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I. Introduction

Avista's Service Quality Measures (SQM) Program (Program) was approved by the Commission on June 25, 2015, as the result of a Settlement Stipulation, and subsequent compliance filing, within the Company's 2014 general rate case. In compliance with this agreement, Avista collaborated with interested Parties to develop a set of service quality measures and accompanying benchmarks and reporting requirements that, when taken together, provide an overall assessment of the quality of the



Company's service to its customers. These measures, more fully described in the Company's tariff Schedule 85 for electric service and Schedule 185 for natural gas service, include:

- ✓ Six (6) individual measures of the level of customer service and satisfaction that the Company must achieve each year;⁴
- ✓ Reporting on two (2) measures of electric system reliability;
- ✓ Seven (7) individual service standards through which Avista provides customers with a payment or bill credit in the event the Company does not deliver the required service level (Customer Service Guarantees).

Under the agreement, the Company also reports to its customers and the Commission annually on its prior-year performance in meeting these above metrics. The following report includes a summary of the 2024 annual results of Avista's SQM Program, followed by a more in-depth explanation of the measures themselves and associated annual outcomes.

II. Executive Summary

In compliance with Order 06 in Docket Nos. UE-140188 and UG-140189 (*Consolidated*), Avista's 2024 Washington SQM Program Report (Report) provides the annual performance results for the Company's Service Quality Measures Program for 2024. These measures are designed to show how customer-focused operations are performing and to what degree. During its 2024 Program year, Avista is pleased to report that the Company has again exceeded all of its Customer Service Measures and continued its history of high customer satisfaction levels. The percent of customers satisfied with the Company's contact center and field services, based on survey results, show Avista achieved a 97% satisfaction rate for its contact center interactions and 96% for field services. The Company also celebrates a 100% success rate in providing cost estimates for new

¹ Docket Nos. UE-140188 and UG-140189 (Consolidated), Order 05.

² Docket Nos. UE-140188 and UG-140189 (Consolidated), Order 06.

³ "Parties" included representatives from Avista, Commission Staff, the Public Counsel Unit of the Washington Office of the Attorney General (Public Counsel) and The Energy Project (TEP).

⁴ Five individual Customer Service Measures exist within each of Avista's approved tariff schedules; the fifth benchmark differs in its requirements between electric and natural gas service, resulting in six separate measures altogether.

⁵ Includes customers "satisfied" and "very satisfied".

electric or natural gas services within 10 business days for all 458 requests made in 2024. Most notable, Avista met 99.90% of its applicable Customer Service Guarantees (Guarantees) in 2024, providing customers with a Guarantee credit in 39 out of 40,630 cases. The overall success rate of these Guarantees shows Avista's continued dedication to serving its customers.

Customer Service Measures - Results for 2024

Listed in Table No. 1 below are the six Customer Service Measures, including their respective service requirements (benchmarks), and the Company's performance results in meeting them for 2024. Avista achieved all of its customer service benchmarks for the year.

Table No. 1 - 2024 Results for Avista's Customer Service Measures

Customer Service Measures	Benchmark	2024 Performance	Achieved
Percent of customers satisfied with our contact center services, based on survey results	At least 90%	97%	✓
Percent of customers satisfied with field services, based on survey results	At least 90%	96%	✓
Number of complaints to the WUTC per 1,000 customers, per year	Less than 0.40	0.02	✓
Percent of calls answered live within 60 seconds by our contact center	At least 80%	87%	✓
Average time from customer call to arrival of field technicians in response to electric system emergencies, per year	No more than 80 minutes	45 minutes	✓
Average time from customer call to arrival of field technicians in response to natural gas system emergencies, per year	No more than 55 minutes	46 minutes	√

Electric System Reliability - Results for 2024

Table Nos. 2 and 3 below list the two measures of electric system reliability to be reported by Avista each year as part of its SQM Program. Because the annual electric reliability results often vary substantially year-to-year (the case for any electric utility's system), it is difficult to derive a meaningful assessment of the Company's system reliability from any single-year's result. Consequently, in addition to reporting the current-year result for each measure, Avista also reports the average value of each measure for the previous five-year period, the



average for the current five-year period (which includes the results for the current year - 2024), and the historic "five-year rolling average" from 2019 - 2023. This data provides context for better interpreting each year's reliability results.

Table No. 2-2024 Results for Number of Outages on Avista's System (SAIFI)⁶

Number of Outages	2024	Current 5-Year Average	Previous 5-Year Average
	System Results	(2020-2024)	(2019-2023)
Average number of sustained outages (interruptions) per customer for the year (SAIFI) ⁷	0.91	0.95	0.96
	Per Customer	Per Customer	Per Customer

Table No. 3 – Results for Duration of Outages on Avista's System in 2024 (SAIDI)

Outage Duration	2024	Current 5-Year Average	Previous 5-Year Average
	System Results	(2020-2024)	(2019-2023)
Average duration of sustained outages (interruptions) per customer for the year. (SAIDI) ⁸	131 Minutes	137 Minutes	138 Minutes



Figure Nos. 1 and 2 below show the "five-year rolling average" for each reliability measure from 2011 through 2024. As shown in the figures, the long-term trend for each reliability measure is stable during this period. The trend in number of outages stays similar while overall outage duration is declining, indicating an overall trend toward improved system reliability. Though the Company formally reports its reliability results for its entire electric system in its annual Electric Service Reliability Report,

Avista agreed to track and report its Washington-specific annual results as part of the SQM Program. In 2024, the Washington-specific average number of electric system outages per customer was 0.82, which is lower than the system-wide average of .91 per customer. The average total outage duration per customer was 112 minutes, well below the system-wide average of 131 minutes.

