

**BEFORE THE WASHINGTON  
UTILITIES & TRANSPORTATION COMMISSION**

In the Matter of the Joint Application of HYDRO ONE LIMITED and AVISTA  
CORPORATION For an Order Authorizing Proposed Transaction.

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DOCKET U-170970

COREY J. DAHL ON BEHALF OF PUBLIC COUNSEL

**EXHIBIT CJD-2**

Avista's Response to Public Counsel Data Request 30, Section I of Attachment B

**April 10, 2018**

**AVISTA CORP.**  
**RESPONSE TO REQUEST FOR INFORMATION**

JURISDICTION:	WASHINGTON	DATE PREPARED:	03/08/2018
CASE NO.:	U-170970	WITNESS:	Kevin Christie
REQUESTER:	Public Counsel	RESPONDER:	Shawn Bonfield
TYPE:	Data Request	DEPT:	Regulatory Affairs
REQUEST NO.:	PC – 030(AVA)	TELEPHONE:	(509) 495-2782
		EMAIL:	shawn.bonfield@avistacorp.com

**REQUEST:**

**Re: Service Quality Measures.**

Please refer to the Service Quality Metrics (SQM) established in Docket UE-140188 and UG-140189 (*Consolidated*).

- a. Please provide the Company's year-end metrics for the following for the years since they were first enforced and for 2018 to date. Please provide any underlying data to arrive at the indices for the year, provide results on an annual basis, and provide results on a monthly basis.
  - i. Ninety percent of customers respond "satisfied" or "very satisfied" when surveyed about their experience calling Avista's Customer Contact Center. The survey must provide statistically significant results and encompass Avista's entire service territory. Avista will report separate data for Washington customers, but compliance will be judged on a multistate basis.
  - ii. Ninety percent of customers respond "satisfied" or "very satisfied" when surveyed about their experience with Avista's field services. The survey must provide statistically significant results and encompass Avista's entire service territory. Avista will report separate data for Washington customers, but compliance will be judged on a multistate basis.
  - iii. The number of complaints filed with the Commission will not exceed the rate of 0.4 complaints per 1,000 customers for the calendar year.
  - iv. Eighty percent of calls are answered within 60 seconds of requesting to speak with a live representative.
  - v. Avista's average response time to electric system emergencies in Washington will not exceed 80 minutes, except during major storms. Avista's average response time to natural gas system emergencies in Washington will not exceed 55 minutes.
  - vi. Any other customer service metrics not listed in (i) through (v).
- b. If Avista failed to meet any of the SQM listed above, please provide the following:
  - i. Which year the Company failed to meet the metric.
  - ii. What action the Commission took.
  - iii. If the Company appealed, the Commission's decision and the result of said appeal.

- iv. A detailed narrative explanation as to why the Company failed to meet the SQM. Page 2 of 18

**RESPONSE:**

- a. Please see PC\_DR\_030(AVA) Attachments A and B. The two attachments are the Company's Service Quality & Reliability Reports for calendar years 2015 and 2016, which provide a summary of the results of the Service Quality Program and the underlying data used to arrive at the indices for each year. The results for 2017 are still being compiled and finalized to be included in the Company's 2017 Service Quality & Reliability Report, which will be filed with the WUTC on April 30, 2018. The Company calculates the results of the indices on an annual basis, thus monthly data is not readily available.
- b. Since implementing the Service Quality Program in mid-2015, the Company has not failed to meet any of the metrics included in the program as reported in both 2015 and 2016.



# **Avista Utilities**

**2016**

## **Customer Service Quality and Electric System Reliability Report**

**April 27, 2017**

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## **I. Introduction**

### **A. Executive Summary**

Avista's Service Quality and Reliability Report for 2016 provides the annual performance results for the Company's "Service Quality Measures" program and for its overall electric system reliability. Results for the service quality measures have been incorporated into the electric system reliability report which the Company files each year with the Washington Utilities and Transportation Commission ("WUTC" or "Commission").

