

Regulatory Analysis Form		This space for use by IRRC
(1) Agency  Public Utility Commission		RECEIVED 2000 OCT -2 AM 10:43
(2) I.D. Number (Governor*s Office Use)  L-00000147/57-213		REGULATORY REVIEW COMMISSION  IRRC Number: 2093
(3) Short Title  Reporting Requirements for Quality of Service Benchmarks and Standards		
(4) PA Code Cite  52 Pa. Code §§62.31- 37	(5) Agency Contacts & Telephone Numbers  Primary Contact: M. J. (Holly) Frymoyer, Bureau of Consumer Services, (technical), 783-1628  Secondary Contact: Rhonda Daviston, Law Bureau, (legal), 787-6166	
(6) Type of Rulemaking (check one)  <input type="checkbox"/> Proposed Rulemaking <input checked="" type="checkbox"/> Final Order Adopting Regulation <input type="checkbox"/> Final Order, Proposed Rulemaking Omitted	(7) Is a 120-Day Emergency Certification Attached?  <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes: By the Attorney General <input type="checkbox"/> Yes: By the Governor	
(8) Briefly explain the regulation in clear and nontechnical language.  This rulemaking establishes standard measurements and reporting requirements regarding the customer service performance of the natural gas distribution companies (NGDCs). The data collected as a result of the reporting requirements will assist the Commission in monitoring the quality of the NGDCs' customer service. The reporting requirements will ensure that the data is reported uniformly and consistently.		
(9) State the statutory authority for the regulation and any relevant state or federal court decisions.  Section 501 of the Public Utility Code (66 Pa. C.S. §501); Sections 1201 et. seq. of the Commonwealth Documents Law (45 P.S. §§1201 et. seq.); and regulations promulgated thereunder at 1 Pa. Code §§7.1-7.4.		

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(10) Is the regulation mandated by any federal or state law or court order, or federal regulation? If yes, cite the specific law, case or regulation, and any deadlines for action.

Yes. The Natural Gas Choice and Competition Act (Act) at Section 2206(a) requires the natural gas distribution companies to maintain customer services, at a minimum, at the same level of quality under retail competition.

(11) Explain the compelling public interest that justifies the regulation. What is the problem it addresses?

Gas consumers in Pennsylvania are entitled to the same quality of electric service under retail competition as they experienced prior to the Act. The NGDCs have not uniformly measured the quality of customer service performance and do not report the results or their measurements to the Commission. This proposed rulemaking sets forth uniform measurements and reporting requirements to allow the Commission a means by which it can monitor the customer service performances of each NGDC and assure that the quality of the service is maintained.

(12) State the public health, safety, environmental or general welfare risks associated with nonregulation.

In a competitive utility environment, the NGDCs may reduce customer service operations in an effort to cut costs. The NGDCs may become less responsive to addressing customer problems within a reasonable length of time. These unattended problems could present customers with undue hardships and risks to their health and safety.

(13) Describe who will benefit from the regulation. (Quantify the benefits as completely as possible and approximate the number of people who will benefit.)

All gas customers, and especially residential customers, of the NGDCs could effectively benefit because the level of customer service will be monitored. In 1999 the largest NGDCs served more than 1,473,474 residential customers in Pennsylvania.

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(14) Describe who will be adversely affected by the regulation. (Quantify the adverse effects as completely as possible and approximate the number of people who will be adversely affected.)

None

(15) List the persons, groups or entities that will be required to comply with the regulation. (Approximate the number of people who will be required to comply.)

Natural gas distribution companies and the Bureau of Consumer Services

(16) Describe the communications with and input from the public in the development and drafting of the regulation. List the persons and/or groups who were involved, if applicable.

The Commission reviewed and addressed all comments received during the comment period in drafting these final regulations.

(17) Provide a specific estimate of the costs and/or savings to the regulated community associated with compliance, including any legal, accounting or consulting procedures which may be required.

An estimate of the costs associated with compliance with this rulemaking cannot be made at this time. Depending upon their current system of telephone access monitoring, the NGDCs may incur costs related to measuring and monitoring telephone access. Providing for the surveys of customers could also increase costs to the NGDCs. It should be noted that many of the larger NGDCx are already surveying their customers. If they eliminate current surveys and rely exclusively on the uniform surveys, the difference in cost may be minimal or even less than what they are currently spending.

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(18) Provide a specific estimate of the costs and/or savings to local governments associated with compliance, including any legal, accounting or consulting procedures which may be required.

No additional costs or savings.

(19) Provide a specific estimate of the costs and/or savings to state government associated with the implementation of the regulation, including any legal, accounting, or consulting procedures which may be required.

Although the regulation could increase the Commission's regulatory costs, an estimate of these costs cannot be made at this time.

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(20) In the table below, provide an estimate of the fiscal savings and costs associated with implementation and compliance for the regulated community, local government, and state government for the current year and five subsequent years.

	Current FY Year	FY +1 Year	FY +2 Year	FY +3 Year	FY +4 Year	FY +5 Year
<b>SAVINGS:</b>	\$ N/A	\$	\$	\$	\$	\$
<b>Regulated Community</b>						
<b>Local Government</b>						
<b>State Government</b>						
<b>Total Savings</b>						
<b>COSTS:</b>						
<b>Regulated Community</b>						
<b>Local Government</b>						
<b>State Government</b>						
<b>Total Costs</b>						
<b>REVENUE LOSSES:</b>						
<b>Regulated Community</b>						
<b>Local Government</b>						
<b>State Government</b>						
<b>Total Revenue Losses</b>						

(20a) Explain how the cost estimates listed above were derived.

The fiscal costs are not subject to a reasonable estimate.

## Regulatory Analysis Form

(20b) Provide the past three year expenditure history for programs affected by the regulation.

Program	FY -3	FY -2	FY -1	Current FY
N/A				

(21) Using the cost-benefit information provided above, explain how the benefits of the regulation outweigh the adverse effects and costs.

The NGDCs are currently using their own methods to evaluate their customer service performance using a variety of methods and measurements. The measurements have an unidentified cost associated with them. At present, none of the NGDCs report their finding to the Commission but if they did, the lack of consistency in measurement and data collection would make these findings of little value to the Commission. This rulemaking will set uniform measures and methods of measuring various components of consumer service. Any additional costs associated with the rulemaking will greatly increase the value of the findings to the Commission.

(22) Describe the nonregulatory alternatives considered and the costs associated with those alternatives. Provide the reasons for their dismissal.

Each NGDC currently monitors some components of its customer service performance. However, due to non-uniform measurement and lack of consistent reporting requirements, the overall results cannot be interpreted.

(23) Describe alternative regulatory schemes considered and the costs associated with those schemes. Provide the reasons for their dismissal.

The Commission considered and rejected requiring the smaller NGDCs (those with fewer than 100,000 residential accounts) to report access, billing, meter reading, response to disputes and telephone survey results to the Commission. The Commission's recent experience with the electric distribution companies and similar reporting requirements revealed that the smaller companies do not have the technology in place to track and report this data. Thus the Commission dismissed these requirements for the smaller NGDCs.

## Regulatory Analysis Form

(24) Are there any provisions that are more stringent than federal standards? If yes, identify the specific provisions and the compelling Pennsylvania interest that demands stronger regulation.

There are no federal standards.

(25) How does this regulation compare with those of other states? Will the regulation put Pennsylvania at a competitive disadvantage with other states?

New York has quality of service reporting standards and established benchmarks which utilities are expected to meet to avoid financial penalties. This regulation will not put Pennsylvania at a competitive disadvantage with other states. Rather, it will guarantee that the quality of customer service for gas customers will be maintained.