⁶ For a more detailed definition of these reliability measures please refer to Avista's 2024 Electric Service Reliability Report – Appendix A

⁷ See Electric Service Reliability Report – Appendix B for calculation of indices.

⁸ See Electric Service Reliability Report – Appendix B for calculation of indices

Figure No. 1 – Historic Five-Year Rolling Average for Number of Electric Outages on Avista's Electric System (SAIFI)

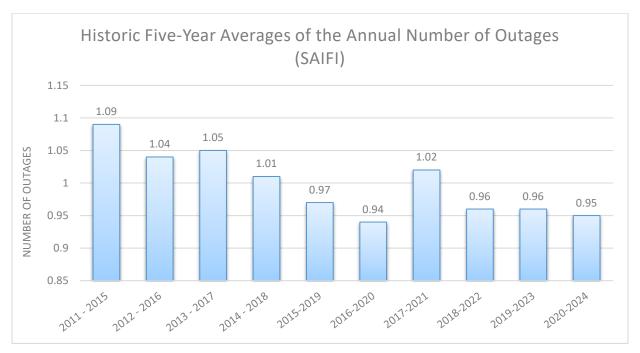
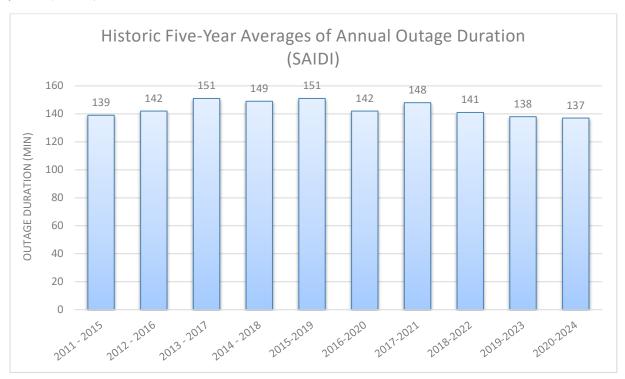


Figure No. 2 – Historic Five-Year Rolling Average for Duration of Outages on Avista's Electric System (SAIDI)



Customer Service Guarantees – Results for 2024

Listed in Table No. 4 below are the seven types of service for which Avista provides Customer Service Guarantees, and the Company's performance results in meeting these Guarantees in 2024. In the event the Company fails to meet a Customer Service Guarantee, Avista provides the customer or applicant with a bill credit or payment in the amount of \$50 in recognition of the inconvenience. All costs associated with the payment of Customer Service Guarantees are paid by the Company's shareholders and are not paid by our customers in their rates for service or otherwise.



Table No. 4 – 2024 Results for Avista's Customer Service Guarantees

Customer Service Guarantee	Successful	Missed	\$ Paid
Keeping our electric and natural gas service appointments scheduled with our customers	2,569	10	\$500
Restore service within 24 hours of a customer reporting an outage (excluding major storm events)	17,761	5	\$250
Turn on power within a business day of receiving the request	677	0	\$0
Provide a cost estimate for new electric or natural gas service within 10 business days of receiving the request	458	0	\$0
Investigate and respond to a billing inquiry within 10 business days if unable to answer a question on first contact	746	0	\$0
Investigate a reported meter problem or conduct a meter test and report the results within 20 business days	401	0	\$0
Notify customers at least 24 hours in advance of a planned power outage lasting longer than 5 minutes	17,979	24	\$1,200
Totals	40,591	39	\$1,950

III. Customer Service Measures

There are numerous touchpoints where customers interact with Avista, each playing a pivotal role in shaping their perception of the Company and the satisfaction they derive from our services. While Avista has tracked its customers' satisfaction with primary services such as customer contact center and field services for many years, we are equally invested in understanding whether we are meeting broader service expectations. In response to this interest, Avista conducts its Voice of the Customer (VOC) survey, which prompts customers to evaluate their overall satisfaction with our services. This holistic measure serves as a crucial indicator of how satisfied our customers are with the entirety of the integrated services and value provided by Avista. As depicted in Figure

No. 3 below, Avista's <u>overall</u> customer satisfaction, encompassing both satisfied and very satisfied responses, has consistently ranged between 94% and 97% over the past decade.

Figure No. 3 – Percent of Customers Satisfied or Very Satisfied with Avista's Overall Service Level 2015-2024



These results closely align with the Washington-specific satisfaction rate of 97% reported for the contact center and 96% for field services for 2024, as further described below. Consequently, we are confident that the outcomes of the six Customer Service Measures outlined in the subsequent sections collectively offer a comprehensive evaluation of our customers' overall satisfaction with the quality and value of our services.

Measure 1: Customer Satisfaction with the Telephone Service provided by Avista's CSRs



The level of our customers' satisfaction with the telephone service provided by the Company's contact center will meet or exceed a benchmark of 90%.

Several factors play a significant role in influencing our customers' satisfaction with the quality of telephone service delivered by our Customer Service Representatives (CSRs) and contact center. We annually assess the importance of these to our customers, along with their satisfaction levels.