#### **1. Background**

Prior to the 2016 (2015 reporting year), Avista submitted an annual technical report to the Commission on its electric system reliability performance. For this report, the "electric system" is the overall network of electric transmission lines, substations, and the distribution lines, or "feeders," that carry electricity to every home and business in our service area. "System reliability" refers to the various measures of the number of times during the year that our customers experience an electric service outage (outage frequency) and the length of time it takes to restore our customers' service after an outage has occurred (outage duration). In accordance with the Commission's rules,<sup>1</sup> the Company established a baseline year (2005) for each of its reliability measures, and then compares the results for each reporting year with its baseline results. The reliability results Avista has measured and reported are determined on a "system basis" (i.e. the results represent the performance of its entire electric system in Washington and Idaho). Avista is also required to report any changes it may make to the methods used to collect and report the results of its system reliability. The report must also identify the geographic areas of greatest reliability concern on the Company's electric system and explain how it plans to improve its performance in those areas. Finally, the Company must report the number of complaints from its customers having to do with its electric system reliability and power quality. The detailed reporting requirements are listed under the title "Electric System Reliability Reporting Requirements" in Appendix A. Avista files its annual electric system reliability report with the Commission by April 30<sup>th</sup> each year.

In early 2015, Avista engaged Commission Staff and representatives of the Public Counsel Division of the Washington Office of the Attorney General and the Energy Project (collectively, the "Parties") to develop a set of service quality measures that would be reported to the Commission and Avista's customers each year (in addition to the electric system reliability report). This effort reflected the interest of Staff in having each of its regulated electric and electric/natural gas utilities report annually on their service quality performance, and was not driven by specific concerns regarding Avista's customer service performance. Through the course of these discussions Avista and the Parties agreed on a set of service measures and accompanying benchmarks and reporting requirements that, taken together, provide an overall assessment of the quality of the Company's service to its customers. These measures, referred to collectively as

<sup>1</sup> Washington Administrative Code (*WAC*) [480-100-393](#).

Avista’s “Service Quality Measures Program,” include: 1) six individual measures of the level of customer service and satisfaction that the Company must achieve each year; 2) the requirement to report on two measures of its electric system reliability; and 3) seven individual service measures where Avista will provide customers a payment or bill credit in the event it does not deliver the required service level (“customer guarantees”). The Company must report to its customers and the Commission each year on its prior-year performance in meeting these customer service and reporting requirements. Because these performance measures are related, at least in part, to electric system reliability, Avista chose to include this report as part of its annual electric system reliability report. Avista is currently reporting on its 2016 results of its Service Quality Measures Program.

## 2. Customer Service Measures - Results for 2016

Avista’s reporting requirements under this program are described in its Tariff Schedules 85 and 185,<sup>2</sup> which were approved by the Commission in June 2015. Listed in the table below are the six customer service measures, including their respective service requirements (benchmarks), and the Company’s performance results in meeting them in 2016. Avista achieved all of its customer service benchmarks for the year.

*Table 1 – 2016 Customer Service Measures Results*

<b>Customer Service Measures</b>	<b>Benchmark</b>	<b>2016 Performance</b>	<b>Achieved</b>
Percent of customers satisfied with our Contact Center services, based on survey results	At least 90%	92.7%	✓
Percent of customers satisfied with field services, based on survey results	At least 90%	94.7%	✓
Number of complaints to the WUTC per 1,000 customers, per year	Less than 0.40	0.25	✓
Percent of calls answered live within 60 seconds by our Contact Center	At least 80%	81.7%	✓
Average time from customer call to arrival of field technicians in response to electric system emergencies, per year	No more than 80 minutes	39.3 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	48.4 Minutes	✓

<sup>2</sup> Schedule 85 for electric service and Schedule 185 for natural gas service, in Dockets UE-140188 and UG-140189 (consolidated).

### 3. Electric System Reliability - Results for 2016

The tables below contain the two measures of electric system reliability to be reported by Avista each year as part of its service quality measures program. Because the annual electric reliability results often vary substantially year-to-year (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, we also report the average value of each measure for the previous five years, the average for the current five-year period (which includes the results for the current year - 2016), and the “five-year rolling average” from 2005 – 2016 (current-year results). This data will provide our customers with some context for understanding each year’s reliability results.

