

Dockets UE-170033 and UG-170034 (consolidated) and Dockets UE-072300 and UG-072301 (consolidated)

**Puget Sound Energy
2018 Service Quality Program and Electric Service Reliability Filing**

**Attachment D:
Supplemental SQI # 5 Report**

Puget Sound Energy

2018 Annual Filing of Service Quality Program and Electric
Service Reliability

Supplemental SQI # 5 Report

Filed on March 29, 2019



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Introduction

The purpose of this report is to present Puget Sound Energy's ("Company" or "PSE") evaluation of the customer's experience in contacting the company by phone, through the company's website and through the IVR methodology.

The revised SQI #5 benchmark for the performance year 2018 and years after is the following: At least 80% of calls answered by a live representative within 60 seconds of request to speak with a live operator. The original SQI #5 benchmark when PSE's Service Quality Program became effective initially in 1997 is to have at least 75% of calls answered by a live representative within 30 seconds of request to speak with a live operator.

Customer Service Impact Because of SQI No. 5 Benchmark Change

Customer's experience of contacting PSE by phone has been improved in 2018 as shown in the analyses presented in this report. PSE's 2018 performance results of SQI #2, WUTC Complaint Ratio, and SQI #6, Customer Access Center Transactions Customer Satisfaction, indicate that there is no deterioration in customer service quality for those customers trying to contact PSE by phone.

Background of this Reporting Requirement

With consideration of how different communication technology and practice is today relative to two decades ago, on December 5, 2017, under consolidated Dockets UE-170033 and UG-170034 Order 08, the Washington Utilities and Transportation Commission ("WUTC") approved the current SQI #5 benchmark of at least 80% of the calls answered in 60 seconds. To ensure quality call center customer service, the WUTC also adopted the following requirement:

"To ensure that this change does not lead to deteriorating service for those customers trying to contact the Company by phone, require PSE report to the Commission after one year of the change in this measure data concerning the customer's experience in contacting the company by phone, through the company's website and through the IVR methodology. Specifically, the Company must file evidence demonstrating that the new standard has not led to a deterioration in service quality and has not led to poorly targeting cost cutting." (Dockets UE-170033 and UG-170034 Order 08, page 79, paragraph 231)

Benchmark

SQI #5 Customer Access Center Answering Performance is measured from the time the customer initiated a request to speak with a call center customer service representative ("CSR") until a CSR arrived on the line. The overall performance is determined by the average of the 12 monthly Customer Access Center call answering performance percentages. The new SQI #5 benchmark for performance year 2018 and years after is the following: At least 80% of calls answered by a live operator within 60 seconds of customer request to speak with a live operator.

The calculation of the monthly answering performance is demonstrated through the following formula:

$$\text{Monthly call answering performance} = \frac{\text{aggregate number of calls answered by a company rep within 60 seconds}}{\text{aggregate number of calls received}}$$

The revised benchmark reflects the improved technologies, relative to two decades ago, that now allow the “easy questions” that come in to PSE’s call center to be handled by IVR or other customer self-serve digital channels while other questions that are more involved and require conversation with a customer representative. The calls that are handled by a CSR “are ones that are much harder to deal with, so each question takes longer to answer for that customer”¹. The new benchmark takes into account the additional time needed to answer this type of customer concerns.

Calls Answering Performance

PSE met the new SQI #5 benchmark for 2018 and had 81% of calls answered by a customer service representative within 60 seconds of customer request to speak with a live operator.