The factors, along with our customers' satisfaction rates (either satisfied or very satisfied) for each factor in 2024, are outlined below.

- ✓ The CSR handled the customer's call in a friendly, caring manner. (99%)
- ✓ The CSR was informed and knowledgeable. (97%)

⁹ See Avista's tariff Schedules 85 (electric) 185 (natural gas) for further specifics regarding this measure.

- ✓ The CSR met the customer's needs promptly. (98%)
- \checkmark The CSR gave the customer all the information they needed in one call. (96%)
- ✓ Customer was connected to a CSR in a reasonable amount of time. (97%)

2024 Results – The annual survey results for this measure of customer satisfaction indicate that 97% percent of Avista's customers were satisfied with the quality of the telephone service they received from our CSRs.

Table No. 5 – Customer Satisfaction with Avista's Contact Center Representatives in 2024

Customer Satisfaction with Avista's Contact	Service	2024	Achieved
Center Representatives	Quality	Performance	
Percent of customers satisfied or very satisfied with the quality of Avista's CSRs	90% or Greater	97%	✓

Prior to the development of the SQM Program, Avista did not separately track or report the results of this measure for any of our state jurisdictions. For reporting our annual performance under this Program, the Company will continue utilizing its system-wide results. We will also, however, separately track and report the results for this measure for our Washington-specific customers. For 2024, 97% of our Washington customers expressed satisfaction or high satisfaction with the services provided by our CSRs and contact center. Among them, 89% reported being "very satisfied," while 8% noted being "satisfied", which is consistent with the 2023 results.

Measure 2: Customer Satisfaction with Avista's Field Service Representatives



The level of our customers' satisfaction with the Company's field services will meet or exceed a benchmark of 90%. ¹⁰

The quality of our field services and the satisfaction of our customers are influenced by several key factors. Annually, we gauge the significance of these factors to our customers and assess their satisfaction with each aspect of our service. Below are these factors, along with our customers'

satisfaction levels (either satisfied or very satisfied) with each factor in 2024.

- ✓ The service representative kept customer informed of the status of their job. (95%)
- ✓ The service representative or service crew was courteous and respectful. (98%)
- ✓ The service representative or service crew was informed and knowledgeable. (98%)
- ✓ The service representative or service crew left the customer's property in the condition they found it. (97%)
- ✓ The service work was completed according to the customer's expectations. (96%)
- ✓ The overall quality of the work performed by Avista Utilities. (98%)

¹⁰ See Avista's tariff Schedules 85 (electric) 185 (natural gas) for further specifics regarding this measure.

2024 Results – The annual survey results for this measure, as reported in Table No. 6 below, show that 97% percent of our customers were satisfied with the service provided by Avista's field service representatives.

Table No. 6 - Customer Satisfaction with Avista's Field Services Representatives in 2024

Customer Satisfaction with Avista's Field	Service	2024	Achieved
Services Representatives	Quality	Performance	
Percent of customers satisfied or very satisfied with the quality of Avista's field service representatives	90% or Greater Satisfied	97%	✓

Avista will continue to use its system-wide results when reporting on its annual service quality performance under this Program. The Company will also separately track and report the results for this measure for our Washington-specific customers. For 2024, the percentage of Washington customers satisfied or very satisfied with the Company's field service representatives was 96%, with 85% expressing being "very satisfied" and 11% indicating they were "satisfied".

Measure 3: Customer Complaints made to the Commission



The number of complaints filed by customers with the Commission will not exceed a ratio of 0.4 complaints per 1,000 customers. 11

When Avista customers express dissatisfaction with any aspect of the service provided by the Company, and we become aware of the issue, our primary objective is to collaborate with the customer to swiftly and fairly resolve the matter to their satisfaction. While we successfully

address the majority of these customer concerns, there are instances where a resolution cannot be achieved to the customer's satisfaction, leading them to file a formal complaint with the Commission. Apart from complaints initiated in this manner, there are cases where customers may file a complaint without prior discussion with the Company regarding their concerns. While the majority of these complaints are resolved with the Company found to be in compliance with existing rules, tariffs, or intentions in favor of the customer, Avista acknowledges that the number of complaints filed serves as an indicator of the level of dissatisfaction our customers may experience with our service.

2024 Results In 2024, our Washington customers filed a total of 11 complaints with the Commission, a decrease from the 20 complaints reported for 2023. Predominantly, these concerns revolved around billing matters and customer service. Notably, collection-related complaints remained low due to Avista's efforts in staff training, expended resource availability for customers (including Avista-administered resources), and flexible payment plans tailored to individual customer needs. Avista's customer count, as defined for this measure, was 462,399 in 2024. Consequently, the resulting fraction of complaints (11 ÷ 462,399) was 0.0000238, and when

¹¹ The ratio is calculated by dividing the sum of all electric and natural gas customer complaints filed with the Commission by the average monthly number of Avista customers for the year. The rate is calculated by multiplying the percentage by 1,000.

expressed as complaints per 1,000 customers (0.0000238 \times 1,000), this equates to 0.02, as indicated in Table No. 7 below.

