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INDEPENDENT REGULATORY REVIEW COMMISSION
333 MARKET STREET, 14TH FLOOR, HARRISBURG, PA 17101

April 20, 2000

Honorable John M. Quain, Chairman
Pennsylvania Public Utility Commission
104 North Office Building
Harrisburg, PA 17105

Re: IRRC Regulation #57-213 (#2093)
Pennsylvania Public Utility Commission
Reporting Requirements for Quality of Gas Service Benchmarks and Standards

Dear Chairman Quain:

Enclosed are our Comments on the subject regulation. They are also available on our website at <http://www.irrc.state.pa.us>.

Our Comments list objections and suggestions for consideration when you prepare the final version of this regulation. We have also specified the regulatory criteria which have not been met. These Comments are not a formal approval or disapproval of the proposed version of this regulation.

If you would like to discuss these Comments, please contact Kimberly Trammell de Bien at 783-6834.

Sincerely,

Robert E. Nyce
Executive Director

wbg

Enclosure

cc: M. J. Frymoyer
Rhonda Daviston
Sherri DelBiondo
Office of General Counsel
Office of Attorney General
Lee Ann Labecki

Comments of the Independent Regulatory Review Commission

on

Pennsylvania Public Utility Commission Regulation No. 57-213

Reporting Requirements for Quality of Gas Service Benchmarks and Standards

April 20, 2000

We submit for your consideration the following objections and recommendations regarding this regulation. Subsections 5.1(h) and 5.1(i) of the Regulatory Review Act (71 P.S. § 745.5a(h) and (i)) list the criteria the Commission must use to determine if the regulation is in the public interest. The Pennsylvania Public Utility Commission (PUC) must respond to these Comments when it submits the final-form regulation. If the final-form regulation is not delivered by March 20, 2002, the regulation will be deemed withdrawn.

1. Section 62.31. Purpose. – Clarity.

This subsection states that the regulation is intended to provide the PUC with uniform measurements and reports to ensure that customer services of Natural Gas Distribution Companies (NGDC) are maintained at the same quality under competition. To improve clarity, the PUC should specify that this regulation applies to two classes of NGDCs which are required to file restructuring plans under the Natural Gas Choice and Competition Act. Specifically, these classes are large NGDCs serving more than 100,000 residential customers and small NGDCs serving less than 100,000 residential customers.

2. Section 62.32. Definitions. – Clarity.

Call abandonment rate

The phrase "...at the NGDC's telephone call center or business office" appears twice in this definition. To be consistent with the definition of "busy-out rate," the PUC should delete the phrase appearing at the end of the definition of "call abandonment rate."

Infraction rate, Justified informal consumer complaint rate and Justified payment arrangement request rate

The definitions of these terms address informally verified infractions, justified informal complaints and justified payment arrangement requests. To improve clarity, the PUC should add the phrase "as determined by BCS" to these definitions.

Also, these definitions refer to the PUC's "negotiation procedures or regulations." This phrase is vague. The PUC should specify the "procedures" and "regulations" it will use in determining these rates.

Transaction survey

Subparagraph (ii) of this definition lists transactions that could be included in an NGDC's survey. However, Section 62.34(2) of the proposed regulation provides a list of transactions that must be included in the transaction survey. Given the explicitness of Section 62.34(2), Subparagraph (ii) in the definition of "transaction survey" is not necessary and should be deleted.

3. Section 62.33. Reporting requirements. – Reasonableness; Clarity.

Subsection (b) Recordkeeping

This subsection establishes what data an NGDC must report. However, it does not require an NGDC to record the amount of time it takes for the NGDC to respond to emergency calls. The PUC should consider adding the amount of time it takes an NGDC to respond to emergency safety calls to the list of items required to be reported.

