

Docket Nos. UE-072300 and UG-072301

Puget Sound Energy

PETITION FOR TEMPORARY SUSPENSION OF SERVICE QUALITY INDICES NOS. 6 AND 8

Attachment C:

DOCKET UE-960195 SUPPLEMENTAL STIPULATION

JUL 01 1997

ATTY GEN DIV
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**BEFORE THE
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of the Proposal by

PUGET SOUND POWER & LIGHT
COMPANY

to Transfer Revenues from PRAM Rates to
General Rates

Docket No. UE-951270

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In the Matter of the Application of

PUGET SOUND POWER & LIGHT
COMPANY
and
WASHINGTON NATURAL GAS COMPANY

Docket No. UE-960195

for an Order Authorizing the Merger of
WASHINGTON ENERGY COMPANY and
WASHINGTON NATURAL GAS COMPANY
with and into PUGET SOUND POWER &
LIGHT COMPANY, and Authorizing the
Issuance of Securities, Assumption of
Obligations, Adoption of Tariffs, and
Authorizations in Connection Therewith.

SUPPLEMENTAL STIPULATION RE
CUSTOMER SERVICE PROGRAM

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INTRODUCTION

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This Stipulation reflects agreements reached among the parties regarding all of the outstanding issues related to the Customer Service Program. The parties to this Stipulation are Commission Staff, Public Counsel, Puget Sound Energy (the "Company"), and IBEW (collectively, the "Parties").

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On February 5, 1997, the Commission entered the Fourteenth Supplemental Order in this Proceeding (the "Order"). The Order left unresolved several issues related to the Customer

1 Service Program. It directed the Parties to consult with each other and, if possible, make a filing
2 that reflected agreements reached among the Parties. Order at 32-33. The filing was to be made
3 within 90 days of merger approval. *Id.* Although negotiations were ongoing 90 days after
4 merger approval, the Parties had not yet reached agreement. The Company thus filed a
5 compliance filing, yet the filing represented the Company's proposal rather than an agreement
6 among the Parties. The Parties now have reached agreement on all outstanding issues and wish
7 to present those agreements for consideration by the Commission. The Parties have therefore
8 voluntarily entered into this Stipulation.

9 AGREEMENTS

10 The principal agreements reached by the Parties are set forth in Exhibit A to this
11 Stipulation. Exhibit A specifies the benchmarks for the various Service Quality Indices and
12 provides a detailed explanation of how the indices are to be calculated. It also sets forth
13 reporting requirements and other related details.

14 In addition to the agreements set forth in Exhibit A, the Parties agree that:

15 **A. Service Quality Guarantee:** The proposed Service Quality Guarantee shall be
16 implemented and become effective on August 1, 1997. The tariffs attached to this Stipulation as
17 Exhibit B shall be filed to become effective August 1, 1997.

18 **B. Missed Appointment Index:**

19 **1. General.** The Missed Appointment Index benchmark shall not be set as
20 part of this proceeding because, as contemplated by the Fourteenth Supplemental Order, there is
21 insufficient data to set a benchmark at this time. The Parties will collaborate in setting this
22 benchmark in the October 1997 customer service filing and, if the Parties are unable to reach
23 agreement, the Parties agree to support a procedural mechanism that allows the Parties to set
24 forth and respond to competing proposals. The Parties agree now, however, that the Missed

1 Appointment Index shall track, report and be evaluated based solely on appointments defined as
2 Guaranteed Appointments under the Service Quality Guarantee. As set forth in the Service
3 Quality Guarantee, appointments will be set by mutual agreement between the Company and
4 the customer. Furthermore, for purposes of the Missed Appointment Index:

- 5 • Appointments will be considered “missed” when the Company does not meet the time
6 frame agreed upon when the appointment was set or when the Company reschedules the
7 appointment, provided that the “missed” appointment is not excused.
- 8 • “Excused” appointments are appointments that meet any of the following criteria: the
9 customer fails to keep the appointment; the customer requests that the appointment be
10 rescheduled; the Company reschedules the appointment because the Company
11 determines that conditions at the customer site make it impracticable to perform the
12 service; or the appointment falls on a day that is excluded from SAIDI / SAIFI SQI
13 performance measurement.
- 14 • Nothing in the definition of an “excused” appointment shall restrict or otherwise affect
15 the Company’s right to petition for mitigation from penalties under the Missed
16 Appointment Index.
- 17 • The service does not have to be completed for the appointment to be considered “kept”;
18 any additional appointment to complete a job shall be considered a new appointment
19 and shall be tracked and measured just as any other appointment.

20 **2. Reporting.** In the reports filed with the Commission, the Company
21 shall report the total number of appointments by category (i.e., by appointment type), by month,

1 together with the number of missed appointments by category,¹ by month. It is the Company's
2 intent to continue to move toward making available more appointments that are AM / PM
3 appointments (as opposed to "day of" appointments). In its efforts to enhance customer
4 service, the Company may offer appointments set for even smaller windows of time.