(26) Will the regulation affect existing or proposed regulations of the promulgating agency or other state agencies? If yes, explain and provide specific citations.

No

(27) Will any public hearings or informational meetings be scheduled? Please provide the dates, times, and locations, if available.

No

## Regulatory Analysis Form

(28) Will the regulation change existing reporting, record keeping, or other paperwork requirements? Describe the changes and attach copies of forms or reports which will be required as a result of implementation, if available.

The regulation will change recordkeeping to the extent that the NGDCs will now use uniform measures of performance. The NGDCs should already be recording the vast majority of the measures. A uniform reporting format has not yet been developed. Commission staff and representatives of the NGDCs will meet to discuss and develop the reporting format.

(29) Please list any special provisions which have been developed to meet the particular needs of affected groups or persons including, but not limited to, minorities, elderly, small businesses, and farmers.

Section 62.(b)(2)(ii) was developed to specifically include the bills of small business customers. Section 35 was developed specifically to accommodate the smaller NGDCs by lessening the burden of the measurements and reporting requirements on these smaller companies

(30) What is the anticipated effective date of the regulation; the date by which compliance with the regulation will be required; and the date by which any required permits, licenses or other approvals must be obtained?

This date will be effective upon final publication in the Pennsylvania Bulletin. NGDCs with greater than 100,000 residential accounts will commence measurement of telephone access, billing, meter reading and response time to disputes in January 2001. These NGDCs will begin surveying customers January 2002. NGDCs with fewer than 100,000 residential accounts will begin surveying customers by mail in January 2002.

(31) Provide the schedule for continual review of the regulation.

The regulation will be reviewed on an ongoing basis.



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(Pursuant to Commonwealth Documents Law)

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REVIEW COMMISSION

# 2093

DO NOT WRITE IN THIS SPACE

Copy below is hereby approved as to form and legality. Attorney General.

BY \_\_\_\_\_  
(DEPUTY ATTORNEY GENERAL)

\_\_\_\_\_  
DATE OF APPROVAL

Check if applicable  
Copy not approved. Objections attached

Copy below is hereby certified to be true and correct copy of a document issued, prescribed or promulgated by:

Pennsylvania Public Utility Commission  
(AGENCY)

DOCUMENT/FISCAL NOTE NO. L-00000147/57-213

DATE OF ADOPTION June 8, 2000

BY James J. McNulty  
James J. McNulty

TITLE ( SECRETARY)

Copy below is hereby approved as to form and legality. Executive or independent Agencies.

BY Bohdan R. Pankiw  
Bohdan R. Pankiw  
Chief Counsel

5-8-00  
DATE OF APPROVAL

Check if applicable. No Attorney General approval or objection within 30 days after submission.

L-00000147/57-213  
Final Rulemaking  
Reporting Requirements for Quality of  
Service Benchmarks and Standards  
52 Pa. Code, Chapter 62

The Pennsylvania Public Utility Commission on June 8, 2000, adopted a final rulemaking order establishing uniform measures and standard data reporting requirements for natural gas distribution companies. The contact persons are M. J. (Holly) Frymoyer, Bureau of Consumer Services (technical), 783-1628, and Rhonda Daviston, Law Bureau (legal) 787-6166.

# **Executive Summary**

**L-00000147/57-213**  
**Final Rulemaking**  
**Re: Reporting Requirements for Quality**  
**Of Service Benchmarks and Standards**  
**52 Pa. Code §§62.31-37**

On June 22, 1999, Governor Tom Ridge signed into law the *Natural Gas Choice and Competition Act* (Act). Section 2206(a) of the Act requires that customer services shall, at a minimum, be maintained at the same level of quality under retail competition as in existence on June 22, 1999. The purpose of this rulemaking is to establish uniform measures and reporting requirements to allow the Commission to monitor the level of the natural gas distribution companies' customer service performance. Using the statistics collected under this rulemaking, the Commission will annually prepare a summary report on the customer service performance of the covered NGDCs. The reports will be public information.

The contact persons are M. J. (Holly) Frymoyer, Bureau of Consumer Services, (717) 783-1628 and Rhonda Daviston, Assistant Counsel, Law Bureau, (717) 787-6166.

**Pennsylvania Public Utility Commission  
Harrisburg, PA 17105-3265**

**Public Meeting held June 8, 2000**

**Commissioners Present:**

**John M. Quain, Chairman  
Robert K. Bloom, Vice-Chairman  
Nora Mead Brownell  
Aaron Wilson, Jr.  
Terrance J. Fitzpatrick**

**Reporting Requirements for Quality  
of Service Benchmarks and Standards**

**Docket No. L-00000147**

**FINAL RULEMAKING ORDER**

**BY THE COMMISSION:**

At public meeting of January 12, 2000, the Commission issued an order adopting and directing publication of proposed regulations to establish a means by which the Commission can develop uniform measurement and reporting requirements to assure that the customer services of the natural gas distribution companies (NGDCs) are maintained, at a minimum, at the same level of quality under retail competition.

**Background**

On June 22, 1999, Governor Tom Ridge signed into law the *Natural Gas Choice and Competition Act (Act)*. The Act revised the Public Utility Code, 66 Pa.C.S. §§101, et seq. by inter alia, adding Chapter 22, relating to restructuring of the natural gas utility industry. Section 2206(a) of the Act (relating to consumer protections and customer service) is clear that customer service for retail gas customers is, at a minimum, to be maintained at the same level of quality under retail competition as in existence on June 22, 1999.

Based on its experience with collecting quality of service data from the electric distribution companies in accordance with 52 Pa. Code §§54.151-155, the Commission instituted a rulemaking proceeding to establish a means by which the Commission can ensure that the quality of each NGDC's customer service

performance is being maintained. The proposed regulations set forth uniform measures and standard data reporting requirements for various components of an NGDC's customer service performance and established effective dates for the reporting requirements.

The proposed regulations were published at 30 Pa.B. 893 (February 19, 2000) and a 30-day comment period set. The 30-day comment period for public comments ended March 20, 2000. The proposed rulemaking was served on all jurisdictional gas companies, the Office of Consumer Advocate, the Office of Small Business Advocate and all parties to this proceeding. The Commission order was also posted on the Commission's Internet website.

We received comments from The Pennsylvania Gas Association (PGA) on behalf of its member companies; the Office of Consumer Advocate (OCA); Columbia Gas of Pennsylvania of Pennsylvania, Inc. (Columbia); Statoil Energy Services, Inc. and TXU Energy Services (Statoil and TXU); and the Independent Regulatory Review Commission (IRRC). We have considered all these comments. We appreciate and thank the commentators for their suggestions on developing final regulations.

This order presents a summary of comments and our response. Comments not directed toward any specific section are included after the section-by-section summary. The final regulations, as revised pursuant to the discussion in this order, appear in Annex A.

#### **§62.31. Purpose.**

IRRC suggests that to improve clarity, we should specify that this regulation applies to two classes of NGDCs which are required to file restructuring plans under the Act: large NGDCs serving more than 100,000 residential customers and small NGDCs serving less than 100,000 residential customers.

We also received comments that generally apply to this section from Statoil and TXU. These companies point out that the regulations fail to address NGDC services to third party suppliers. Statoil and TXU recommend that the Commission expand its analysis of NGDC performance to include service to sales and transportation customers. They suggest that the NGDCs be held accountable for customer service to these entities through similar benchmarks and reporting requirements. Statoil and TXU also suggest that the Commission may want to measure an NGDC's performance in opening up its system to competition by looking at migration and enrollment trends. They recommend that the Commission may want to require data regarding data error, average time from

order to ordinary installation and conformance of payment transmission to contractual standards.