Table No. 7 – Percent of Avista's Customers Who Filed a Commission Complaint in 2024

Percent of Avista's Customers Who Filed a	Service	2024	Achieved
Commission Complaint	Quality	Performance	
Number of Avista's customers who file a complaint with the Commission (number of complaints per 1,000 customers)	Ratio of 0.4 or Lower	0.02	✓

Measure 4: Answering Our Customers' Calls Promptly



The percentage of customer calls answered live by a CSR within 60 seconds will average 80% or greater. 12

This customer service measure serves as one of the service attributes contributing to customers' overall satisfaction with our CSRs and contact center. Commonly referred to as the "Grade of Service" (GOS), this measure is the average percentage of customer calls to our contact center that are answered live by a CSR within 60 seconds, for those

customers who wish to speak with a CSR. When a customer calls Avista's contact center, the call is initially received by an automated (voice activated) phone system. The customer is presented with options to use the phone system for self-service (e.g., checking their account balance or paying their bill, etc.) or to connect with a live CSR to address their service needs. Avista's response time in answering the customer's call is the time elapses between the customer's request to speak to a representative and when their call is answered live by a CSR.

Avista has maintained a service benchmark of 80% or greater for many years. Rather than establishing a higher GOS (e.g., 90% or a goal of answering calls within 30 seconds), which would demand increased staffing levels and may entail additional costs to customers, Avista has prioritized lower-cost or no-cost measures such as effective employee training and attribute coaching to maintain our high level of overall customer satisfaction with our CSRs and contact center. In addition to responding to customers effectively, Avista has implemented measures to help reduce the overall volume of customer calls, consequently reducing the service costs that are ultimately passed on to customers. These efforts include multiple communication channel options such as e-mail, online chat, customer self-service via website, or the automated phone system. These efforts not only help reduce the volume of calls to our contact center while still ensuring a high level of service at lower cost but also enhance the overall customer experience and satisfaction level.

2024 Results – In 2024, Avista's customers made a total of 495,176 qualifying calls to the Company that were answered live by a CSR. Of these calls, 432,790 were answered live in 60 seconds or less, for a GOS of approximately 87.3%, as shown in Table No. 8 below.

¹² See Avista's tariff Schedules 85 (electric) 185 (natural gas) for further specifics regarding this measure.

Table No. 8 – Percent of Avista's Customer Calls Answered Live within 60 Seconds in 2024

Percent of Avista's Customer Calls Answered	Service	2024	Achieved
Live Within 60 Seconds	Quality	Performance	
Percent of Avista's customer calls answered live by a CSR within 60 seconds	80% or Greater	87%	✓

Measure 5: Avista's Response Time for Electric Emergencies



The average response time to an electric system emergency will not exceed 80 minutes for the year. 13

When customers contact Avista to report an electric service emergency, the Company works with the customer to quickly ascertain the particular circumstances being reported and instructs the customer on how best to ensure the safety of themselves and others until help arrives. The Company immediately dispatches service personnel that is

best situated to respond in the shortest time possible. Once at the scene, Avista's first priority is to make the situation safe for our customers, citizens, other emergency responders, and our employees. Restoration efforts commence once the site's safety is secured, and necessary resources are present. The Company's ability to respond quickly to an electrical emergency is influenced by many factors, some of which include the urban or rural areas, the location of the nearest available respondent (especially in rural areas), the time of day, season of the year, weather conditions, traffic, and the presence of other simultaneous emergency events across the Company's system. For this measure, the response time to an electric emergency is the elapsed time between the confirmation of the emergency with the customer (when the dispatch field order is given) and when the Avista service person arrives at the scene.

2024 Results – The average response time for the year is calculated by dividing the sum of all applicable electric emergency response times by the total number of qualifying electric emergency incidents. Avista received 483 qualifying electric emergency reports in 2024, which had a cumulative response time of 21,825 minutes. The resulting average response time for 2024 was approximately 45 minutes, as noted in Table No. 9 below.

Table No. 9 – Avista's Response Time for Electric Emergencies in 2024

Avista's Response Time for Electric Emergencies	Service Quality	2024 Performance	Achieved
Average time from customer call to the arrival of Avista's field technicians in response to electric system emergencies	80 Minutes or Less	45 Minutes	✓

¹³ See Avista's electric tariff Schedule 85 for further specifics regarding this measure.



The average response time to a natural gas system emergency will not exceed 55 minutes for the year. 14

When customers call Avista to report a natural gas emergency, the Company works with the customer to quickly ascertain whether the presence of natural gas (via odor or some other characteristic) is likely coming from inside the customer's home or business, or from facilities located outside. If inside, the customer is instructed to

immediately evacuate the building to a safe distance and await the arrival of emergency responders. If the leak is located outside, instructions to the customer are based on the proximity and type of the leak to their (or others') home or business. Once the nature of the issue has been determined and the customer has been provided with precautionary instructions to best ensure their own safety and that of others until help arrives, the Company immediately dispatches the service personnel best situated to respond to the scene in the shortest time possible. At the scene, Avista's first priority is to make the situation safe for our customers, citizens, other emergency responders, and our employees. Restoration efforts commence once the safety of the site is secured, and necessary resources arrive at the scene.

