

**Exhibit No. ____ (BTC-3)
Dockets UE-140188/UG-140189
Witness: Bradley T. Cebulko**

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

**WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION,**

Complainant,

V.

**AVISTA CORPORATION, DBA
AVISTA UTILITIES,**

Respondent.

**DOCKETS UE-140188 and
UG-140189
(Consolidated)**

**EXHIBIT TO
TESTIMONY OF**

BRADLEY T. CEBULKO

**STAFF OF
WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION**

Service Quality and Reliability Report Card

July 22, 2014

Exhibit No. ___ (BTC-3)
Avista General Rate Case – Dockets UE-140188 and UG-140189
Service Quality and Reliability Report Card

Service Quality and Reliability Report Card

The Service Quality and Reliability Report Card (“SQR”) will be filed as part of the electric reliability report. It is comprised of four operation service metrics, and seven customer guarantees. The metrics should encompass only the company’s Washington service territory.

Within 60 days of the Commission order, Avista will file a revised reliability plan that moves its filing date so that it can use the Institute of Electrical and Electronics Engineers (IEEE) benchmarking data, and adds the SQR to the reliability report.

Operation Services

OS1 - Annual IEEE Daily System SAIDI (2.5 Beta Method) score is in the top two quartiles of the IEEE national benchmark.

OS2 - Annual IEEE Daily System SAIFI (2.5 Beta Method) score is in the top two quartiles of the IEEE national benchmark.

OS3 - Annual average is less than 65 minutes for field technician to arrive in response to reported electric system emergency or concern.

OS4 - Annual average is less than 55 minutes for field technician to arrive in response to a reported natural gas emergency or concern.

Customer Guarantees

\$50 bill credit paid to the affected customer(s) if the Company does not meet each guarantee.

CG1 - The Company will keep mutually agreed upon appointments which will be scheduled within a two-hour window, except when,

- 1) The Company rescheduled the appointment with at least 24 hours of notice.

CG2 - The Company will restore supply after an outage within 8 hours of notification from the customer, except when,

- 1) The outage was caused by a major storm event as defined by the IEEE.
- 2) Action or default by someone other than utility employee that is outside the control of the company.

CG3 - The Company will switch on power within one business day of the customer or applicant’s request for service, provided no construction is required, all government inspections are met, and required payments are made, except when,

- 1) Service has been disconnected for nonpayment, subterfuge or theft/diversion of the service,

CG4 - The Company will provide a cost estimate for new supply to the applicant within 10 business days after all necessary information is provided by the customer.

CG5 - The Company will respond to most billing inquiries at the time of the initial contact. For those that require further investigation, the company will investigate and respond to the customer within 5 business days.

CG6 - The Company will investigate and respond to reported problems with a meter or conduct a meter test and report results to the customer within 20 business days.

CG7 - The Company will notify the customer at least 24 hours before turning off power for planned interruptions.

- 1) The interruption was a momentary interruption of less than 5 minutes.
- 2) The safety of the public, Company personnel or imminent failure of Company equipment is a factor leading to an immediate interruption to carry out repair work

General Exceptions applicable to all Customer Guarantees (CG1 - CG7):

- 1) The customer or applicant canceled the request and/or did not keep the appointment.
- 2) The customer or applicant did not provide necessary information or supplied incorrect information.
- 3) Inability to access the Company, customer or applicant's facilities beyond the control of the Company.
- 4) An action or default by someone other than a Company employee that is outside of the Company's control.
- 5) Major events, such as storms, as currently defined by the Institute of Electrical and Electronics Engineers (IEEE).
- 6) Instances where resources required to meet the guarantees were re-deployed to restore supplies during a major event in another operating area or utility.
- 7) Safety-related issues which preclude the Company from meeting the guarantees.
- 8) Causes related to force majeure, which include but are not limited to: injunction or other decree or order of any court or governmental agency having jurisdiction, strikes or other labor disputes such as lockouts, slowdowns or work stoppages, sabotage, riot insurrection, acts of the public enemy, fire, flood, explosion, extraordinary action of the elements, earthquake or other acts of phenomenon.

Penalties and Bill Credits

Avista's shareholders are responsible for all penalties and bill credits and the company is prohibited from recovering these costs from customers. For each infraction of an Operation Services metric the company is subject to statutory penalty in RCW 80.04.380 or RCW 80.04.405. For each infraction of a Customer Guarantee the company will provide an automatic \$50 bill credit to the affected customer(s).

Report Card

No more than 90 days after filing the Service Quality and Reliability Program with the commission, the company will send the report card as a bill insert to each customer.

The report card must include, but is not limited to,

- Each metric,
- The penalty thresholds for each metric,
- The company's level of achievement for each metric,
- If the company incurred any financial penalties and,
- That the company shareholders are solely responsible for the penalties.