**Response:** We do not agree with the recommendation of Statoil and TXU to expand the coverage of the regulation to include NGDC services to third-party suppliers. Although we acknowledge the importance of a cooperative relationship between an NGDC and a supplier, the purpose of this rulemaking is to gather data on existing measures of customer service to existing end use customers. Further, we believe that the transaction survey will help the Commission monitor and uncover poor performance, if any, on the part of NGDCs that might be associated with competition and their lack of cooperation with natural gas suppliers. Thus, we decline to make the requested change at this time.

In regard to IRRC's comments, we agree and have revised the language of this section accordingly. The revised section reads:

*This subchapter establishes a means by which the Commission can develop uniform measurement and reporting to assure that the customer services of the natural gas distribution companies (NGDCs) that are required to file restructuring plans under the Natural Gas Choice and Competition Act are maintained, at a minimum, at the same level of quality under retail competition. This subchapter sets forth uniform measurements and reporting requirements for monitoring the level of the customer service performance of two separate classes of these NGDCs: NGDCs serving more than 100,000 residential customers and those serving less than 100,000 residential customers. This subchapter also establishes the effective dates of the reporting requirements.*

#### **§62.32. Definitions.**

*Call abandonment rate.* Columbia reiterates a suggestion it made to the proposed rulemaking regarding Reporting Requirements for Quality of Service Benchmarks and Standards for electric distribution companies (EDCs). Columbia suggests that an abandoned call should be calculated as abandoned only if the call is abandoned after 45 seconds of waiting.

IRRC recommends that we delete the phrase "...at the NGDC's telephone call center or business office" that appeared at the end of the definition of Call abandonment rate.

**Response:** We did not agree with Columbia's suggestion and did not revise the definition of call abandonment rate to accommodate this recommendation. We believe that 45 seconds is a long period of time and that frustrated customers may disconnect their calls long before 45 seconds is up. We plan to establish a working

group that will consist of representatives of the subject NGDCs and the Commission's Bureau of Consumer Services (BCS). One purpose of this working group will be to discuss the calculations and measurement of call abandonment rate and the other access measures. The object of this group's discussion will be to make certain that all the NGDCs will report this and the other statistics uniformly.

We agree with IRRC's recommendation and have deleted that phrase from the definition of Call Abandonment Rate.

*Justified payment arrangement request and justified informal consumer complaint.* IRRC points out that the definitions of justified payment arrangement request and justified informal consumer complaint contain references to the Public Utility Commission's (PUC's) "negotiation procedures or regulations." IRRC believes that this phrase is vague and recommends that we specify the procedures and regulations.

**Response:** The BCS has met with representatives of the six largest NGDCs on numerous occasions both individually and collaboratively to explain its rules for determining whether or not a consumer complaint or payment arrangement request is justified in coming to the BCS. In addition, the BCS has shared written explanations of its rules and annually updates and distributes its payment arrangement guidelines that are based on the federal poverty guidelines. The NGDCs are all aware of these rules, guidelines and the regulations that apply to them in their dealings with residential gas customers. The BCS sends quarterly reports containing this information to the individual NGDCs. Further, the Commission has annually published justified rates in its annual report, Utilities Activities Report and Evaluation (UCARE). The report is available to the public in hard copy and more recently is available on the PUC Internet website.

For these reasons, we conclude that the affected parties are well aware of how the BCS determines whether or not it considers a case justified in coming to us. However, because the "justified" rules are fluid and may change based on many factors, including changes in Commission policy, we prefer not to include language in the regulation that would limit the procedures and policies to those in effect at this point in time. We want to point out that if BCS makes changes, it announces them to the companies well before they take effect. If requested, the BCS will meet with companies again to go over its rules for determining "justified" cases.

*Infraction rate, justified informal consumer complaint rate and justified payment arrangement request rate.* IRRC suggests that to improve clarity, we should add the phrase "as determined by BCS" to the definitions of infraction rate,

justified informal consumer complaint rate and justified payment arrangement request rate.

**Response:** We accept this suggestion and have added the clarifying language to each definition:

*Transaction survey.* IRRC recommends that subparagraph (ii) in the definition of “transaction survey” be deleted.

PGA points out that the list of interactions to be captured in transaction surveys that appears in the definitions is inconsistent with the list that appears in proposed section 62.34(3) under interaction categories.

**Response:** We agree with IRRC’s recommendation and have deleted this list from the definition of *transaction survey*. The change also addresses PGA’s concern.

*Promptness and Timeliness:* In its comments to §62.34(1) and §62.35(3)(iv), IRRC recommends that we add two terms to the definitions that appear in these sections: “promptness” and “timeliness”.

**Response:** Based on this recommendation, we added these terms and their definitions to §62.32. The added definitions read:

*Promptness – The state or condition of acting or responding with speed or readiness to a customer’s question, complaint, dispute or request. An example of promptness might be the NGDC responding to a customer’s request for a premise visit with an appointment in five days rather than in five weeks.*

*Timeliness – The state or condition of acting at the appropriate or correct time as previously determined or promised when responding to a customer’s question, complaint, dispute or request. An example of timeliness might be an NGDC representative arriving at the customer’s residence on the date and at the time previously agreed upon by the NGDC and the customer.*

### **§62.33. Reporting Requirements.**

#### **Subsection (b) Recordkeeping.**

IRRC comments that this section contained unnecessary language and that the phrase “take measures necessary and keep sufficient records to” is not necessary.

OCA recommends that in addition to the measures included in the proposed rulemaking, the Commission should also require the NGDCs to track and report its dispute ratio by key categories.

Both IRRC and OCA ask the PUC to consider adding an additional measure to the data an NGDC must report. They propose that we add the amount of time it takes for an NGDC to respond to emergency calls. OCA suggests that the Commission require NGDCs to track and report the number of minutes between the logging of a customer's request for a premise visit due to gas safety concerns and the arrival of a company representative at the affected premise.

**Response:** With respect to IRRC's comment regarding the unnecessary language in this section, we concur with this comment and have deleted the phrase from the section as suggested by IRRC.

With respect to OCA's suggestion regarding the addition of dispute ratios by key categories, we agree that this information would be of value. However, our experience with the electric distribution companies in Pennsylvania indicated that this information was not available. The companies were not logging in calls in this manner. We are assuming that the NGDCs would likewise not have this information available. To require that the NGDCs report this would require new data collection processes on the part of most of the NGDCs and would likely add to their expenses. Therefore, we decline to add this additional measure to the list of data that NGDCs are required to report.

However, we would like to point out that the Commission will be able to rely on two sources for this type of data. First, the BCS annually produces statistics from its own call center that captures this information to some degree. The Commission's annual report (UCARE) includes a table that shows a breakdown of each major NGDC's complaints to the BCS into more than a dozen different categories. We have found that these categories reflect the types and percentages of complaints consumers have made directly to an NGDC since in most cases, the BCS requires that a consumer attempt to solve a complaint with the company prior to appealing to the Commission. Second, the Commission will be able to rely on transaction survey results since the findings are to be reported by category of interaction, such as credit and collection, billing, reliability and safety, etc. as specified in §62.34(2) of Annex A.

With respect to IRRC's and OCA's suggestion, we agree that NGDC response to safety calls is extremely important and needs to be monitored by the Commission. As a result of these suggestions, we initiated several rounds of discussion within the Commission to explore revising the proposed regulations to include this response statistic in a way that would be of value to the Commission.



The Commission's Bureau of Transportation and Safety is already collecting and reviewing this information from all the NGDCs. The companies report gas safety response times monthly. However, at the present time the reporting is not required by Commission regulation.