The Company's ability to respond quickly to a natural gas emergency is influenced by many factors, some of which include the urban or rural locale, the location of the nearest available respondent (especially in rural areas), the time of day, season of the year, weather conditions, traffic, and the presence of other simultaneous emergency events across the system. Natural gas emergencies differ from electric emergencies, however, in that the risk of a potential consequence to a natural gas leak can increase with the passage of time as leaking natural gas may accumulate at the site. For this reason, Avista's work practices and staffing levels aim to provide an average response time of 55 minutes or less. For this measure, the response time to a natural gas emergency is the elapsed time between the confirmation of the emergency with the customer (when the dispatch field order is given) and when the Avista service person arrives at the scene.

2024 Results – The average response time for the year is calculated by dividing the sum of all applicable natural gas emergency response times by the total number of qualifying emergency incidents. Avista received 3,386 qualifying emergency reports in its Washington service area in 2024, which had a cumulative response time of 156,837 minutes. The resulting average for 2024 was approximately 46 minutes as noted in Table No. 10 below.

Table No. 10 – Avista's Response Time for Natural Gas Emergencies in 2024

Avista's Response Time for Natural Gas	Service	2024	Achieved
Emergencies	Quality	Performance	
Average time from customer call to the arrival of Avista's field technicians in response to natural gas system emergencies	55 Minutes or Less	46 Minutes	✓

¹⁴ See Avista's natural gas tariff Schedule 185 for further specifics regarding this measure.

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IV. Electric System Reliability

Providing safe and highly reliable electric service for our customers at a reasonable cost is fundamental to our business. Avista believes its current level of reliability is satisfactory and cost effective for our customers, and our long-term objective is to generally uphold our current levels of electric system reliability. Achieving this requires an ongoing effort to balance the many investments and other priority needs across our system for today and with implications that project far into the future. As already discussed, the Company monitors and tracks various aspects of the reliability performance of its system each year, relying on industry-standard measures (or indices). Two of the most commonly reported measures are briefly described below and are discussed in greater detail in Appendix B to Avista's Electric Service Reliability Report. For its Service Quality Measures Program, Avista reports its annual reliability results in the context of its historic five-year rolling average for these two measures:

- ✓ Number of Outages known technically as the <u>System Average Interruption Frequency Index</u> or "<u>SAIFI</u>," is the average number of sustained interruptions (outages) per customer for the year.
- ✓ Outage Duration known technically as the <u>System Average Interruption Duration Index</u> or "<u>SAIDI</u>," is the average duration of sustained interruptions (outages) per customer for the year.

Many factors influence the number and duration of outages on any electric system. Some of these include the average age of the system, its engineering design, construction standards, general condition, the extent of the system that is rural, terrain, utility equipment and staffing levels, and its day-to-day operation. The type and proximity of surrounding vegetation and local and regional weather patterns, including variability in weather, can have a pronounced impact on system reliability. Because the frequency and duration of the electric system outages that result from these factors can vary substantially from year to year, there is, naturally, a lot of variability in the annual measures of system reliability over time.

For Avista, weather-related outages tend to have a predominant impact on the reliability of its system. This is because individual weather events often impact substantial portions of the system and can result in damage to many types of facilities. Weather caused outages, particularly from high winds, ice, and snow can also require substantial effort and time to restore. These storm events can result in many customers being without service for an extended period of time. Because the impact of weather events on system reliability is common to all electric systems, the industry has adopted standardized adjustments that remove outages related to weather events of a certain magnitude from the calculation of results for outage frequency and duration. This threshold level of severity is referred to as a Major Event Day or ("MED"). The outages caused by any storm event that qualifies as MED are removed from the data used to calculate the utility's annual reliability results. Although the year-to-year variability in outage duration is substantially reduced by the adjustment for major events, there can still be a substantial weather impact on the reliability results we report each year. This is the result of storms that, while not qualifying as major events, still result in substantial system outages.

The important point of this discussion is that the reliability results for any single year, considered in isolation, do not provide a meaningful measure of the overall reliability of the utility's system, or an assessment of whether the performance that year was "acceptable" or "unacceptable". The

reliability performance of our system (or any utility system) should be evaluated over the long term as the basis for evaluating whether our reliability is trending stably, improving, or degrading. Avista has agreed to report its annual reliability results to its customers in the context of its historic five-year rolling average. This approach helps our customers better understand how each year's reliability results fit into our long-term trend in overall system reliability.

Measure 1: Number of Electric System Outages



As part of Avista's Service Quality Measures program, the Company will report its annual electric system reliability measure for the number of non-major storm power outages experienced per customer for the year (SAIFI). 16

2024 Results – This measure, as noted earlier, represents how often, on average, an Avista electric customer experienced a sustained ¹⁷ service outage during the year. This measure is calculated by adding the total number of

customer outages recorded for the year, divided by the total number of customers served by the Company in that year. The result of 0.91 outage per customer for 2024 is below the average value for the previous five-year period (2019-2023) of 0.96, as well as for the current five-year period (2020-2024) of 0.95. For 2024, the Washington-only SAIFI result was 0.86 outage per customer.

