

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

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REPRESENTING AVISTA CORPORATION



2016 Service Quality Report Card



Each year Avista measures how well we perform in meeting our goal to provide the best customer service possible. In line with that tradition, we established a set of Service Quality Measures in collaboration with the Washington Utilities and Transportation Commission (WUTC) and others. We will be providing this annual report card to customers showing how we are doing on meeting these goals.

For more information, visit www.avistautilities.com.

Customer Service Measures	Benchmark	2016 Performance	Achieved
Percentage of customers satisfied with our Contact Center services	At least 90%	92.7%	✓
Percentage of customers satisfied with our field services	At least 90%	94.7%	✓
Number of complaints filed with the WUTC annually per 1,000 customers	Less than 0.40	0.25	✓
Percentage 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	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	No more than 55 minutes	48.4 Minutes	✓

Electric System Reliability	5-Year Average (2012-2016)	2016 Performance	Change in 5-Year Average
Number of non-major storm-related power outages annually per customer	1.04	.86	-0.05
Length of non-major storm-related power outages annually per customer	142 Minutes	133 Minutes	+3 Minutes

Customer Service Guarantees	Successful	Missed	\$ Paid
Keep 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
Totals	68,630	365	\$18,250

2016 Performance Highlights

Thankfully 2016 was a relatively quiet year for customer outages compared to 2015, which included the unprecedented wind event on November 17th in the Spokane area that impacted a substantial portion of Avista's electric system. In 2016 we experienced no major storm events in terms of customer outages and only a few storms that had a significant impact on our service. The leading cause of outages in 2016 was damage to overhead equipment, followed by planned outages needed to allow Avista to safely perform work on its system.

On January 1, 2016, Avista launched its Customer Service Guarantees program listed above. Our commitments under the customer service guarantees reflect the level of service we currently provide. However, the guarantees recognize the customer inconvenience that may arise when our delivered service does not meet our commitment. In these cases we provide customers a bill credit or payment in the amount of \$50 in recognition of their inconvenience. All costs associated with the payment of customer service guarantees are paid by Avista's

shareholders, not by customers. We are pleased to report that for the first year of the program there were 68,630 successful interactions, which represents 99.5% of all customer interactions that are part of the Customer Service Guarantees. We missed our service commitment 365 times in 2016, which resulted in total payments to those customers of \$18,250.