The major consideration of our discussions on this matter centered around the fact that the instant rulemaking pertains only to the NGDCs that are required to file restructuring plans. (See revised §62.31 Purpose.) It is vital that the Commission receive emergency response data from all NGDCs, not just those covered by the Act. In fact, the need for emergency response data from smaller gas utilities is just as critical, if not more so in some instances. However, natural gas utilities that are not covered by the Act were not placed on notice in the proposed rulemaking about potential reporting requirements they would need to fulfill. Therefore, it is the position of the PUC's Law Bureau that an expansion of the proposed regulation to include these gas utilities would appear to violate both the Commonwealth Documents Law and general principles of due process.

We acknowledge that we could incorporate this requirement into the instant rulemaking and receive data from only the covered NGDCs. However, we concluded that this would not be in the best interest of the Commission since we would then need to institute another rulemaking to collect the information from the smaller NGDCs. Therefore, we have decided to defer this reporting to a separate, future rulemaking proceeding that will apply to all NGDCs. The Commission expects to institute a rulemaking requiring NGDCs to report response to gas safety calls before the end of 2000. Thus, we will not include gas safety reporting with the requirements in the instant rulemaking.

### **§62.33. Reporting Requirements, Subsection (3) Meter reading.**

The comments of both IRRC and Columbia ask us to consider the variations in number of inside meters among NGDCs as would relate to this section. Columbia argues that it has a high percentage of inside meters and is often unable to gain access to these meters to obtain a reading.

**Response:** For the most part, we formulated the quality of service reporting requirements on established regulation—primarily Chapter 56 regulations. We acknowledge that there are differences among the NGDCs concerning the percentage of inside residential gas meters. However, we argue that the companies have been under the Chapter 56 regulations for more than 20 years and thus have had a more than adequate amount of time to adjust to the Chapter 56 meter reading provisions. Some utilities have taken steps to reduce the number of inside meters over the years in order to increase their ability to obtain readings. We also believe that the Chapter 56 regulations provide the utilities with an

extended period of time in which to obtain an actual or customer supplied reading (six months) and an actual reading (12 months). Further, Chapter 56 addresses the issue of a utility's inability to gain access to read a meter by providing utilities with procedures such as the threat of termination and actual termination of service for failure to provide access. We believe that the NGDCs should have resolved this problem by now and should be able to obtain readings as required by the meter reading sections of Chapter 56.

During its 20 plus years of investigating consumer complaints, the BCS has learned that the failure of companies to read meters regularly produces numerous complaints to both companies and to the BCS. Regular meter reading is important to produce accurate bills for customers who expect to receive bills based on the amount of energy they have used. We are concerned that regular meter reading may be one of the customer service areas where, under competition, the NGDCs may reduce service resulting in more bills being estimated. We appreciate that from time to time companies may need to estimate customer meter readings, but we also have seen the effects of too many estimates. We believe that even if a customer has a meter located inside the premises, the NGDCs should strive to meet the minimum meter reading requirements as outlined in Chapter 56.

#### **§62.34. Customer Surveys, Subsection (1) Purpose.**

IRRC recommends that for clarity, the PUC should define "promptness" and "timeliness," two qualities to be used to assess the customer's perception of the most recent transaction with the NGDC, in the definitions. As discussed under the definition section, we agree with IRRC's recommendation and added these two attributes to the list of definitions.

Columbia cautions that the Commission should recognize that the expanded availability of customer choice increases the likelihood of customer contacts with third-party suppliers. As a result, Columbia points out, customer survey results may well reflect experiences the customers have had with those parties, rather than with the NGDC.

**Response:** We believe that a well-developed questionnaire will allow the majority of consumers to discern that the survey questions pertain to a specific NGDC and not a third-party entity. We recommend that the introduction to the survey specifically name the NGDC as the company about which the survey is being conducted. We also believe that Columbia's concern will be at least partially addressed by the requirement of a uniform survey instrument. If consumer confusion about NGDC/third-party entity does prove to be a problem, we would expect that it would affect all NGDCs equally, especially if all NGDC surveys ask the same questions of the customer.

In the proposed rulemaking order, we proposed the formation of a transaction survey working group to work out the details of the survey. We specifically designed the survey timetable to allow enough time for the group to complete its tasks. We hope to use the EDC working group as a model. That group already “invented the wheel”; it laid the groundwork for a uniform customer survey. The Commission, represented by the BCS and the NGDCs, will collaborate to work out the details of the survey for the major gas companies.

We believe that the issue raised by Columbia is an appropriate item of discussion for the working group. We are confident that the group can find a solution to this issue that will work for the benefit of all the NGDCs.

## **(2) Questions.**

PGA raises a concern that the requirements would require NGDCs to survey recipients of dunning calls. PGA notes that it sees no value to adding these calls to the transaction survey.

**Response:** We agree with PGA, however, we believe that this issue is best left to the discussions of the transaction survey working group. The EDC working group decided to survey only those customers whose contact with the company was customer-initiated. The Commission approved this decision. The NGDC working group may come to a similar agreement.

## **(3) Uniform data.**

Columbia comments that the Commission should not mandate the use of a uniform survey for all NGDCs. Columbia argues that many NGDCs already conduct customer satisfaction surveys.

Similarly, the PGA in its comments notes that many NGDCs already conduct customer satisfaction surveys as a matter of sound business practice and argues that allowing them to continue these current surveys would be considerably less costly than forcing them to develop new ones.

IRRC recommends that we should clarify what “instruments and procedures” are to be used by the NGDCs in providing the Commission with uniform survey data.

**Response:** An overall primary objective of the Commission for this rulemaking is to have the NGDCs gather and report uniform quality of service data that can be compared among the Pennsylvania NGDCs. We believe that it is of paramount

importance that the survey questionnaire, sampling procedures, method of conducting the survey, analysis of results and reporting format be sufficiently uniform to support the Commission's overall primary objective. As stated earlier, the establishment of benchmarks will necessitate a separate proceeding, however, we do not want to automatically preclude the establishment of standards that could be set for all NGDCs. Without the prescribed uniformity, the Commission will not have a valid way of comparing the customer service performance of the NGDCs in many important areas. The uniformity factor will aid the Commission by allowing it to compare "apples with apples" rather than producing findings that may be biased by a variety of factors. For example, survey language and response choices can strongly influence survey results. A question to measure employee courtesy may elicit one response from a customer if worded one way and a different response from the same customer if worded another way. This is why we are so adamant that all companies use the same survey questionnaire.

Our experience with the EDCs proves that the customer survey can be conducted without great expense to a company. Most of the EDCs, through collaboration with the Pennsylvania Electric Association, jointly hired a single research firm to administer the survey for all the companies at a very economical price. We have chosen to give the NGDCs the option of who should conduct their surveys but we believe that it will not be as costly as the NGDCs fear.

As we stated when we prepared the final rulemaking for the EDC reporting requirements for quality of service benchmarks and standards, our original intention in collecting customer service data from companies was to request records from the companies on number of appointments kept, response time to installation of service and repair requests, and speed of posting customer payments. Experts in quality of service measurement commonly accept all these measures as measures of customer service performance. However, EDC representatives convinced us that to require this information would be unduly burdensome on the EDCs. As a result, we decided to use the customer transaction survey to monitor performance. We believe that the NGDCs would also argue that to require this information would be burdensome and costly to measure and report to the Commission. Thus, we have decided to use the transaction customer survey for the NGDCs in order to allow the Commission the ability to track customer service performance in these areas.