*Table 2 – 2016 SAIFI Results*

<b>Number of Electric System Outages per Customer for the Year</b>	<b>2016 System Results</b>	<b>5 Year Average (2012-2016)</b>	<b>5 Year Average (2011-2015)</b>
Number of sustained interruptions in electric service per customer for the year (SAIFI) <sup>3</sup>	0.86	1.04	1.09

*Table 3 – 2016 SAIDI Results*

<b>Total Outage Duration per Customer for the Year</b>	<b>2016 System Results</b>	<b>5 Year Average (2012-2016)</b>	<b>5 Year Average (2011-2015)</b>
Total Duration of all electric service outages for the per customer for the year (SAIDI) <sup>4</sup>	133 Minutes	142 Minutes	139 Minutes

The two charts below show the “five-year rolling average” for each reliability measure from 2005 through 2016. As shown in the charts, the long-term trend for each reliability measure is fairly stable, with trends toward improvement, over this period. Though the Company formally reports its reliability results, as noted above, for its entire electric system, beginning in 2015 Avista agreed to report its annual results separately for its Washington system. The Washington-only number of average electric system outages per customer in 2016 was 0.83, and the average total outage duration per customer was 127 minutes.

<sup>3</sup> See Appendix B for calculation of indices.

<sup>4</sup> See Appendix B for calculation of indices.

Chart 1 – Historic Fiver-Year Rolling SAIFI

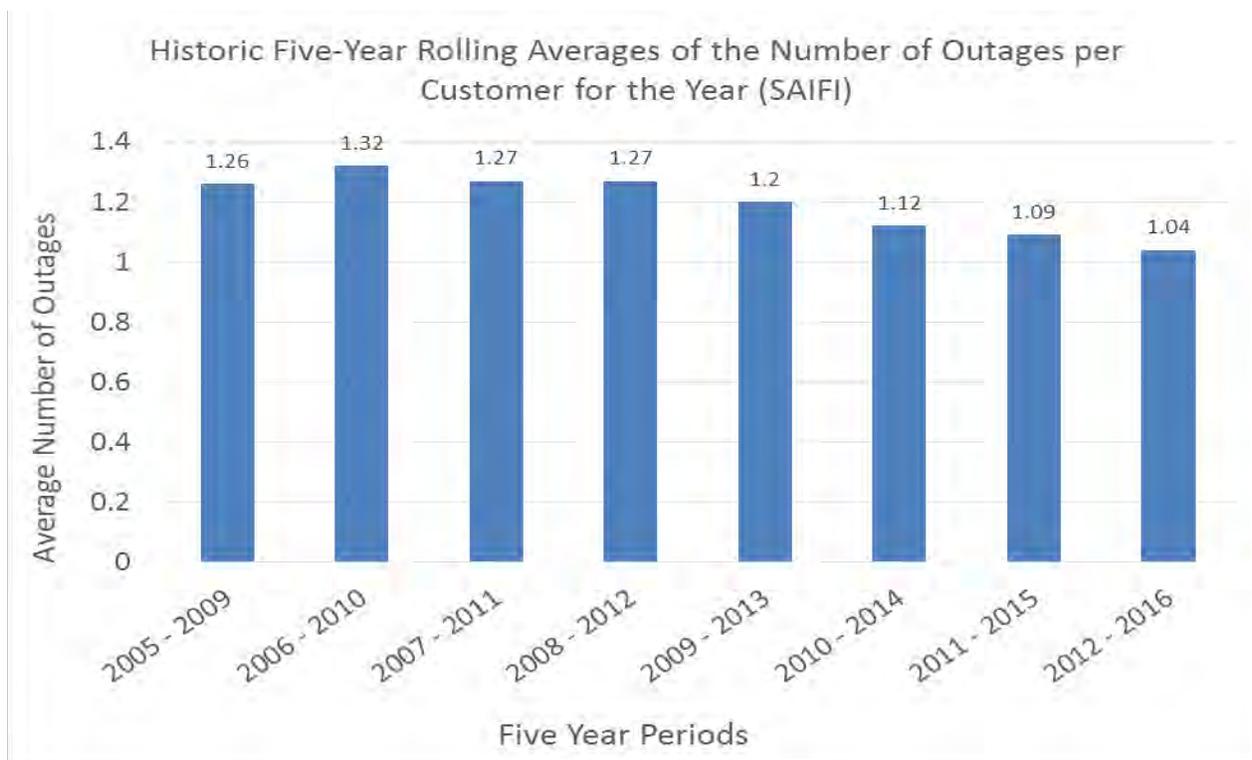
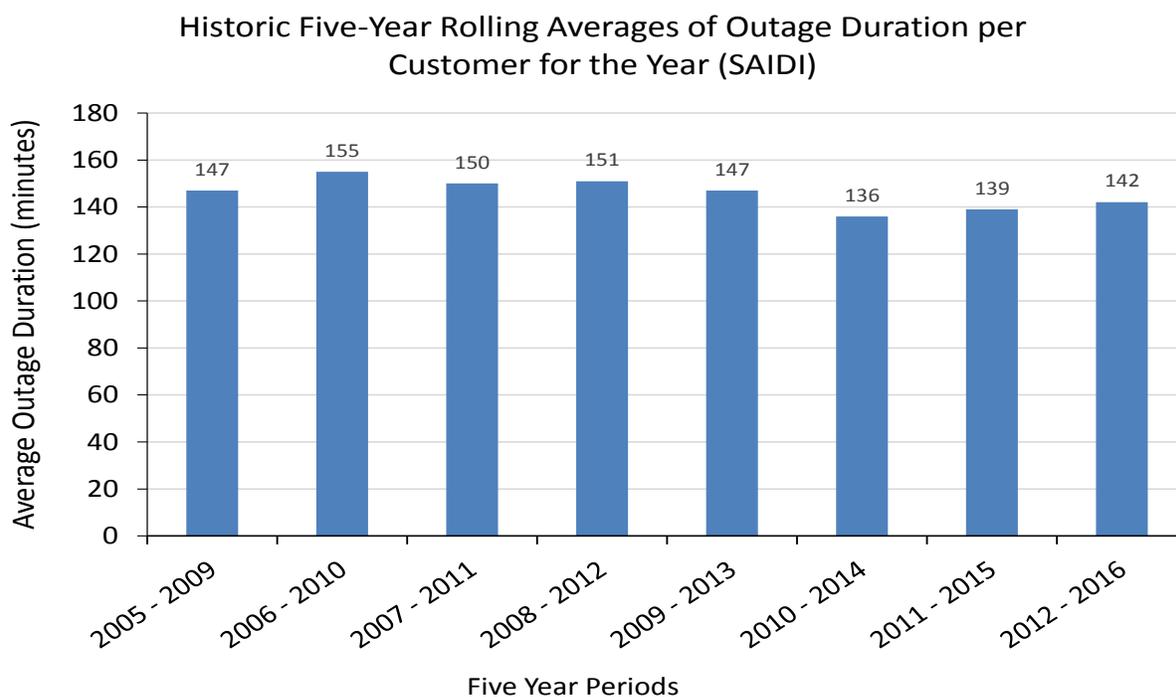