Table No. 11 – Number of Electric System Outages for the Average Avista Customer in 2024

Number of Electric System Outages for the Average Avista Customer	2024 System Results	Current 5 Year Average (2020-2024)	Change in 5 Year Average
Number of sustained interruptions in electric service for the average Avista customer for the year (SAIFI)	0.91	0.95	-0.010
	Per Customer	Per Customer	Per Customer

Measure 2: Average Duration of Electric System Outages



As part of Avista's Service Quality Measures program, the Company will report its annual electric system reliability measure for the total duration of non-major storm power outages experienced per customer for the year (SAIDI). 18

2024 Results – This measure, as noted earlier, represents the average duration or length of outages for the year. Outage duration (SAIDI) is calculated by summing all of the customer outage time occurring in the year, divided by the

¹⁵ This is similar to the approach now used by the California Public Utilities Commission to evaluate electric utilities' system reliability. In: <u>Approaches to Setting Electric Distribution Reliability Standards and Outcomes</u>, pages 130 - 136. The Brattle Group, Ltd. 2012.

¹⁶ See Avista's electric tariff Schedule 85 for further specifics regarding this measure.

¹⁷ Any service interruption that is greater than five minutes in duration.

¹⁸ See Avista's electric tariff Schedule 85 for further specifics regarding this measure.

total number of customers served by the utility in that year. On a system-wide basis, the 2024 outage duration was 131 minutes. As shown in Table No. 12 below, the current five-year average of 137 minutes (2020-2024) is 1.2 minutes less than the average for the prior five-year period (2019-2023). The Washington-only outage duration was 133.03 minutes for 2024.

Table No. 12 – Outage Duration for the Average Avista Customer in 2024

Total Outage Duration for the Average Avista Customer	2024 System Results	Current 5 Year Average (2020-2024)	Change in 5 Year Average
Total duration of all electric service outages for the average Avista customer for the year (SAIDI)	131	137	-1.2
	Minutes	Minutes	Minutes

V. Customer Service Guarantees

Avista's Service Quality Measures Program includes seven types of service for which Avista provides "Customer Service Guarantees" (Guarantees). Our service commitments under these Guarantees recognize the customer inconvenience that may result when our delivered service does not meet our stated goal. In such cases, we will provide our customers with a bill credit or payment in the amount of \$50 in recognition of that inconvenience. All costs associated with the payment of



these Guarantees are <u>paid by Avista's shareholders</u>, and are not paid by our customers, or included in the rates they pay for service.

The Company met 99.90% of its applicable service commitments for 2024, providing our customers a Guarantee credit in just 39 out of 40,630 cases.

Guarantee 1: Keeping Our Electric and Natural Gas Service Appointments

The Company will keep mutually agreed upon appointments for electric or natural gas service, scheduled in the time windows of either 8:00 a.m. – 12:00 p.m. or 12:00 p.m. – 5:00 p.m. ¹⁹

Avista provides its customers with appointments for certain types of electric and natural gas service requests. For electric service, the Company will schedule appointments for service drops and/or disconnects. For all other electric service work, the customer does not need to be present for the Company to perform the required work (i.e., check meter, meter test, voltage check, etc.). For natural gas service, the Company provides appointments for dealer-requested service, meter exchange and tests, meter unlock, no-heat inspections, reconnects, relighting of Avista repairs, and repeated pilot light outages on natural gas appliances. Avista offers multiple types of natural gas service appointments because the customer must be present for our employees to complete the

¹⁹ See Avista's tariff Schedules 85 (electric) 185 (natural gas) for further specifics regarding this Guarantee.

work since they must enter the customer's home. If the requested date and/or time of the service request is unavailable, the Company will still do its best to work with the customer's request but will not commit to a specific time that an employee will arrive to work on the service request. Often times, this practice results in better customer satisfaction as the Company makes every effort to accommodate a customer's request on that day, rather than schedule the work on a future date. Finally, new service connections and credit reconnects are not available for appointments, as the work orders are completed on the same day as the request.

2024 Results – In 2024, the Company effectively maintained 99.61% of its 2,579 scheduled customer appointments for applicable electric and natural gas service in Washington, issuing only 10 Guarantee credits throughout the year. The primary factor contributing to missed appointments was due to the occurrence of emergency work orders being encountered during the day, which prevented the Company from adhering to its scheduled appointment times. Due to the risks and danger of electric and natural gas emergencies, the Company prioritizes emergency orders over all service work, scheduled or otherwise. While this prioritization is necessary for ensuring public safety, it occasionally results in the Company missing a few appointments, as evidenced by the 2024 results.

Table No. 13 – Avista Service Appointment Results for 2024

Customer Service Guarantee	Successful	Missed	\$ Paid
Keeping electric and natural gas service appointments scheduled with our customers	2,569	10	\$500

Guarantee 2: Prompt Restoration of Electric System Outage

When our customers experience an electric interruption, the Company will restore the service within 24 hours of notification from the customer. ²⁰

The Company strives to restore power to its customers as quickly as possible, while maintaining the safety of our employees, customers, and the public as our top priority. Electric system outages are intricate and can happen at any time, day and night, throughout the year. In many years, even in cases where Avista does not experience any storms that qualify as major events, it may still be impossible for the Company to restore service to all customers within 24 hours.

2024 Results – In 2024, Avista's Washington customers encountered a total of 17,766 outage events. Remarkably, all but 5 of these outages had power restored within 24 hours, yielding a success rate of 99.97%. Avista takes pride in the ongoing effectiveness of its efforts, which have consistently minimized the number of missed outage events. The Company is pleased to maintain its high success rate in swiftly restoring power to its customers within the 24-hour timeframe, ensuring minimal disruption and enhancing overall customer satisfaction.

²⁰ See Avista's electric tariff Schedule 85 for further specifics regarding this Guarantee.