As indicated earlier, the NGDCs and the BCS will form a working group to work out the details of carrying out the transaction survey. Together the group will develop a survey questionnaire, a sampling methodology, a method of conducting the survey, as well as a method of reporting survey results to the Commission. The charge of the working group will be to develop the details of

the transaction survey process that the working group, including the BCS, agrees will result in standard, comparable information being reported to the Commission.

We accepted IRRC's recommendation to clarify this section and revised the language of this section:

*The NGDCs shall carry out the transaction survey process using survey questionnaires, sample selection procedures, methods of conducting the surveys and any other procedures associated with the survey, including provision of survey results, that they and the Commission agree will provide the Commission with uniform data that can be used to directly compare customer service performance among Pennsylvania NGDCs.*

#### **Subsection (6) Commission approval.**

IRRC poses several questions about this provision. First, they ask when the review and approval will occur. Second, IRRC asks if the approval is done through a formal proceeding and, if not, what type of proceeding will be used.

**Response:** We plan for Commission final review and approval no later than December 1, 2001. Our goal, however, is to have preliminary agreement on various aspects of the survey plan prior to that date. This will enable the NGDCs to begin implementation of their processes so they can start conducting the surveys in January 2002.

The Commission plans to use a collaborative working group process involving representatives from the NGDCs and the Commission's Bureau of Consumer Services. The objective of the working group will be to obtain consensus on the questionnaire and procedures that the working group members think would result in uniform data being collected and reported to the Commission to accurately reflect NGDC customer service performance. If the working group model is successful in obtaining the stated objective, the BCS will grant, in writing, Commission approval of the document containing the written procedures. If the working group is not successful in obtaining its stated objectives and consensus is not reached, a more formal process will be used by the Commission to determine the questionnaire content and procedures.

We have revised this section as follows:

*(6) Commission Approval. On or before December 1, 2001, the Commission will approve the survey questionnaire, as well as procedures for case selection,*

*sampling, conducting the survey, analyzing results and reporting to the Commission.*

**§62.35. NGDCs with fewer than 100,000 residential accounts.**

Although we received no comments regarding a clarity issue here, we revised the language of this section because we believe that the revision increases clarity and consistency. We added the word “residential” before the word “accounts” in order to make this section consistent with its title:

*Beginning September 1, 2002, each NGDC with less than 100,000 residential accounts shall report to the Commission the following information in lieu of §§ 62.33 and 62.34 (relating to reporting requirements; and customer surveys):*

**§62.35. (1)**

IRRC comments that this section requires an NGDC with fewer than 100,000 residential accounts to report to the Commission the results of a mail survey of a sample of the NGDC customers who have had interactions with the NGDC. IRRC notes that the regulation does not specify the required sample size and notes that for clarity, the PUC should include the required sample size in the final regulation. In a discussion with IRRC, we indicated that we intended to ask each small NGDC to survey every 10<sup>th</sup> customer that contacts the company. IRRC recommends that we include this quota in the regulation. IRRC also suggests that the phrase “one or more representatives of” is unnecessary and should be deleted.

**Response:** We agree with IRRC’s suggestion to specify a sampling plan for the smaller NGDCs and have revised the language of this section accordingly. We also agree with IRRC’s suggestion regarding the unnecessary phrase and have deleted it from the final regulation. Thus, the revised regulation is as follows:

*(1) The results of a mail survey of a sample of the NGDC customers who have had interactions with a representative of the NGDC. The survey sample shall consist of every 10<sup>th</sup> consumer who has contacted the company.*

**Subsection (3).**

IRRC requests that we address the approval process that the Commission will use to approve the mail survey questionnaire.

**Response:** BCS will approve the mail survey through an informal process. We expect that we will follow the same procedure as we did in the electric industry when the small EDCs petitioned the Commission for permission to conduct a mail survey rather than a telephone survey. The BCS modified the telephone survey agreed to by larger EDCs into a draft mail format. The BCS circulated the draft mail survey to the smallest EDCs who made suggestions for revisions. The BCS incorporated the suggested revisions and produced the final mail survey questionnaire. The BCS sent it to the EDCs who added their company names and/or logos to the form. The companies began using the questionnaire to survey their customers shortly thereafter.

We expect that a similar process will take place with the gas industry. However, we have modified the language of the regulation slightly to indicate that the BCS will “develop” the survey questionnaire that all the smaller NGDCs will use, based on the telephone questionnaire that the larger NGDCs will use. This should reduce the burden that the smaller NGDCs may be anticipating regarding the development of the survey. Thus, this section is as follows:

*(3) Each NGDC shall use the same mail survey questionnaire which shall be developed by the BCS, with advice from the relevant NGDCs. The mail survey questions shall measure customer perceptions regarding:*

**§62.36. Informal complaints to the BCS.**

**(a) Residential informal consumer complaints and payment arrangement requests.**

IRRC notes a discrepancy in the proposed regulation between the term “justified consumer complaint rate” here and “justified informal consumer complaint rate” in the definition section.

**Response:** With respect to IRRC’s suggestion, we revised this section to use the term as it appears in the definitions.

**(b) Informally verified infractions.**

IRRC points out that in this section the term infraction rate appears in quotation marks and thus may not be the same infraction rate that is defined in Section 62.32.

**Response:** The infraction rate in §62.36(b) is the same as the infraction rate that appears in §62.32 *Definitions* and should not appear in quotation marks. The BCS

accepted IRRC's recommendation and removed the quotation marks from the final regulation.

**Other Issues:**

Various parties made the following comments to the proposed rulemaking. These comments did not pertain to a specific section. The comments and our responses appear in the paragraphs that follow:

IRRC asks us to consider adding a section that cross-references the requirements for petitioning for a waiver of the requirements of this regulation. The preamble to the proposed regulation references 52 Pa. Code §5.43 (relating to petition for issuance, amendment waiver or repeal of regulations).

**Response:** It is the position of the Commission's Law Bureau that the regulations at 52 Pa. Code §5.43 adequately provide any affected party the right to petition the Commission for the amendment or waiver of a regulation. Therefore it is the Law Bureau's position that it is not necessary to add a specific waiver section to the instant regulation. As a result, we did not add a section that cross-references the requirements for petitioning for a waiver in Section 5.43.

The PGA argues that the proposed reporting requirements may not be necessary since competitive forces are sufficient in themselves to ensure high quality customer service. It describes natural gas as an elective service and largely a matter of customer choice.

**Response:** We do not agree that for most customers gas service is a matter of choice. Although theoretically, the opportunity for choosing an alternative fuel is an option for Pennsylvania gas customers who are dissatisfied with the service an NGDC provides, in reality, the costs associated with such a choice make it financially unlikely.

The homeowner confronted with the price tag associated with switching to an alternative fuel for heating that would include a new furnace would likely not find this option fiscally feasible. Likewise, a renter faced with moving to a different rental property with an alternative cooking, heating or water heating fuel because he or she is dissatisfied with his or her gas service may be hard pressed to view this as a viable option. We believe that inexpensive ways of choosing alternative sources of energy are not available to consumers and that the Commission has the responsibility of assuring that the quality of gas service to



customers is maintained under gas competition. Therefore we fail to see the validity of PGA's argument and will not withdraw the instant rulemaking.

Both PGA and Columbia present arguments in their comments that the gas choice legislation does not call for NGDCs to be measured against each other but rather against itself and its previous performance. Further, PGA contends that it is not appropriate for the Commission to establish performance benchmarks and standards for the NGDCs using the measures in this rulemaking.

OCA recommends that the Commission should promptly create a database of the service quality data that each utility has gathered for the past 3-5 years and make this information available to the public. Further, OCA recommends that the NGDC should be required to analyze and compare, to the extent possible, its historical performance with the performance it submits in its first report in compliance with the reporting requirements.