Chart 2 - Historic Fiver-Year Rolling SAIDI



#### 4. Customer Service Guarantees – Results for 2016

Avista’s reporting requirements under this program are described in its Tariff Schedules 85 and 185,<sup>5</sup> which were approved by the Commission in June 2015. Listed in the table below are the seven types of service for which we will provide “customer service guarantees” and the Company’s performance results in meeting them in 2016. In the cases that we do not fulfill a Customer Service Guarantee, a bill credit or payment in the amount of \$50 in recognition of that inconvenience. All costs associated with the payment of customer service guarantees will be paid by the Avista’s shareholders. These costs will not be paid by our customers.

*Table 4 – 2016 Customer Service Guarantee Results*

<b>Customer Service Guarantee</b>	<b>Successful</b>	<b>Missed</b>	<b>\$ Paid</b>
Keeping Our Electric and Natural Gas Service Appointments scheduled with our customers	1,477	10	\$500
Restore service within 24 hours of a customer reporting an outage (excluding major storm events)	26,344	1	\$50
Turn on power within a business day of receiving the request	3,380	3	\$150
Provide a cost estimate for new electric or natural gas service within 10 business days of receiving the request	5,024	0	\$0
Investigate and respond to a billing inquiry within 10 business days if unable to answer a question on first contact	1,760	0	\$0
Investigate a reported meter problem or conduct a meter test and report the results within 20 business days	309	2	\$100
Notify customers at least 24 hours in advance of a planned power outage lasting longer than 5 minutes	30,336	349	\$17,450
<b>Totals</b>	<b>68,630</b>	<b>365</b>	<b>\$18,250</b>

#### 5. Electric System Reliability Report for 2016

Avista reports a range of detailed reliability statistics each year in its electric system reliability report filed with the Commission. Though two of these measures are the same as those reported under the Company’s service quality measures program, described above, this report follows a

