

**BEFORE THE**

**WASHINGTON STATE UTILITIES AND TRANSPORTATION COMMISSION**

WASHINGTON UTILITIES AND  
TRANSPORTATION COMMISSION,

Complainant,

v.

PUGET SOUND ENERGY, INC.,

Respondent.

**DOCKET NOS. UE-011570  
UG-011571**

**DIRECT TESTIMONY**

**OF**

**MARY KIMBALL**

**ON BEHALF OF**

**THE PUBLIC COUNSEL SECTION OF**

**THE WASHINGTON STATE ATTORNEY GENERAL'S OFFICE**

**SERVICE QUALITY INDEX**

1 **Q. PLEASE STATE YOUR NAME, BUSINESS ADDRESS, AND POSITION**  
2 **WITH PUBLIC COUNSEL.**

3 A. My name is Mary Kimball. My business address is 900 4<sup>th</sup> Avenue, Suite 2000,  
4 Seattle, Washington 98164-1012. I have been employed as a Policy Analyst with the  
5 Public Counsel Section of the Attorney General's Office since June 2000.

6 **Q. PLEASE STATE YOUR EDUCATIONAL BACKGROUND.**

7 A. I have a Bachelor of Arts degree in political science from Williams College and a  
8 Masters in Public Policy from the University of California at Berkeley.

9 **Q. PLEASE DESCRIBE YOUR RELEVANT PROFESSIONAL EXPERIENCE.**

10 A. My work at Public Counsel has included extensive experience on service quality issues  
11 involving energy and telecommunications utilities. I appeared as a witness before the  
12 Commission in Qwest's petition for mitigation of service quality customer credits and  
13 modification of the Service Quality Performance Program in Docket UT-991358. In  
14 this docket, I participated in the collaborative discussions that resulted in the  
15 Stipulation on the Service Quality Index (SQI).  
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17 **Q. DO YOU BELIEVE THAT THE SERVICE QUALITY INDEX (SQI), AS**  
18 **OUTLINED IN THE STIPULATION, IS IN THE PUBLIC INTEREST?**

19 A. Yes. Public Counsel has strongly supported the SQI since its inception. The SQI was  
20 established under the merger docket (UE-960195), to help ensure that customers did  
21 not experience a deterioration in service quality after the merger of Puget Sound Power  
22 and Light with Washington Natural Gas. In this docket, Public Counsel hoped that  
23 settlement discussions would result in the continuation of the SQI, and we are pleased  
24

1 that under the terms of the Stipulation, the Company has agreed to continue the SQI  
2 indefinitely.

3  
4 A guiding principle for Public Counsel, as a participant in the service quality  
5 collaborative, was to maintain the existing performance measures and structure of the  
6 SQI, absent a compelling reason for modification. Another guiding principle for Public  
7 Counsel was to establish higher standards, where reasonable, to provide an incentive  
8 for the Company to meet a higher level of service quality as compared to the time of  
9 the merger. I believe the Stipulation is consistent with both of those principles. The  
10 Stipulation retains the existing ten performance measures and adds one new measure,  
11 Electric Safety Response Time, resulting in a total of eleven service quality indices.  
12 The Stipulation also includes modifications to five of the existing benchmarks. The  
13 amount at risk annually is also increased, from \$7.5 million to \$10 million, to reflect  
14 the Company's increased revenue requirement. Finally, of particular importance to  
15 Public Counsel, the Stipulation outlines specific actions the Company will take to  
16 improve customer awareness of the \$50 missed appointment guarantee.  
17  
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19 I believe that these modifications represent an enhancement of the SQI, and that the  
20 program will continue to provide a significant incentive to the Company to meet  
21 minimum service quality standards. I encourage the Commission to approve the  
22 Stipulation.  
23

24 **Q. COULD YOU PLEASE DESCRIBE THE MODIFICATIONS TO THE**  
25 **PERFORMANCE MEASURES AND BENCHMARKS, AS SET FORTH IN THE**  
**STIPULATION?**

1 A. Certainly. The Stipulation modifies five of the existing benchmarks in the following  
2 manner:  
3

4 SQI # 3 SAIDI (System Average Interruption Duration Index) is reduced from  
5 142.7 minutes per year per customer to 136 minutes per year per customer. The  
6 new benchmark is based on the Company's performance data for the last ten  
7 years.  
8

9 SQI # 4 SAIFI (System Average Interruption Frequency Index) is reduced from  
10 the current standard of 1.428 outages per year per customer to 1.30 outages per  
11 year per customer. As with the revised SAIDI benchmark, this new SAIFI  
12 benchmark is based on the Company's performance data for the last ten years.  
13

14 SQI # 6 (Access Center Telephone Transaction Customer Satisfaction) and SQI  
15 # 8 (Field Service Operations Transactions Customer Satisfaction) will both  
16 have a benchmark of 90% customer satisfaction (90% customers give a rating of  
17 5 or higher on a 7-point scale). SQI # 6 will be reduced from 91% to 90%, and  
18 SQI #8 will be increased from 85% to 90%. As a result of these changes, all  
19 three benchmarks relating to customer satisfaction (SQI # 1, 6, and 8) will be  
20 90%.  
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1 SQI # 9 Disconnect Ratio, will be reduced from 3.8% to 3.0%. A review of the  
2 Company's past performance on this measure, as well as a comparison to other  
3 utilities indicated that the benchmark of 3.8% was rather high.  
4

5 In addition to the modifications to existing benchmarks, as described above, the  
6 Stipulation creates one new performance measure. The new performance measure,  
7 Electric Safety Response Time, is comparable SQI # 7 (Gas Safety Response Time).  
8 Both measures will have the same benchmark, 55 minutes (average time from customer  
9 call to arrival of field technician).  
10

11 **Q. ARE THERE ANY OTHER ASPECTS OF THE STIPULATION THAT**  
12 **YOU WOULD LIKE TO DISCUSS?**

13 A. Yes. The Stipulation also includes a few "housekeeping" changes that are worth  
14 highlighting:

- 15 • The Company's service quality performance will be measured on a calendar  
16 year basis.
- 17 • Reporting deadlines are established for reports filed with the Commission as  
18 well as the annual "report card" sent to customers.
- 19 • The "report card" to customers will include a statement regarding the total  
20 amount at risk annually and the amount paid to customers as a result of the  
21 Company's performance on individual indices.  
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- The Company will provide Staff and Public Counsel with semi-annual and annual reports regarding the performance of the Company’s contractors tracked against relevant service quality measures.

**Q. DOES THIS CONCLUDE YOUR TESTIMONY?**

A. Yes.