**Response:** Within the next several months, the Commission has plans to request data from each major NGDC on its historical performance in the measures included in this rulemaking. We are proposing that the Commission request this information within the next several months through a Secretarial letter to the NGDCs. However, we are not certain that the NGDCs were collecting all of this data in the past. Further, if they have been, we cannot be certain that they have been collecting it in a uniform way. The purpose of these reporting requirements is to allow the Commission to gather uniform information about important measures of customer service quality. Again, this uniformity will allow the Commission to compare "apples with apples" rather than using the various means that individual NGDCs have used in the past to measure performance.

We expect that this proposal will satisfy OCA who suggests in its comments that the Commission should create a database of the service quality data that each NGDC has gathered in the recent past. Further, the instant regulations at §62.33(c) require that the NGDC's report to the Commission contain an analysis and comparison of the data in the report with its earlier performance in each of the measurements. At this point we cannot agree with OCA's recommendation that the NGDC historical information should be made available to the public. We will first request the data and review the information before we make a determination as to whether it should be available to the public. However, as in the past, the UCARE will be available to the public. This report will show each NGDC's performance in justified informal consumer complaint rate, justified payment request rate and infraction rate.

With respect to PGA's expressed concern regarding the setting of benchmarks and standards, the Commission does plan to establish benchmarks and

standards at a later date. However, that is not the purpose of the instant rulemaking. The Commission will institute a separate proceeding to propose standards or bands of acceptable performance only after it has been able to analyze the statistics reported in compliance with this rulemaking. The PGA and all interested parties will have the opportunity to comment and make recommendations on the Commission's proposal at that time. For that reason, we do not think it is appropriate or of any value to discuss benchmarks and standards in the instant order.

OCA submits that the Commission should set forth the timelines for establishing performance standards and benchmarks, as well as enforcement mechanisms in this rulemaking. OCA justifies its recommendation with the example of other states who have experienced deterioration in utility service quality because they have failed to establish performance areas, baseline performance standards and clear enforcement mechanisms. It proposes that the final rule require that the NGDCs submit their recommendations for baseline performance standards with their 2001 annual report.

**Response:** We appreciate OCA's concern that Pennsylvania may suffer significant deterioration in service quality as has occurred in other states. However, we do not believe that it is appropriate to establish a timeline for establishing benchmarks and standards at this time. We believe that we need to establish a pattern of receiving and reviewing this information before we can decide when it is appropriate to move forward with a rulemaking proceeding to establish standards and what these standards will be. We respect OCA's suggestion that the NGDCs should submit their recommendations for baseline performance standards and will keep that suggestion in mind when we commence the future rulemaking proceeding.

We also decline to set forth a timeline for establishing enforcement mechanisms. At this point in time, the Commission has not taken a position as to whether it is prepared to set forth enforcement mechanisms or penalties. However, we would like to assure OCA that the Commission will carefully keep watch over the performance of the NGDCs until such time as standards and benchmarks are set. The Commission will review the statistics that the NGDCs report as well as information from contacts to the BCS and will promptly investigate any possible deterioration in service quality. We have undertaken a similar strategy with the EDCs when we identified any deterioration in service performance.

Finally, PGA recommends that the final rulemaking should expressly acknowledge that the costs that the NGDCs incur to comply with these requirements are recoverable under the natural gas choice and competition act.

PGA specifically suggests that the call center requirements could be viewed as consumer education expenses and therefore subject to non-bypassable recovery mechanisms. Further, it recommends that the Commission should recognize that all the compliance costs imposed through this docket are eligible for deferred recovery, with capitalization and amortization, as provided in 66 Pa.C.S. §2211(b).

**Response:** We disagree with PGA's recommendation that we include an acknowledgment of the costs associated with compliance with these reporting requirements. The Proposed Rulemaking reflects careful financial considerations and we do not believe it necessary to detail methods of cost recovery in the final regulation. In order to keep NGDC costs to a minimum, we purposefully selected measures from Chapter 56 regulations that have been in effect for more than two decades. Concerning the call center statistics, we fail to see how any large NGDC that operates a call center would not have these statistics available to them. The successful operation of a call center frequently involves a daily, weekly and monthly review of the statistics that are required in the instant regulations. We believe that the NGDC call center managers are familiar with the required call center measures and may already have them available. We believe that we will be able to show the NGDCs how to administer the required transaction survey at minimal cost. Again, we believe that the survey results will be of value to the managers of the NGDCs as well as to the Commission.

## **CONCLUSION**

In finalizing these regulations we believe we have met the intent of the Act at §2206(a) to ensure that the level of quality regarding customer service will not deteriorate under retail gas competition in this Commonwealth. Accordingly, under Section 501 of the Public Utility Code, and the Commonwealth Documents Law (45 P.S.1201, *et seq.*) and regulations promulgated thereunder at 1 Pa. Code §§ 7.1-7.4, we propose to amend our regulations by adding 52 Pa. Code §§ 62.31-62.37. The Commission hereby adopts final regulations as noted above and as set forth in Annex A;

**THEREFORE,**

### **IT IS ORDERED:**

1. That the regulations of the Commission, 52 Pa. Code Chapter 62, are amended by adding §§62.31—62.37 to read as set forth in Annex A.
2. That the Secretary shall submit a copy of this Order and Annex A to the Office of Attorney General for review as to legality.

3. That the Secretary shall submit a copy of this Order and Annex A to the Governor's Budget Office for review of fiscal impact.

4. That the Secretary shall submit this order and Annex A for formal review by the designated standing committees of both houses of the General Assembly, and for review and approval by IRRC.

5. That the Secretary shall deposit this Order and Annex A with the Legislative Reference Bureau for publication in the Pennsylvania Bulletin.

6. That a copy of this order and Annex A shall be served upon all jurisdictional natural gas distribution companies, and all parties that submitted comments in this rulemaking proceeding.

7. That a copy of this Order shall be posted on the Commission's website and shall be made available, upon request, to all interested parties.

8. That the regulations adopted with this order are effective upon publication in the Pennsylvania Bulletin.

9. The contact persons for this matter are M. J. (Holly) Frymoyer, Bureau of Consumer Services, (717) 783-1628 and Rhonda Daviston, Law Bureau ((717) 787-6166.

**BY THE COMMISSION,**



**James J. McNulty**  
Secretary

(SEAL)

**ORDER ADOPTED:** June 8, 2000

**ORDER ENTERED:** JUN - 8 2000

**ANNEX A**  
**TITLE 52. PUBLIC UTILITIES**  
**PART I. PENNSYLVANIA PUBLIC UTILITY COMMISSION**  
**Subpart C. FIXED SERVICE UTILITIES**  
**Chapter 62. NATURAL GAS SUPPLY CUSTOMER CHOICE**

**Subchapter B. REPORTING REQUIREMENTS FOR QUALITY OF  
SERVICE BENCHMARKS AND STANDARDS**

**§ 62.31 Purpose.**

This subchapter establishes a means by which the Commission can develop uniform measurement and reporting to assure that the customer services of the natural gas distribution companies (NGDCs) THAT ARE REQUIRED TO FILE RESTRUCTURING PLANS UNDER THE NATURAL GAS CHOICE AND COMPETITION ACT are maintained, at a minimum, at the same level of quality under retail competition. This subchapter sets forth uniform measurements and reporting requirements for monitoring the level of the NGDCs' customer service performance OF TWO SEPARATE CLASSES OF THESE NGDCS: NGDCS SERVING MORE THAN 100,000 RESIDENTIAL CUSTOMERS AND THOSE SERVING LESS THAN 100,000 RESIDENTIAL CUSTOMERS. This subchapter also establishes the effective dates of the reporting requirements.