Customer Satisfaction Impact

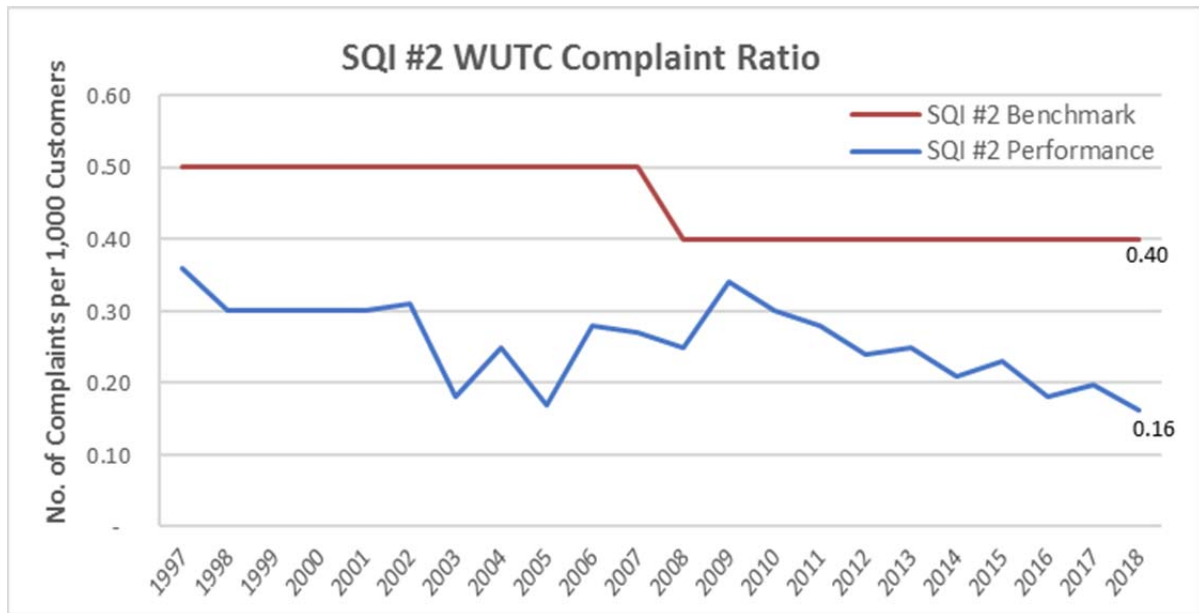
PSE has two service quality indices that measure customer satisfaction: SQI #2, WUTC Complaint Ratio, and SQI #6, Customer Access Center Transactions Customer Satisfaction. SQI #2 tracks, in general, all PSE customer complaints reported to WUTC during a performance year. SQI #6 measures, specifically, the experience of those customers who had called PSE’s call center at 1-888-CALL-PSE and wanted to speak with a CSR. The 2018 performance results for these two indices have been improved compared to the 2017 results, which evidence that the new SQI #5 standard has not led to a deterioration in service quality.

SQI #2, WUTC Complaint Ratio

The current benchmark for SQI # 2 is no more than 0.40 complaints per 1,000 customers, including all complaints filed with WUTC. It is a stricter benchmark that became effective in 2008 than the initial 1997 benchmark of 0.50. PSE has met the performance requirement since the inception of the PSE’s Service Quality Program in 1997 as shown in Figure 1. For 2018, PSE’s SQI #2 result is 0.16, which is the best annual performance since 1997.

¹ Dockets UE-170033 and UG-170034 Order 08, page 78, paragraph 228

Figure 1: SQI #2 WUTC Complaint Ratio



Among these complaints customers submitted in 2018 to WUTC regarding PSE, there was no issue or concern about the call center customer service quality or the wait time when calling 1-888-CALL-PSE.

SQI #6, Customer Access Center Transactions Customer Satisfaction

EMC Research Inc., an independent research company, conducts a weekly phone survey of randomly selected customers who had called, during the prior week, PSE at 1-888-CALL-PSE and requested to speak to a CSR. EMC Research Inc. asks these selected customers the following question:

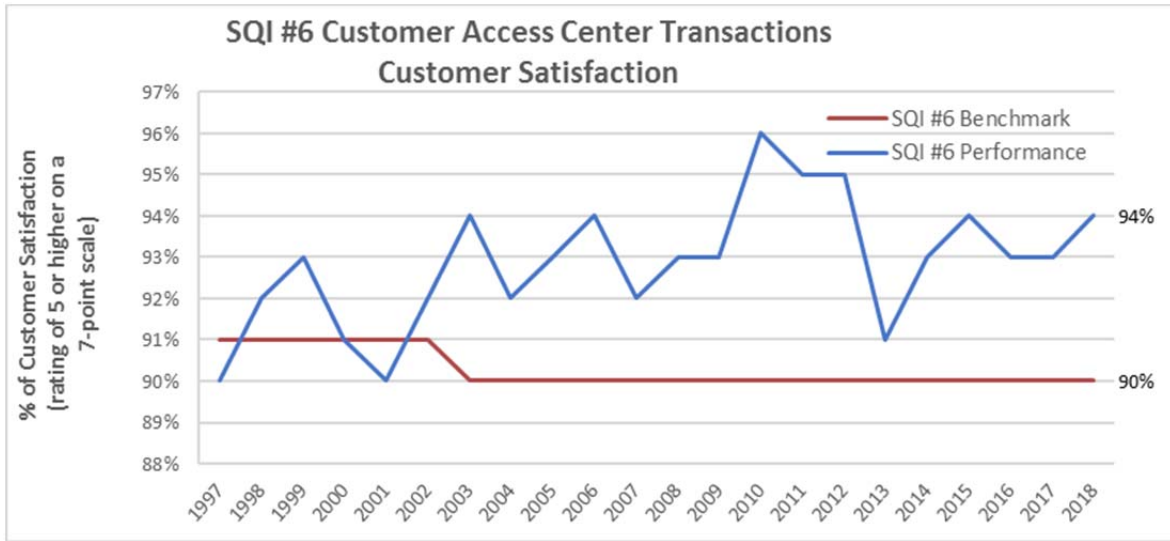
“Overall, how would you rate your satisfaction with this call to Puget Sound Energy? Would you say 7-completely satisfied, 1-not at all satisfied or some number in between?”

A customer is considered to be satisfied if they responded 5, 6 or 7. The annual performance is determined by the weighted monthly average percent of satisfied customers.²

For 2018, PSE’s SQI # 6 performance has improved from the previous two years and finished at 94%.

² Per Order 21 in Dockets UE-072300 and UG-072301 (consolidated) issued by WUTC on April 8, 2013, EMC Research Inc. has been the exclusive survey company conducting and preparing the survey results for SQI #6 and #8. The methodology and procedures used by EMC Research Inc. was validated by Dr. MacLachlan of University of Washington as “being of high validity and reliability” as indicated in the Attachment A to PSE’s compliance filing under Order 21 on June 21, 2013.

Figure 2: SQI #6 Customer Access Center Transactions Customer Satisfaction



Additionally, the survey asks respondents if they had any difficulty reaching a representative and what that trouble was. Those citing “on hold for too long” or “phone not answered promptly” were virtually unchanged from 2017. In 2017 2.4% said “was on hold for too long” compared to 2.5% in 2018. In 2017 1.3% said “phone not answered promptly” compared to 1.2% in 2018.

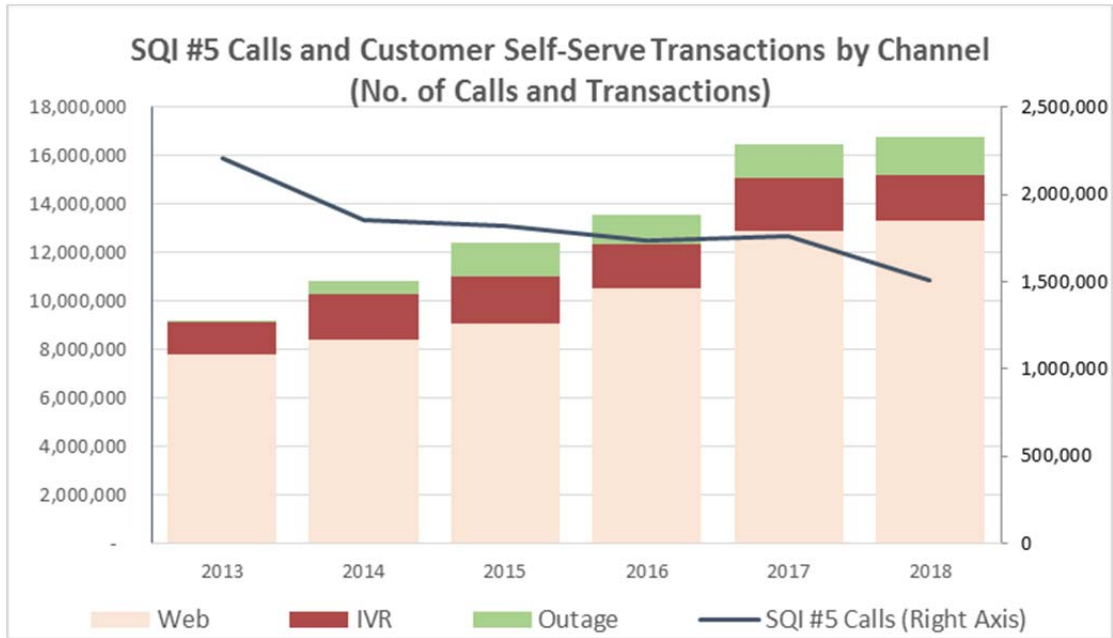
Evolving Channels of Customer Communications