This subsection also requires each NGDC to "take measures necessary and keep sufficient records" to report certain data to the PUC. This phrase does not specify what measures are "necessary" or what records are "sufficient." Instead, the regulation clearly sets forth the data that is to be reported to the PUC. Consequently, this phrase is unnecessary and should be deleted.

Subsection (b)(3) Meter reading

Subsections (b)(3)(i) and (ii) require each NGDC to report the number and percent of residential meters for which the company has not obtained an actual or ratepayer supplied reading within the past 6 and 12 months, as required by the PUC's Chapter 56 regulations. However, this requirement does not distinguish between meters which are inside or outside a residential customer's home. Although this distinction does not negate the Chapter 56 requirement for meter readings, the location of the meter is a significant factor in an NGDC's failure to obtain the required meter readings. The PUC should consider allowing separate reporting for meters which are inside a residential customer's home.

4. Section 62.34. Customer surveys. – Clarity.

Subsection (1) Purpose

This subsection requires survey questions to measure the "promptness" and "timeliness" of the NGDC's response or visit. These terms are also used in Section 62.35(3)(iv). The difference between these terms is unclear. For clarity, the PUC should define "promptness" and "timeliness" in Section 62.32 *Definitions*.

Subsection (2) Questions

We request the PUC specify what types of transactions would fall into Category (vi) “Other similar transactions.”

Subsection (3) Uniform data

This provision requires an NGDC to conduct a survey using “instruments and procedures” which provide the PUC with uniform data. We request the PUC clarify what “instruments and procedures” are to be used.

Subsection (6) Commission approval

This subsection states the “survey 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.” We have several questions relating to this provision. When does review and approval occur? Is review and approval done through a formal proceeding? If not, what type of proceeding is used? We request the PUC address these issues in the final regulation.

5. Section 62.35. NGDCs with fewer than 10,000 residential accounts. – Clarity.

Subsection (1) Survey sample

This subsection requires an NGDC to report to the PUC “[T]he results of a mail survey of a sample of the NGDC customers who have had interactions with **one or more representatives of the NGDC.**” (Emphasis added.) However, the regulation does not specify the required sample size. It is our understanding that the PUC intends to require each small NGDC (under 100,000 residential customers) to survey every 10th customer that contacts the company. For clarity, the PUC should include the required sample size in the final regulation.

Additionally, the phrase “one or more representatives of” is unnecessary. For clarity and consistency with the language in Section 62.34, the PUC should delete this phrase.

Subsection (3) BCS approval

This subsection provides that “[E]ach NGDC shall use the same mail survey questionnaire which shall be approved by the BCS.” Is the questionnaire approved by the BCS through a formal proceeding? If not, what type of proceeding is used? We request the PUC address these issues in the final regulation.

6. Section 62.36. Informal complaints to the BCS. – Clarity.

Subsection (a) Residential informal consumer complaints and payment arrangement requests

According to this subsection, BCS will report the “justified consumer complaint rate” to the PUC on an annual basis. The defined term in Section 62.32 is “justified informal consumer complaint rate.” The PUC should use the defined term in this subsection. If this provision is intended to

address a different complaint rate, the PUC should separately define “justified consumer complaint rate.”

Subsection (b) Informally verified infractions

This subsection states that BCS will report to the PUC “an ‘infraction rate’ for each NGDC with more than 100,000 residential accounts.” It is unclear if the “infraction rate” referenced in this subsection is the same rate as the one defined in Section 62.32. If the PUC is referring to the same rate, why does the term appear in quotation marks in this subsection? If the PUC is referring to a different rate, the term should be defined for purposes of this subsection.

7. Waiver of survey requirements. – Clarity.

In the preamble, the PUC states that it reserves the right to waive the requirements of this regulation upon petition by an affected party under 52 P. S. § 5.43 (relating to petitions for issuance, amendment, waiver or repeal of regulations). However, waivers are not addressed in the proposed regulation. The PUC should consider adding a section which cross-references the requirements for petitioning for a waiver in Section 5.43.