**§ 62.32 Definitions.**

The following words and terms, when used in this subchapter, have the following meanings, unless the context clearly indicates otherwise:

*BCS* -- Bureau of Consumer Services of the Commission.

*Busy-out rate* -- The number of calls to an NGDC's call center or business office that received a busy signal divided by the number of calls that were received.

*Call center* -- A centralized facility established by a utility for transactions concerning installation and repair of service, billing, and other inquiries between residential and small commercial customers and natural gas distribution company representatives, but not including special purpose call centers established to respond to service emergencies and operating for a temporary period of time.

*Call abandonment rate* -- The number of calls to an NGDC's call center or business office that were abandoned divided by the total number of calls received at the NGDC's telephone call center or business office.

*Customer* -- A retail gas customer as defined in 66 Pa. C.S. §2202 (relating to definitions).

*Informal consumer complaint* -- An appeal by a consumer to the BCS about a utility's proposed resolution of a dispute related to billing, service delivery, repairs and all other issues not related to requests for payment arrangements.

*Informally verified infraction* -- An apparent misapplication of Commission regulations as determined by the BCS through its examination of information obtained as part of its review of informal consumer complaints and payment arrangement requests.

(i) The informal verification process implemented by the BCS notifies a utility of the information which forms the basis of an alleged infraction, affords the utility the opportunity to affirm or deny the accuracy of the information, and concludes with a BCS determination regarding the alleged infraction.

(ii) An informally verified infraction is not equivalent to a formal violation pursuant to 66 Pa. C.S. §3301 (relating to civil penalties for violations) unless otherwise determined through applicable Commission procedures.

*Infraction* -- A misapplication of a Commission regulation, particularly the standards and billing practices for residential service.

*Infraction rate* -- The number of informally verified infractions, AS DETERMINED BY THE BCS, per 1,000 residential customers.

*Justified informal consumer complaint* -- A complaint where the BCS has determined that an NGDC did not follow Commission procedures or regulations.

*Justified informal consumer complaint rate* -- The number of justified informal, residential consumer complaints, AS DETERMINED BY THE BCS, per 1,000 residential customers.

Justified payment arrangement request -- A payment arrangement request where an NGDC did not follow Commission negotiation procedures or regulations.

Justified payment arrangement request rate -- The number of justified payment arrangement requests, AS DETERMINED BY THE BCS, from residential customers per 1,000 residential customers.

Payment arrangement request -- A customer request for payment terms to the BCS.

PROMPTNESS – THE STATE OR CONDITION OF ACTING OR RESPONDING WITH SPEED OR READINESS TO A CUSTOMER’S QUESTION, COMPLAINT, DISPUTE OR REQUEST. AN EXAMPLE OF PROMPTNESS MIGHT BE THE NGDC RESPONDING TO A CUSTOMER’S REQUEST FOR A PREMISE VISIT WITH AN APPOINTMENT IN FIVE DAYS RATHER THAN IN FIVE WEEKS.

Small business customer -- A person, sole proprietorship, partnership, corporation, association or other business whose annual gas consumption does not exceed 300 Mcf.

TIMELINESS – THE STATE OR CONDITION OF ACTING AT THE APPROPRIATE OR CORRECT TIME AS PREVIOUSLY DETERMINED OR PROMISED WHEN RESPONDING TO A CUSTOMER’S QUESTION, COMPLAINT, DISPUTE OR REQUEST. AN EXAMPLE OF TIMELINESS MIGHT BE AN NGDC REPRESENTATIVE ARRIVING AT THE



CUSTOMER'S RESIDENCE ON THE DATE AND AT THE TIME  
PREVIOUSLY AGREED UPON BY THE NGDC AND THE CUSTOMER.

Transaction survey –

(i) — A survey targeted toward individuals that have had a recent  
interaction with an NGDC.

(ii) — An interaction could include:

Filing a complaint.

Inquiring or disputing a bill.

Seeking to have a repair completed.

Applying for service.

Requesting service installation.

Reporting a safety concern.

Reporting a reliability or other service problem.

Arranging an appointment for a premise visit.

### **§62.33 Reporting Requirements**

(a) Report deadlines.

(1) Unless otherwise specified in this subchapter, each covered NGDC  
shall file its first report with the Commission on or before August 1, 2001. The  
August report shall contain data, reported by month, from the first six months of  
the calendar year, as well as a six-month cumulative average.

(2) Each NGDC shall file its second report on or before February 1, 2002. The February report shall contain data, reported by month, from the second six months of the year as well as a six-month cumulative average and a 12-month cumulative average for the preceding calendar year.

(3) Thereafter, the NGDCs shall file reports annually with the Secretary of the Commission on or before February 1.

(4) Each report shall contain data, reported by month, as well as a 12-month cumulative average for the preceding calendar year.

(5) Each report shall include the name and telephone number of the utility contact person responsible for the report.

(b) *Recordkeeping.* Each NGDC shall ~~take measures necessary and keep sufficient records to~~ report the following data to the Commission:

(1) *Telephone Access*

(i) The percentage of calls answered at each NGDC's call center within 30 seconds with the NGDC representative ready to render assistance and to accept information necessary to process the call. An acknowledgment that the customer or applicant is waiting on the line does not constitute an answer.

(ii) The average busy-out rate for each call center. If the NGDC reports data for more than one call center, the NGDC should also provide the combined busy-out rate for the NGDC as a whole.

(iii) The call abandonment rate for each call center. If the NGDC reports data for more than one call center, the NGDC should also provide the combined call abandonment rate for the NGDC as a whole.

(2) Billing

(i) The number and percent of residential bills that the NGDC failed to render once every billing period to residential ratepayers under §56.11 (relating to billing frequency).

(ii) The number and percent of bills that the NGDC failed to render once every billing period to small business customers.

(3) Meter Reading

(i) The number and percent of residential meters for which the company has failed to obtain an actual or ratepayer supplied reading within the past six months to verify the accuracy of estimated readings under §56.12(4)(ii) (relating to meter reading; estimated billing; or ratepayer readings).

(ii) The number and percent of residential meters for which the company has failed to obtain an actual meter reading within the past 12 months to verify the accuracy of the readings, either estimated or ratepayer read under §56.12(4)(iii).

(iii) The number and percent of residential remote meters for which it has failed to obtain an actual meter reading at least once every 5 years to verify the accuracy of the remote reading device under §56.12(5)(i).

(4) Response to Disputes. The actual number of disputes as described in Chapter 56, Subchapter F (relating to disputes; termination disputes; informal and

formal complaints) for which the company did not provide a response to the complaining party within 30 days of the initiation of the dispute under §56.151(5) (relating to general rule).

(c) Comparison. Each NGDC report to the Commission shall contain an analysis and comparison of the quality of service data in each performance area during the most recent report period with its previous service quality in these areas.

#### **§62.34 Customer Surveys.**

Each NGDC shall report to the Commission the results of telephone transaction surveys of customers who have had interactions with the NGDC.

(1) Purpose. The purpose of the transaction surveys shall be to assess the customer perception regarding the most recent interaction with the NGDC. Survey questions shall measure access to the utility, employee courtesy, employee knowledge, promptness of NGDC response or visit, timeliness of the NGDC response or visit and satisfaction with the handling of the interaction.

(2) Questions. The transaction survey questions shall specifically address the circumstances that generated the most recent transaction. Interaction categories shall include the following:

(i) Credit/collection.

(ii) Billing.

(iii) Reliability and safety.

(iv) Service installation and application.

(v) Service disconnection.

(vi) Other similar interactions.