In 2018, the number of customer calls with a request to speak to a customer service representative (i.e., the calls subject to SQI #5 measurement) has been 15% lower than the previous year. Figure 3 reflects the growth in the IVR, web, and various self-serve channels since the 2013 and the decline in the numbers of the customer calls requesting to speak to a customer service representative during the same period.

In 2018, PSE continued its technology upgrades to the call center IVR capabilities, web/mobile outage map, myPSE app and PSE.com. These upgrades made available more and easier-to-use self-serve options to customers. As indicated in Figure 3 below, more than sixteen million self-serve transactions³ were completed via IVR, web, and other digital channels during 2018.

³ These transactions include customer self-services such as payments made, electronic bills viewed, outages reported, and website page views for information such as billing, account profile, payment arrangement, conservation/green power, energy usage and outage.

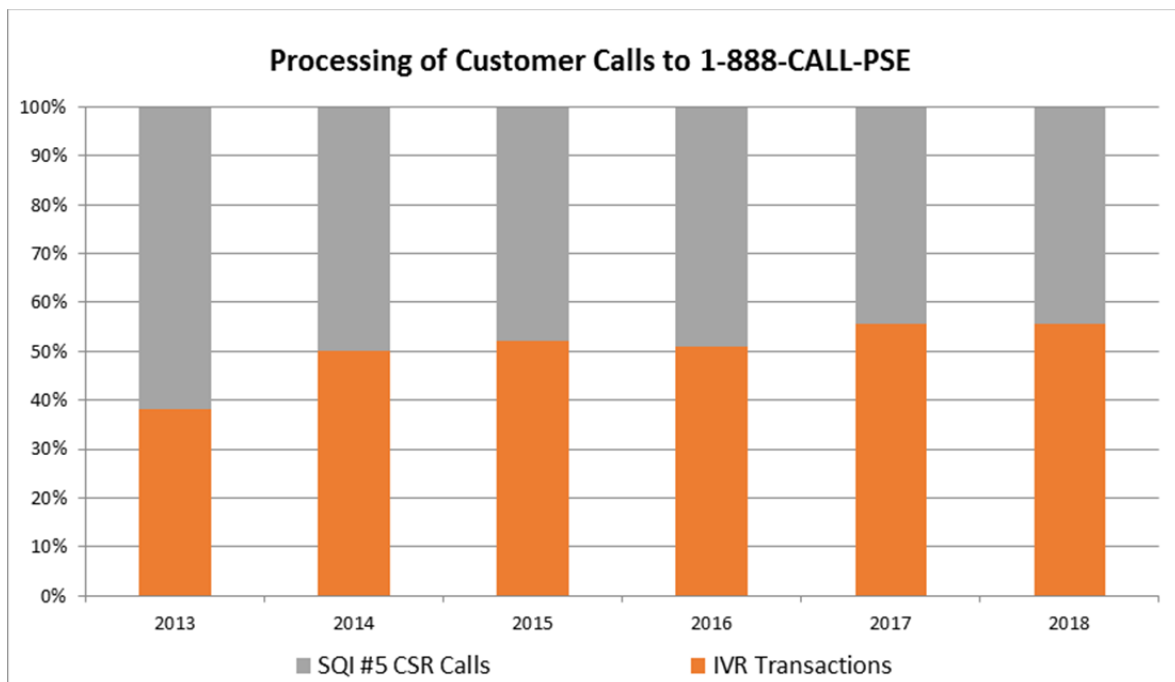
Figure 3: Comparison of SQI #5 Calls and Customer Self-Serve Transactions