5 **C. Overall Customer Satisfaction Index:** The benchmark for the Overall
6 Customer Satisfaction Index shall not be set as part of this proceeding. There is insufficient data
7 available now to set the benchmark. The Company shall continue to gather data regarding
8 Overall Customer Satisfaction. The Parties will collaborate in setting this benchmark in the
9 October 1997 customer service filing and, if the Parties are unable to reach agreement, the
10 Parties agree to support a procedural mechanism that allows the Parties to set forth and respond
11 to competing proposals.

12 **EFFECT OF THE STIPULATION**

13 **A. Binding on Parties.** The Parties agree to support this Stipulation as a
14 settlement of the Customer Service Program issues set forth herein. The Parties understand that
15 this Stipulation is not binding on the Commission.

16 **B. Integrated Terms of Settlement.** The Parties have negotiated this Stipulation
17 as an integrated document. Accordingly, the Parties recommend that the Commission adopt
18 this Stipulation in its entirety.

19 **C. Procedure (General).** The Parties shall cooperate in submitting this Stipulation
20 promptly to the Commission for acceptance. If the Commission rejects all or any material

¹ During the first reporting period, ending September 1997, the Company is not required to report missed appointments by category. The Company shall, however, provide any missed appointment by category information it has for that time period. The parties recognize that the Company does not have this reporting capability as of this time.

1 portion of this Stipulation, or adds additional conditions, each Party reserves the right, upon
2 written notice to the Commission and all parties to this proceeding within 15 days of the date of
3 the Commission's order, to withdraw from the Stipulation. If any Party exercises its right of
4 withdrawal, all Parties will support a joint motion to reinstate a procedural schedule to allow
5 contested proceedings regarding the issues that otherwise were to be resolved by this Stipulation.

6 **D. Procedure (Survey Audit).** The Parties contemplate a one-time review of the
7 methodology and procedures to be used by the independent survey company in conducting and
8 reporting the SQI surveys.² The review, and any recommendations stemming from the review,
9 shall be limited solely to issues relating to whether the methodology and procedures are designed
10 to result in survey results that are unbiased and representative of the Company's customers and
11 transactions at issue in each survey. The review shall be conducted by an independent third-
12 party, agreed to by the Parties. The review shall be completed as soon as possible, but in all
13 events less than thirty (30) days from the date of this Stipulation. The review, and any
14 recommendations stemming from the review, shall be reviewed by the Parties and if there is any
15 disagreement among the Parties regarding the recommendations, if any, to be implemented or
16 the manner in which any such recommendations are to be implemented, the Parties shall
17 attempt to resolve the disagreement through negotiation. Such a negotiation, if necessary, shall
18 begin within one week of the completion of the audit and shall continue for no more than two
19 weeks. If the Parties are unable to resolve the disagreement through negotiation, the Parties
20 shall submit the disagreement to the Commission for resolution. Each Party shall have the

² A description of the independent survey company's procedures and methodology is included in attached Exhibit C, together with a cover letter, which shall be submitted by the independent survey company to the Company. In addition, Exhibit D contains the survey results submission letter, which shall be provided in substantially the form set forth in Exhibit D by the independent survey company when it submits survey results to the Company.

1 opportunity to make a written filing regarding its proposed resolution of the disagreement and
2 to respond, in a written filing, to the other Parties' proposals. It is the intent of the Parties to
3 expedite resolution of any disagreement.

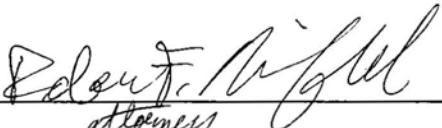
4 **E. No Precedent.** The Parties enter into this Stipulation to avoid further expense,
5 inconvenience, uncertainty and delay. By executing this Stipulation, no Party shall be deemed to
6 have accepted or consented to the facts, principles, methods or theories employed in arriving at
7 the Stipulation, nor shall any Party be deemed to have agreed that such a Stipulation is
8 appropriate for resolving issues in any other proceeding.

9 **F. Execution.** This Stipulation may be executed by the Parties in several
10 counterparts and as executed shall constitute one agreement.

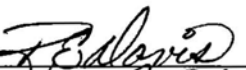
11 **F. Necessary Actions.** Each Party shall take all actions necessary and appropriate
12 to enable it to carry out this Stipulation.

13 DATED this 7th day of July, 1997.
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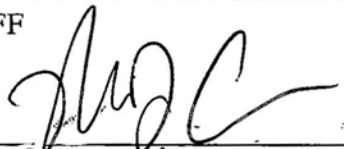
PUBLIC COUNSEL SECTION, OFFICE
OF THE ATTORNEY GENERAL

By: 
Its: attorney

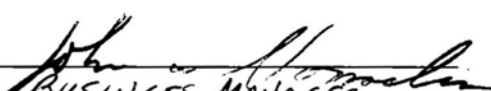
PUGET SOUND ENERGY

By: 
Its: Union President

WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION
STAFF

By: 
Its: counsel

IBEW

By: 
Its: BUSINESS MANAGER

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