Table No. 14 – Avista's Outage Restoration Results for 2024

Customer Service Guarantee	Successful	Missed	\$ Paid
Restore service within 24 hours of a customer reporting an outage (excluding major storm events)	17,761	5	\$250

Guarantee 3: Promptly Switching on Electric Service When Requested

The Company will switch on power within one business day of the customer or applicant's request for service. ²¹

When customers request electric service from Avista, they have a reasonable expectation their service will be turned on as quickly as possible, or promptly on a future date they request. The Company strives to meet these customer expectations by all reasonable means. Since AMI, services are turned off in between customers, however when the customer requests service to a new location, Avista is able to remotely connect a customer's electric service within minutes of their request. There will however be situations where the service is not already on at a customer location, the Company must then send an employee to reconnect the meter.

2024 Results – Avista met its benchmark to turn on customers' service within one business day for all 677 requests received in 2024, for a success rate of 100%.

Table No. 15 – Avista's Turning on Power within One Business Day for 2024

Customer Service Guarantee	Successful	Missed	\$ Paid
Turn on power within a business day of receiving the request	677	0	\$0

Guarantee 4: Promptly Providing Cost Estimates to Customers for New Service

The Company will provide a cost estimate to the customer or applicant for new electric or natural gas supply within 10 business days upon receipt of all the necessary information from the customer/applicant.

When constructing a new home, the process for providing new electric or natural gas supply can be complex, and may involve a customer, contractor, electrician, or dealer depending on the nature of the new service. A request for new electric or natural gas service is typically routed through our customer contact center and is assigned to one of our employee Customer Project Coordinators (CPCs) in our natural gas or electric construction areas. Our CPCs are responsible for discussing the request with the customer (Applicant), meeting with the customer at the location, designing the service, and then providing the customer with a cost estimate for the required construction. The Company's goal for completing the cost estimate, for which it offers a Customer Service Guarantee, is 10 business days.

2024 Results – In 2024, the Company received 458 requests for new electric or natural gas service. Impressively, Avista successfully delivered cost estimates for each request within 10 business days

²¹ See Avista's electric tariff Schedule 85 for further specifics regarding this Guarantee.

of receipt, achieving a success rate of 100%. This accomplishment marks the nineth consecutive year, since the Company's inception of reporting these Guarantees in 2016, in which Avista has maintained a flawless success rate of 100%.

Table No. 16 – Avista Providing Customers a Cost Estimate for New Service in 2024

Customer Service Guarantee	Successful	Missed	\$ Paid
Provide a cost estimate for new electric or natural gas service within 10 business days of receiving the request	458	0	\$0

Guarantee 5: Promptly Responding to Customers' Bill Inquiries

The Company will respond to most billing inquiries at the time of the initial contact, and for those inquiries that require further investigation, the company will investigate and respond to the Customer within 10 business days.

For a customer, it can be difficult to understand why the amount of their energy bill can vary, sometimes substantially, from month to month. Some of these factors include variability in weather, changes in rates, the result of an estimated bill amount in certain circumstances, and variation in the number of billing days included in the billing period. When customers have questions about their bill, Avista's CSRs strive to address and resolve all inquiries during the initial customer contact. Some of the tools Avista employees have to address such bill inquiries (which are generally related to circumstances when customers feel their bill is too high), include:

- ✓ Review the meter read and usage history to see if the bill is in line with the prior months or years.
- ✓ Review the number of billing days for the bill in question.
- ✓ Utilize the Company's bill analyzer tool, which is also available to customers on Avista's website, for a comparison of weather, average usage, and rates.
- ✓ Discuss with the customer any life changes, new appliances, or maintenance needs and how those can impact their utility bill.
- ✓ Offer tips on ways to save energy.
- ✓ Direct the customer to Avista's website for additional energy savings advice.
- ✓ Offer to mail Energy Use and Savings Guides or Energy Savings kits.

If the CSR is unable to address the billing inquiry during the initial contact or the customer is not satisfied with the information provided, Avista initiates a comprehensive case investigation. Following the creation of a case, Avista verifies the meter read or obtains a new meter read to determine the accuracy of the metered usage. If a billing error is found to have occurred, the CSR will initiate sending a corrected bill. After confirming the accuracy of the bill, the CSR revisits the inquiry with the customer, sharing the results of the verification process. This thorough process typically leads to satisfactory resolution of the customer's issue. In situations where satisfaction is not achieved, and/or a customer requests a meter test to verify their meter is reading accurately, a separate process is triggered, which is covered by Customer Service Guarantee number six, "Promptly Responding to Customers' Requests for Meter Testing."

2024 Results – Of the billing inquires that were not resolved upon the initial customer contact, the Company successfully investigated and responded within 10 business days to all 746 billing inquires.

Table No. 17 – Avista Responding to Customer's Bill Inquiries in 2024

Customer Service Guarantee	Successful	Missed	\$ Paid
Investigate and respond to a billing inquiry within 10 business days if unable to resolve on first contact	746	0	\$0

Guarantee 6: Promptly Responding to Customers' Requests for Meter Testing

The Company will investigate customer-reported problems with a meter, or conduct a meter test, and report the results to the Customer within 20 business days.