Self-Serve Transactions via Telephone Interactive Voice Response System

In 1997, when customers contacted PSE by phone, the legacy IVR system would interact with the customers, gather information and route the calls to the appropriate call center customer service representative recipients or process simple customer requests such giving customer account balance. As IVR technology improved over the past two decades, PSE’s IVR system now handled more than 50% of the customer calls as shown in Figure 4 below.

Figure 4: Processing of Customer Calls to 1-888-CALL-PSE



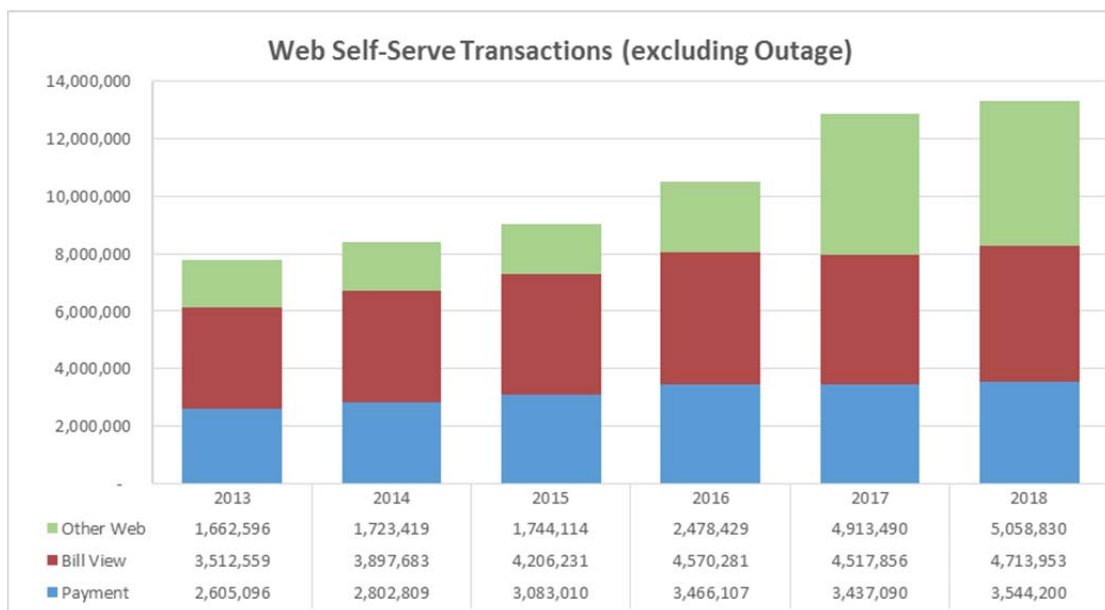
PSE’s IVR system has been enhanced with predictive functionality to help identify why a customer might be calling and to help route the call quickly to the appropriate self-serve option. Here are the self-serve options currently available to customers via the call center IVR system:

1. Report an outage
2. Check account balance
3. Make a one-time payment
4. Report a payment has been made
5. Enroll or cancel installment payment arrangement
6. Enroll or cancel flat budget billing throughout the year
7. Initiate Prior Obligation⁴ process
8. Get update on PSE’s AMI Meter Upgrade Project⁵

Self-Serve via Web and Other Digital Channels

Viewing bill and making payment are the two most used self-serve options at PSE.com. Figure 5 summarizes the numbers of annual transactions for these two options and other PSE.com options for 2013 through 2018.

Figure 5: Web Self-Serve Transactions (excluding Outage self-serve options)



The increased transactions in the web self-serve options in 2017 and 2018 can be attributed to the addition or enhancement of following options/tools:

1. Retrieval of billing statements
2. Detail bill view, updated usage graphs
3. Preference Center –update customer preferences for communications

⁴ Per WAC 480-90-123 and WAC 480-100-123, Refusal of service, subsection 3: A natural gas or electric utility may not refuse to provide new or additional service to a residential applicant or residential customer who has a prior obligation. The utility must provide service once the customer or applicant has paid all appropriate deposit and reconnection fees.