<sup>5</sup> Schedule 85 for electric service and Schedule 185 for natural gas service, in Dockets UE-140188 and UG-140189 (consolidated).

separate set of technical reporting requirements and is separate and distinct from those in the service quality measures program. The four primary reliability statistics (or indices) that Avista reports each year in its electric system reliability report are briefly described below:

- ✓ System Average Interruption Frequency Index or “SAIFI,” which is the average number of sustained interruptions per customer for the year.
- ✓ Momentary Average Interruption Event Frequency Index or “MAIFI,” which is the average number of momentary interruption events per customer for the year.
- ✓ System Average Interruption Duration Index or “SAIDI,” which is the average sustained outage time per customer for the year.
- ✓ Customer Average Interruption Duration Index or “CAIDI,” which is the average restoration time for those customers who experienced an outage for the year.

In addition to these four reliability indices, Avista also tracks the following additional measures:

- ✓ Customers Experiencing Multiple Sustained Interruptions or “CEMI,” which is the number of customers experiencing greater than a set number of interruptions.
- ✓ Customers Experiencing Multiple Sustained Interruption and Momentary Interruption Events or “CEMSMI,” which is the number of customers experiencing multiple sustained interruption and momentary interruption events.

All of these reliability statistics and the methods of their calculation are discussed in greater detail later in the report and in Appendix B.

For 2016, Avista’s results for its four primary reliability measures are listed in the table below. In addition to the current-year results we have also listed the past five-year average for each measure, and the 2005 baseline value.

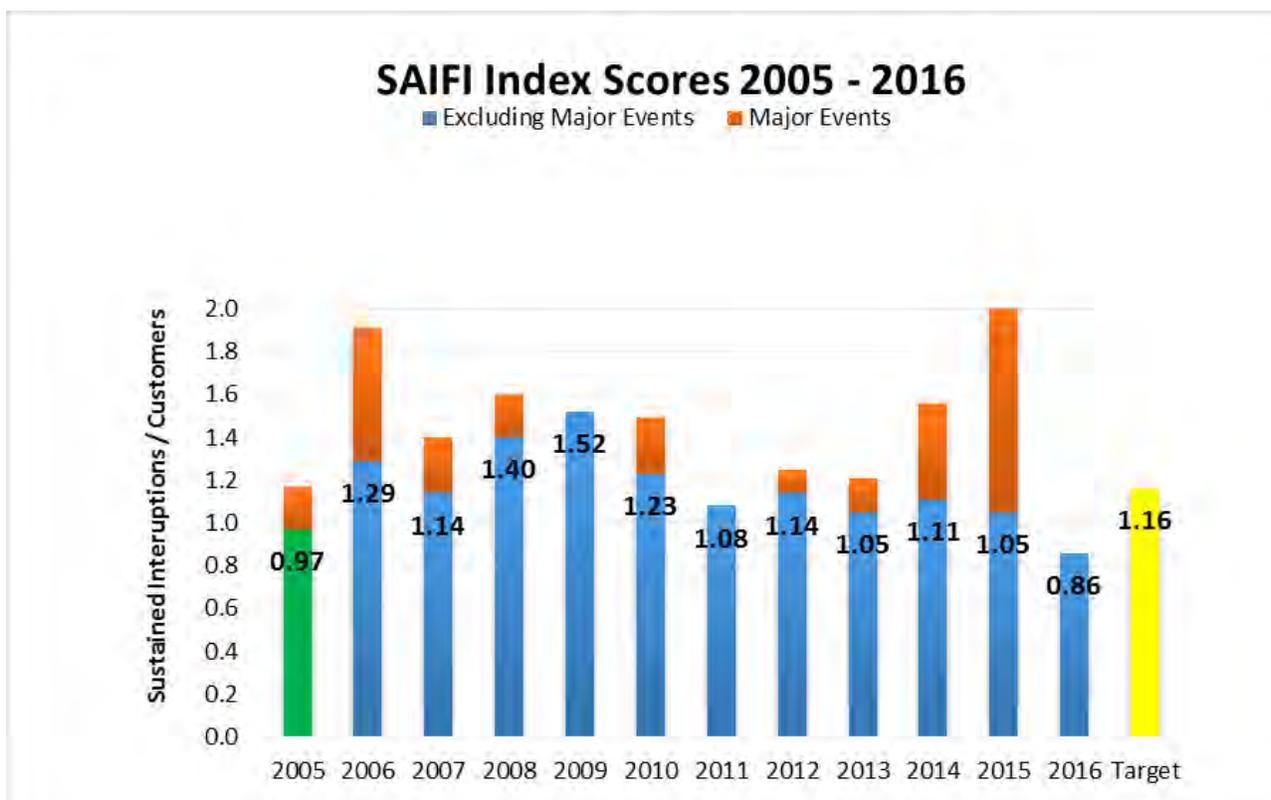
*Table 5 – 2015 Reliability Measure Results*