(3) Uniform data. The NGDCs shall carry out the transaction survey process using ~~instruments~~ SURVEY QUESTIONNAIRES, SAMPLE SELECTION PROCEDURES, ~~and procedures~~ METHODS OF CONDUCTING THE SURVEYS AND ANY OTHER PROCEDURES ASSOCIATED WITH THE SURVEY TO ~~that~~ provide the Commission with uniform data that can be used to directly compare customer service performance among NGDCs in this Commonwealth.

(4) Timely response. A customer or consumer being surveyed shall be contacted within 30 days of the date that the interaction with the NGDC took place.

(5) Sampling plan. The sampling plan shall be designed so that the results are statistically valid within plus or minus 5 percentage points.

(6) Commission Approval. ON OR BEFORE DECEMBER 1, 2001, THE COMMISSION WILL APPROVE THE ~~The~~ survey QUESTIONNAIRE ~~instrumentation~~, as well as procedures for case selection, sampling, conducting the survey, analyzing results and reporting to the Commission. ~~shall be subject to the review and approval of the Commission.~~

(7) Timetable.

(i) The first report on survey results shall be submitted to the Commission on or before October 1, 2002. The October report shall contain survey results, reported by month, from the first six months of the calendar year.

(ii) The second report shall be submitted on or before April 1, 2003. The April report shall contain results, reported by month, from the second six months of the previous year as well as cumulative 12-month results.

(iii) Thereafter, the NGDC shall submit survey results annually, on or before April 1.

(iv) Each annual report shall contain results reported by month as well as cumulative 12-month results.

**§62.35 NGDCs with fewer than 100,000 residential accounts.**

Beginning September 1, 2002, each NGDC with less than 100,000 RESIDENTIAL accounts shall report to the Commission the following information in lieu of §§62.33-62.34 (relating to reporting requirements; and customer surveys):

(1) The results of a mail survey of a sample of the NGDC customers who have had interactions with A ~~one or more~~ representatives of the NGDC. THE SURVEY SAMPLE SHALL CONSIST OF EVERY 10<sup>TH</sup> CONSUMER WHO HAS CONTACTED THE COMPANY.

(2) The mail survey shall address the circumstances that generated the customer/company transaction

(3) Each NGDC shall use the same mail survey questionnaire which shall be DEVELOPED ~~approved~~ by the BCS ~~Bureau of Consumer Services~~, WITH ADVICE FROM THE RELEVANT NGDCS. The mail survey questions shall measure customer perceptions regarding:

(i) Access to the utility.

(ii) Employee courtesy.

(iii) Employee knowledge.

(iv) Promptness and timeliness of the utility representative response.

(v) Satisfaction with the NGDC representative's handling of the interaction.

(4) The mail survey questionnaire shall be mailed to a customer within 30 days of the date that the transaction took place.

(5) The first report on survey results shall be submitted to the Commission on or before September 1, 2002. The September report shall contain survey results from the first six months of the calendar year.

(6) The second report shall be submitted on or before March 1, 2003 and shall contain survey results from the second six months of the calendar year.

(7) Thereafter, the NGDC shall submit survey results annually, on or before March 1.

**§62.36 Informal Complaints to the Bureau of Consumer Services.**

(a) The BCS will review and analyze residential informal consumer complaints and payment arrangement requests filed with the Commission and will report the justified INFORMAL consumer complaint rate and the justified payment arrangement request rate for each NGDC with more than 100,00 residential accounts to the Commission on an annual basis.

(b) The BCS will report to the Commission the number of informally verified infractions of applicable statutes and regulations relating to the treatment of residential accounts by each NGDC with more than 100,000 residential accounts. The BCS will calculate and report to the Commission an “infraction rate” for each NGDC with more than 100,000 residential accounts.

**§62.37 Public Information.**

The Commission will annually produce a summary report on the customer service performance of each covered NGDC using the statistics collected as a result of these reporting requirements. The reports will be public information. The Commission will provide the reports to any interested party and post the reports on the Commission’s Internet website.





PENNSYLVANIA PUBLIC UTILITY COMMISSION  
COMMONWEALTH OF PENNSYLVANIA

JOHN M. QUAIN  
CHAIRMAN

October 2, 2000

The Honorable John R. McGinley, Jr.  
Chairman  
Independent Regulatory Review Commission  
14th Floor, Harrisburg II  
333 Market Street  
Harrisburg, PA 17101

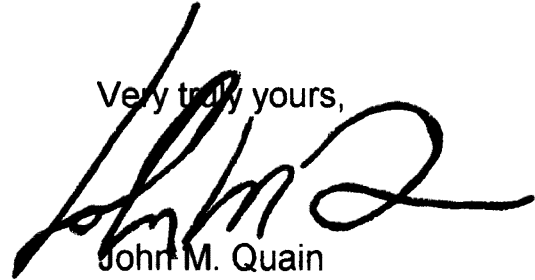
Re: L-00000147/57-213  
Final Rulemaking  
Reporting Requirements for Quality of  
Service Benchmarks and Standards  
52 Pa. Code Chapter 62

Dear Chairman McGinley:

Enclosed please find one (1) copy of the regulatory documents concerning the above-captioned rulemaking. Under Section 745.5(a) of the Regulatory Review Act, the Act of June 30, 1989 (P.L. 73, No. 19) (71 P.S. §§745.1-745.15) the Commission, on February 3, 2000, submitted a copy of the Notice of Proposed Rulemaking to the House Committee on Consumer Affairs, the Senate Committee on Consumer Protection and Professional Licensure and to the Independent Regulatory Review Commission (IRRC). This notice was published at 30 Pa.B. 893, on February 19, 2000. In compliance with Section 745.5(b.1) copies of all comments received were provided to your Commission and the Committees.

In preparing this final form rulemaking, the Public Utility Commission has considered all comments received from the Committees, IRRC and the public.

Very truly yours,

A handwritten signature in black ink, appearing to read 'John M. Quain', written in a cursive style.

John M. Quain  
Chairman

Enclosures

cc: The Honorable Clarence D. Bell  
The Honorable Lisa Boscola  
The Honorable Chris R. Wogan  
The Honorable Keith McCall  
Legislative Affairs Director Perry  
Chief Counsel Pankiw  
Regulatory Coordinator DelBiondo  
Assistant Counsel Daviston  
Ms. Frymoyer  
Mr. Zogby

TRANSMITTAL SHEET FOR REGULATIONS SUBJECT  
TO THE REGULATORY REVIEW ACT

RECEIVED

2000 OCT -2 AM 10:45

ID Number: L-00000147/57-213

INDEPENDENT REGULATORY  
REVIEW COMMISSION

Subject: Reporting Requirements for Quality of Service  
Benchmarks and Standards

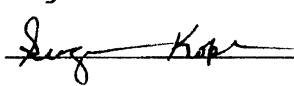
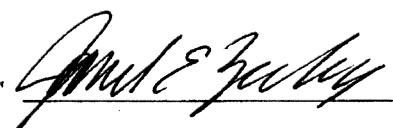
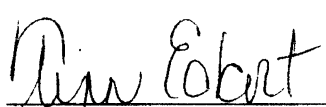
Pennsylvania Public Utility Commission

#2093

TYPE OF REGULATION

- Proposed Regulation
- Final Regulation with Notice of Proposed Rulemaking Omitted.
- Final Regulation
- 120-day Emergency Certification of the Attorney General
- 120-day Emergency Certification of the Governor

FILING OF REPORT

Date	Signature	Designation
10/1/00		HOUSE COMMITTEE Consumer Affairs
10/2/00		SENATE COMMITTEE Consumer Protection and Professional Licensure
10/2/00		Independent Regulatory Review Commission Attorney General Legislative Reference Bureau