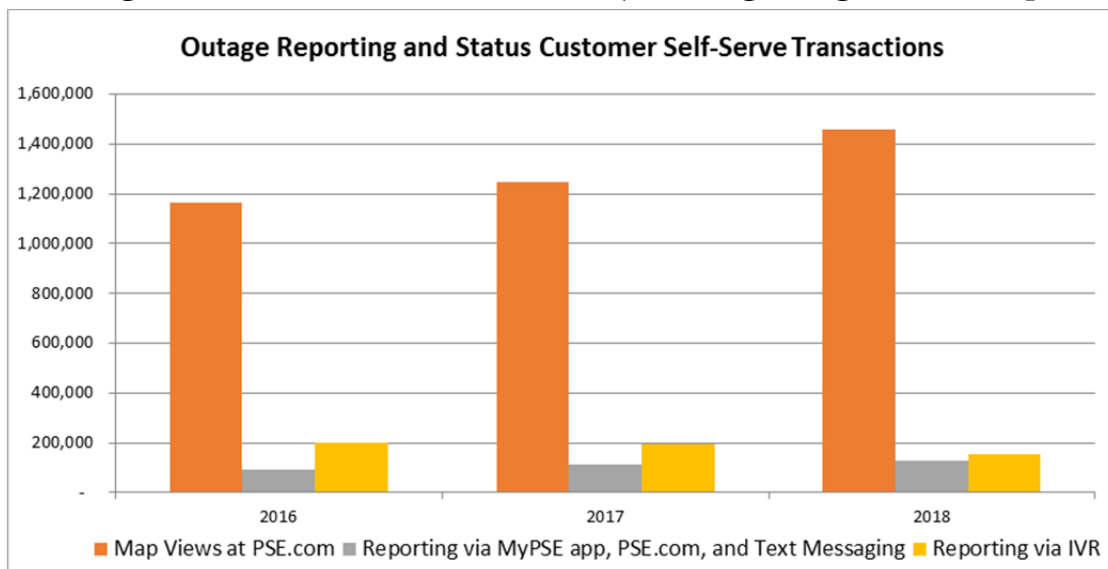
⁵ PSE’s AMI Meter Upgrade Project is a multi-year project to replace the aging meter infrastructure and meters that have been were in place since later 1990s’.

4. Ability to request bill for bill not received
5. Budget billing setup/stop
6. Start, stop, or move an account
7. Request reconnect after dunning disconnect payment
8. Payment arrangements enhanced functionality and consistent options across all channels
9. General web navigation – updated “help center” to encourage self-service before submitting a contact form or calling customer service
10. Updated web search engine platform

Outage Reporting and Outage Status

The outage map at PSE.com and myPSE app provide the critical options for customers to report outages or check the status of outages. Especially the outage map at PSE.com, there were more than 1.4 million views of the outage map in 2018. Customers have also been changing on how they report an outage to PSE. As shown in the Figure 6 below, the number of customers use the digital channels has been increasing since 2016 while the reporting via IVR has been decreasing during the same period.

Figure 6: Web Self-Serve Transactions (excluding Outage self-serve options)



The various customer self-serve transaction analyses included in the report demonstrate that customers’ interest in self-serve options that provide customer assistant 24/7. PSE.com, myPSE app, and other digital channels have been enhanced with increased functionality since PSE took on these technology initiatives in 2013. Including outage related transactions, customers completed almost 16 million self-serve transactions via digital channels in 2018.

Conclusion

The analyses and data presented in this report support that, in 2018, the SQI #5 benchmark change did not lead to deteriorating service for those customers trying to contact PSE by phone, through the Company's website and through the IVR system. PSE's 2018 improved performance results for both SQI #2, WUTC Complaint Ratio, and SQI #6, Customer Access Center Transactions Customer Satisfaction (SQI #6) substantiate the improvement in the customer's PSE call center contact experience and there is no deterioration in call center customer service quality because of the change of SQI #5 call center service level benchmark.