



Christine O. Gregoire

## ATTORNEY GENERAL OF WASHINGTON

900 Fourth Avenue, Suite 2000 • TB-14 • Seattle, Washington 98164-1012

January 8, 2002

### VIA EMAIL, FAX and HARDCOPY

Carole Washburn  
Executive Secretary  
Washington Utilities and Transportation Commission  
PO Box 47250  
Olympia, WA 98504

**RE: In the Matter of Puget Sound Energy's Petition for Mitigation,  
Docket No. UE-011603**

Dear Ms. Washburn:

Public Counsel recommends the Commission deny Puget Sound Energy's (PSE) petition for mitigation and order PSE to pay the penalty associated with failing to meet its obligations under the service quality index (SQI) established in the merger creating PSE. We also recommend the Commission direct PSE to improve its information to customers, based on the continuing failure to inform customers of the \$50 for missed appointments. We believe several policy imperatives support this course of action.

### **Deny the Petition for Mitigation**

PSE seeks mitigation related to benchmark 6, call center customer satisfaction. The standard contained in the merger stipulation for mitigation of a possible penalty under the SQI is "...the penalty is due to unusual or exceptional circumstances for which PSE's level of preparedness and response was reasonable." Docket UE-960195, Stipulation p13, lines 10-12. The analysis in Staff's memo demonstrates that PSE's failure to meet benchmark 6 stems from chronic performance shortcomings stretching back over a year. PSE has offered no support that unusual or exceptional events were taking place in its call center, or that its preparedness for, and response to, a chronic problem was reasonable. The company has instead relied upon a single month in which it claims inadequate performance was tied to a specific new program over which it had complete discretion (the implementation of time of use rates). The Commission should reject this defense in light of the company's inadequate performance over the entire period.

### **Improve Information to Customers**

The information contained in PSE's filing demonstrates that the company continues to struggle to inform customers of the availability of the \$50 credit for missed appointments. This area has been a concern since initial implementation of the SQI, and PSE's efforts to improve have resulted in a paltry 11% of customers demonstrating awareness of the credit, or an increase of slightly approximately two percent annually since PSE began its customer awareness survey. The company is apparently capable of much better results; it has claimed 99% of customers are aware of the Personal Energy Management (PEM) program, after a much shorter time. Given that \$50 far exceeds the expected monthly benefits to a residential customer from PEM, it is clear that customers could derive significant benefits from a more effective PSE effort to explain the credit.<sup>1</sup> The Commission has directed the company to provide specific information about other programs (such as the "opt-out" provision of time of use rates), has directed other companies to provide detailed information about their service quality programs (such as the Qwest customer bill of rights), and could do so with regard to PSE's missed appointment credit.

We appreciated the opportunity to offer these comments, and intend to be available at the open meeting on January 9, 2002 to discuss this filing.

Sincerely,

Matt Steuerwalt  
Public Counsel Section

CC: Steve Secrist

---

<sup>1</sup> The problem appears to be deeper than a failure to inform customers. A substantial number of appointments are "cancelled" or marked "missed" but for which no credit is provided, a fact pattern with some basis in the differing level of control over appointment setting between the company and its customers. Public Counsel believes this to be an area for potential investigation in the context of other pending dockets involving PSE.