Commission rules,²² concurrently with Avista's tariff Schedules 70 and 170, govern the utility's requirements for meter testing. Avista has, of course, complied with these requirements prior to the implementation of its Customer Service Guarantees program. Under the Guarantees now in place, the Company now provides a \$50 credit if it fails to meet this requirement.

2024 Results – In 2024, 401 of Avista's Washington customers reported a meter problem or requested that the Company conduct a meter test. Avista successfully tested and reported the results to all of these customers within 20 business days, for a success rate of 100%.

Table No. 18 – Avista Responding to Customers' Requests for Meter Testing in 2024

Customer Service Guarantee	Successful	Missed	\$ Paid
Investigate a reported meter problem or conduct a meter test and report the results within 20 business days	401	0	\$0

Guarantee 7: Providing Customers Advance Notice of Scheduled Electric Interruptions

The Company will provide notification to the customer, through means normally used by the Company, at least 24 hours in advance of disconnecting service for scheduled interruptions.²³

Commission rules²⁴ require the utility to notify customers when it plans to disconnect service on a planned basis, and Avista has naturally complied with this requirement before its Customer Service Guarantees program. With Customer Service Guarantees now in place, the Company provides a \$50 credit for each customer impacted if it fails to provide notice of a scheduled interruption at least 24 hours in advance. Complying with this notification requirement has always

²² WAC 480-100-183 and 480-90-183.

²³ See Avista's electric tariff Schedule 85 for further specifics regarding this Guarantee.

²⁴ WAC 480-100-148.

been a complex process because there are so many areas within the Company involved in the effort. Some of these include natural gas construction, electric operations, customer project coordinators, asset maintenance program managers, distribution dispatch, service dispatch, and the customer contact center. This complexity requires the Company to maintain multiple checkpoints within its business processes to ensure all customers affected by a scheduled interruption are properly notified, in advance of an upcoming planned outage.

2024 Results – In 2024, a total of 18,003 customers were affected by scheduled service interruptions. Avista successfully notified 17,979 of these customers, achieving an impressive success rate of 99.87%. However, for the 24 customers who did not receive the required advance notification, the Company provided a \$50 credit each, totaling \$1,200. These figures reflect a significant increase in the success rates reported in 2023 and 2022, which can be primarily attributed to fewer internal errors and improvements implemented to address gaps in Company processes. Avista acknowledges the significance of this benchmark and remains committed to refining and enhancing its prior notification processes to better serve its customers.

Table No. 19 - Avista's Customers Notified in Advance of an Electric Service Interruption in 2024

Customer Service Guarantee	Successful	Missed	\$ Paid
Notify customers at least 24 hours in advance of a planned power outage lasting longer than 5 minutes	17,979	24	\$1,200

Appendix A – Service Quality Measures Report Card

Customer Service Measures	Benchmark	2024 Performance	Achieved
Percent of customers satisfied with our Contact Center services,			
based on survey results	At least 90%	97.0%	✓
Percent of customers satisfied with field services, based on			
survey results	At least 90%	96.0%	✓
Number of complaints to the WUTC per 1,000 customers, per			,
year	Less than 0.40	0.02	✓
Percent of calls answered live within 60 seconds by our Contact			,
Center	At least 80%	87.3%	✓
Average time from customer call to arrival of field technicians in	No more than 80		
response to electric system emergencies, per year	minutes	45.2	✓
Average time from customer call to arrival of field technicians in	No more than 55		•
response to natural gas system emergencies, per year	minutes	46 Mins	✓
		•	-
	5-Year Average	2004 P. III	Change in
Electric System Reliability	(2020-2024)	2024 Result	5-Year Average
Frequency of non-major-storm power interruptions, per year, per	0.95	0.91	-0.010
customer (SAIFI)	0.95	0.91	-0.010
Length of power outages per year, per customer (SAIDI)	137	131	-1.2
Customer Service Guarantees	Successful	Missed	\$\$ Paid
Electric & Natural Gas service appointments	2,569	10	\$500
Electric outage restoration within 24 hours of notification from	17.761	5	¢250
Customer, excluding major events	17,761	5	\$250
Switch on power within one business day of request	677	0	\$0
Provide cost estimate for new electric or natural gas supply	450	_	4.0
within 10 business days	458	0	\$0
	740	0	Φ0
Investigate and respond to billing inquiries with 10 business days	746	0	\$0
Investigate customer-reported problems with a meter, or	404	^	60
conduct a meter test, and report results within 20 business days	401	0	\$0
Provide notification at least 24 hours in advance of disconnecting	17.070	24	¢1 200
service for scheduled electric interruptions	17,979	24	\$1,200
Totals	40,591	39	\$1,950

2024 Washington Performance Highlights

Avista is pleased to report the Company has again exceeded all of its <u>Customer Service Measures</u> for the 2024 Program year. The Company also celebrates several 100% success rates, including providing cost estimates for new electric or natural gas services within 10 business days, investigating billing inquires within 10 business days, and turning on power within one business day of the customer request. Most notable, Avista met 99.90% of its applicable <u>Customer Service Guarantees</u> in 2024, providing customers a Guarantee credit in 39 out of 40,630 cases. The overall success rate of these Guarantees shows Avista's continued commitment to putting those we serve at the center of everything we do. Avista is committed to pursuing further improvement in each of these areas as we continue our mision of enabling vibrant communities through energy by providing safe, responsible, affordable service now and into the future.