<b>Reliability Index</b>	<b>Average 2011-2015<sup>6</sup></b>	<b>Baseline Value 2005</b>	<b>Result for 2016 Reporting Year</b>
SAIFI	1.09	0.97	0.86
MAIFI	2.32	3.58	1.88
SAIDI	139	108	133
CAIDI	128	112	154

For the index SAIFI, the average number of outages per customer reported by year on Avista’s system, is shown in the chart below. The chart distinguishes between the outages associated with and without Major Events.

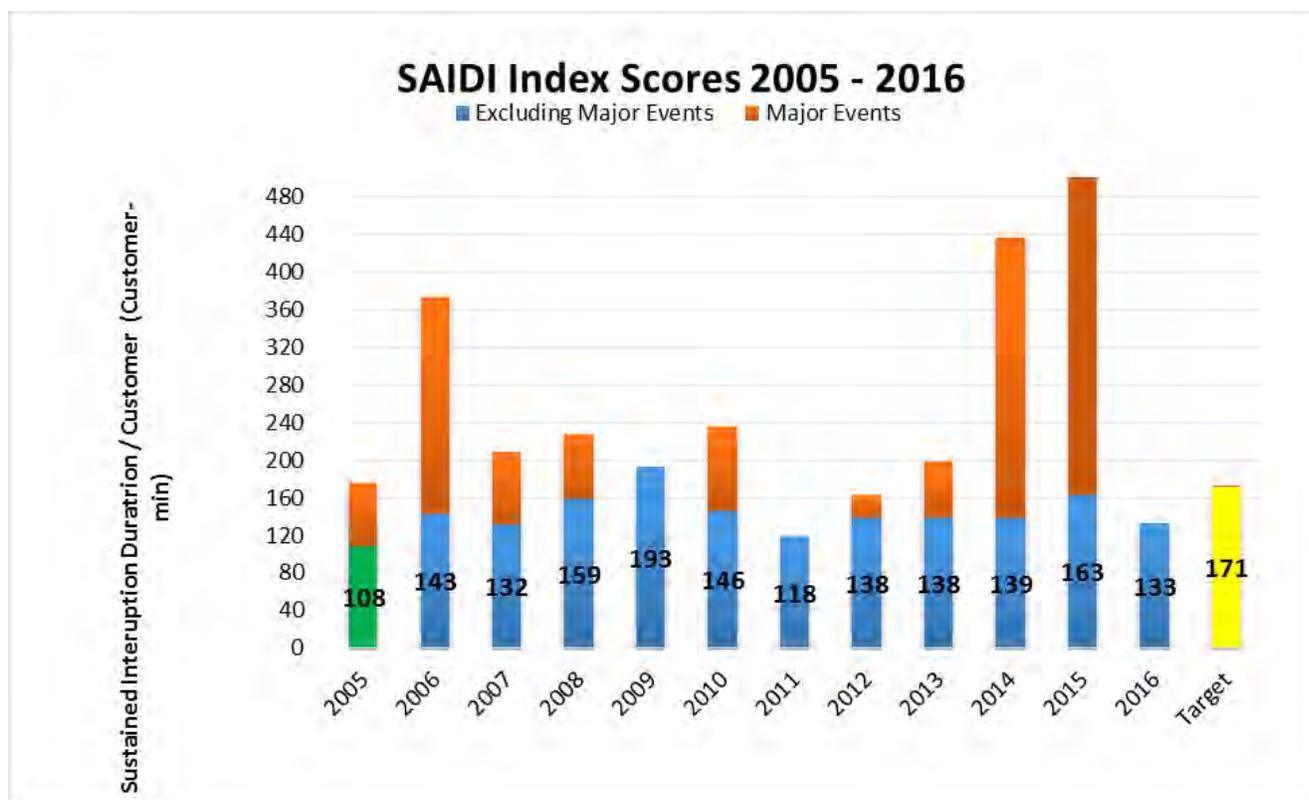
<sup>6</sup> Excludes Major Event Days.

