



CITY OF KINGSPORT CASE STUDY

FROM A 40-YEAR LEGACY SYSTEM TO AI-POWERED CUSTOMER ENGAGEMENT

How the City of Kingsport Modernized Utility Billing and Customer Service with Hansen CIS and Hansen AI Agent

The Challenge: Modernizing a Critical Utility System

For more than four decades, the City of Kingsport relied on a legacy customer information system that served as the foundation for its utility billing operations. While dependable, the system had become increasingly difficult to integrate with modern technologies, limiting operational efficiency and the City's ability to meet evolving customer expectations.

As utility operations became more digital, Kingsport recognized the need for a modern customer information system that could streamline business processes, improve customer service, and create a foundation for future innovation.

"Utility billing is a vital revenue engine for our city. This investment wasn't simply about improving cash flow; it is about modernizing our operations, increasing efficiency, and positioning our organization to better serve our community well into the future."

- Floyd Bailey, CIO, City of Kingsport

Modernizing the Meter-to-Cash Process

Replacing the CIS was about much more than implementing new software, it was an opportunity to rethink and modernize the City's entire meter-to-cash process.

Under the legacy system, billing workflows had evolved around outdated business practices. Meter data often required manual imports, multiple validation steps, and human intervention before bills could be generated. If a single account encountered an issue, the entire billing cycle could be delayed.

The result was a labor-intensive process that depended heavily on manual effort.

With Hansen CIS, Kingsport transformed those workflows into an automated billing process.

Advanced Metering Infrastructure (AMI) meter reads now flow automatically through system integrations into Hansen

CIS, where scheduled billing calculations are performed and bills are generated with minimal manual intervention.

Processes that once relied on multiple manual handoffs now occur automatically, from meter reads to bill production.

"Before Hansen CIS, our billing process required multiple steps from disconnected systems. Today, the process is largely automated from meter reading through bill generation."

The new system also provides greater flexibility in billing operations.

Rather than delaying an entire billing cycle because one account requires additional attention, Hansen CIS distinguishes between accounts that are ready to bill and those requiring further review. Bills can now be processed and distributed independently, significantly improving operational efficiency.

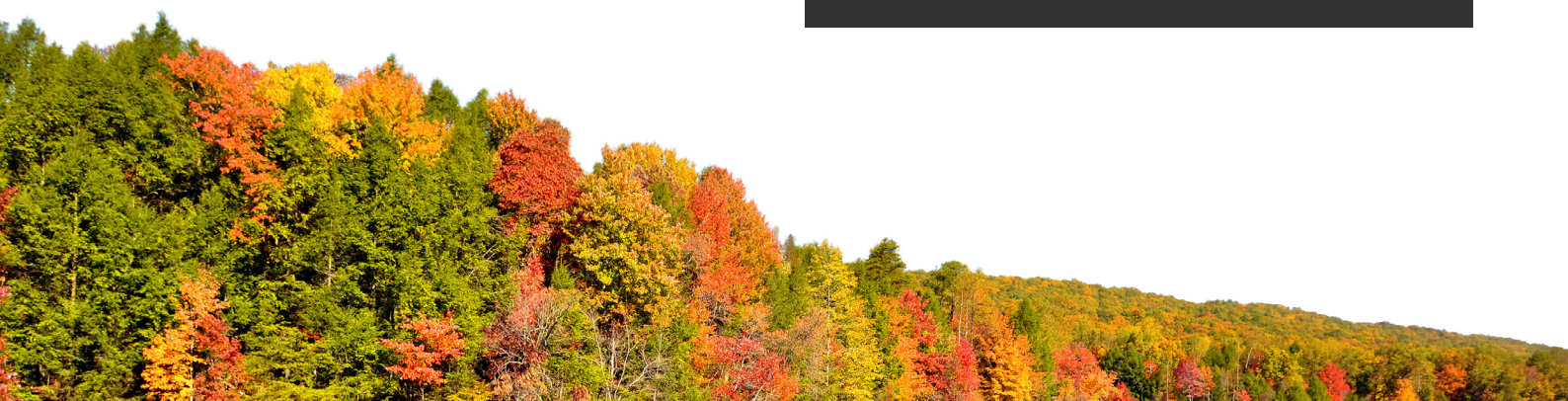
Kingsport estimates the modernization eliminated four to five manual processes that previously slowed billing and increased reliance on manual intervention.

Empowering Customers Through Self-Service

Kingsport's modernization initiative extended beyond internal operations, to improving customer experience with Hansen's Self-Service Portal. The Hansen Self-Service Portal gives customers secure online access to their utility accounts, allowing them to:

- View bills and payment history
- Manage payment methods
- Monitor account activity
- Complete routine account tasks without contacting customer service

"For the City, introducing the Hansen Portal represents an important element of our investment in digital customer engagement. This enhanced visibility and control that the citizens of Kingsport have is both improving convenience and overall experience."



Building a Foundation for AI

With a modern customer information system in place, Kingsport turned to Hansen to explore the next phase of customer service innovation drawing on Hansen's AI investments. The City recently deployed Hansen AI Agent, a utility-specific virtual agent designed to complement customer service representatives by automating routine customer interactions while seamlessly escalating more complex issues to live staff.

Unlike general-purpose AI agents, utility customer service requires an understanding of billing processes, account verification, payment arrangements, and utility-specific terminology.

One of Kingsport's earliest lessons was that successful AI implementation depends as much on communication as technology.

"One of the biggest lessons we learned is that customers naturally expect AI to understand them the same way a person would. That means you have to pay close attention to how customers actually communicate, the terminology they use, and even the tone of responses."

"The AI Agent doesn't just need utility knowledge, it has to be trained to communicate in a way that reflects the customer experience you want to deliver. It's what attracted us to the Hansen offering - it has the industry knowledge and it can understand sentiment, natural language and respond appropriately - and do this across SMS, voice and email."

Early AI Results

Since launching the Hansen AI Agent, Kingsport has already seen measurable improvements in customer engagement and operational efficiency.

In just the first few weeks, Kingsport saw a

- 18,100 customer interactions handled
- 60.5% of customer inquiries resolved without human intervention
- 67.2% customer verification rate

- Average interaction time reduced to **2:02**, compared with **4:18** through traditional customer service channels
- Nearly **42%** of payment-related interactions completed through the AI-powered channel

The impact extends beyond operational metrics.

"Today the Hansen AI Agent is handling approximately 50 - 60% of customer calls, which is a significant force multiplier for the Customer Service group. Every interaction the Hansen AI Agent successfully resolves gives our team more time to focus on complex issues and needs. Our goal is to continue expanding self-service capabilities and free our human staff for other significant contributions to our customers."

Lessons Learned

Kingsport believes successful modernization requires more than implementing new technology.

Throughout the modernization program with Hansen, the City identified organizational change management as one of the most important factors influencing project success.

Preparing employees, communicating throughout the project, and helping staff understand how new technology would improve, not replace, their work proved just as important as the technical implementation itself.

Looking Ahead

With Hansen CIS, the Hansen Self-Service Portal, and Hansen AI Agent now working together, Kingsport has established a modern digital foundation for future innovation.

The City continues to explore new opportunities to expand automation, improve customer engagement, and streamline utility operations.

For Kingsport, replacing a 40-year legacy system was never simply about implementing new technology, it was about creating a utility that is better equipped to serve customers today while remaining ready for the innovations of tomorrow.

To learn more about how Hansen CIS, Hansen Agent Ai and Hansen Self-Service Portal could help modernize your utility organization, please visit www.hansencx.com

