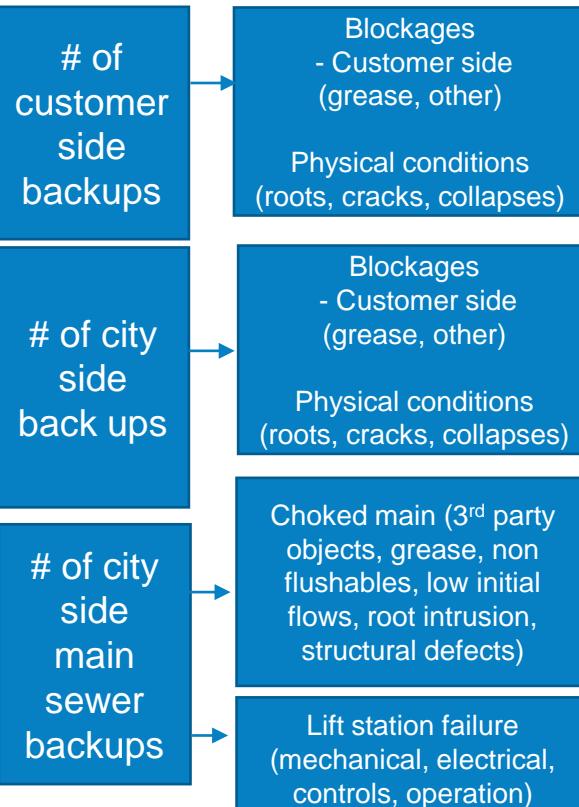*What performance factors provide indication of successfully achieving this customer level of service?*

What characteristics or conditions of our assets or operations influence ability to achieve performance?

What can be done to change the characteristics or improve performance? These are our levers and buckets of investment!
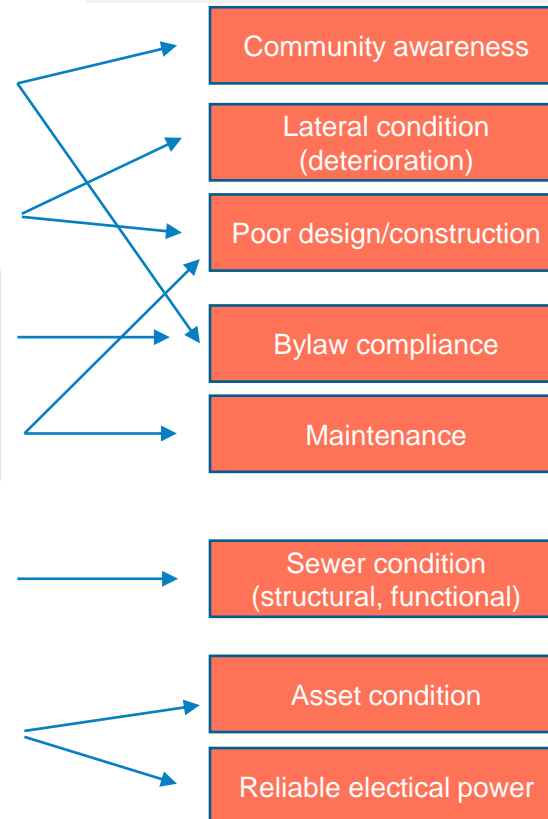
"When I flush my toilet, wash dishes, or take a bath, the water reliably leaves my home or business"

Customer measure: "# of properties impacted by interruptions to wastewater service per

Performance factor	Conditions	Levers
# of customer side backups	Blockages - Customer side (grease, other); Physical conditions (roots, cracks, collapses)	Community awareness → Community engagement and education programs
# of city side back ups	Blockages - Customer side (grease, other); Physical conditions (roots, cracks, collapses)	Lateral condition (deterioration) → Reactive unblocking (root cutting program)
# of city side main sewer backups	Choked main (3rd party objects, grease, non flushables, low initial flows, root intrusion, structural defects); Lift station failure (mechanical, electrical, controls, operation)	Poor design/construction → Developer and contractor standards

Community awareness

Lateral condition (deterioration)

Poor design/construction

Bylaw compliance

Maintenance

Sewer condition (structural, functional)

Asset condition

Reliable electical power

Community engagement and education programs

Reactive unblocking (root cutting program)

Developer and contractor standards

Lateral inspections

Annual root auger program

Renewal and rehab programs

Condition inspection

Redundant Utility supply

Infra gap