Chart 3 – SAIFI Index Scores 2005 - 2016



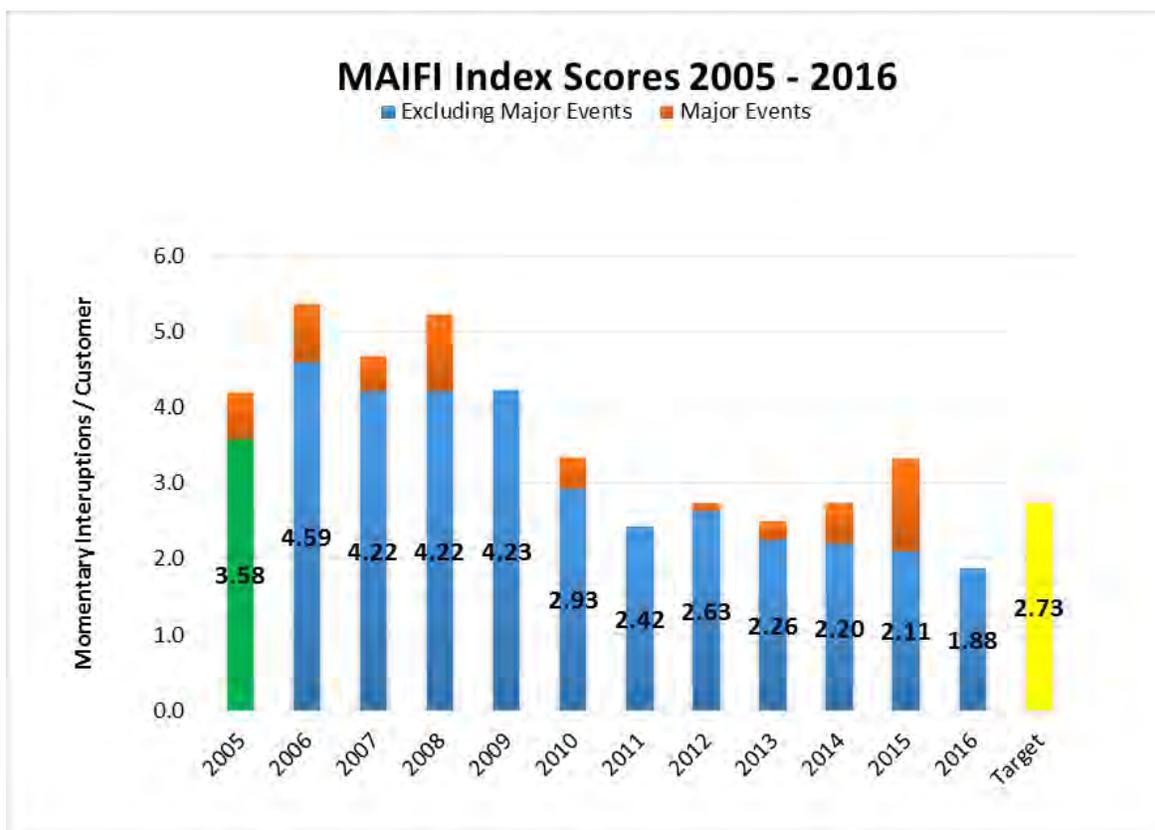
For the index SAIDI, the average duration in minutes of outages per customer reported by year on Avista’s system, the annual results for each year are shown in the chart below. The chart distinguishes between the outages associated with and without Major Events.

Chart 4 – SAIDI Index Scores 2005 – 2016



For the index MAIFI, the average number of momentary outages reported by year on Avista’s system, the annual results for each year are shown in the chart below. The chart distinguishes between the outages associated with and without Major Events.

Chart 5 – MAIFI Index Scores 2005 - 2016



For the index CAIDI, the customer average outage duration time (minutes) for those customers who experienced an outage on Avista’s system, the annual results for each year are shown in the chart below. The chart distinguishes between the outages associated with and without Major Events.

Chart 6 – CAIDI Index Scores 2005 - 2016

