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Division of Public Utilities

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ACTION REQUEST RESPONSE

To: Public Service Commission

From: Division of Public Utilities
Chris Parker, Director
Energy Section
Artie Powell, Manager
Doug Wheelwright, Technical Consultant
Eric Orton, Technical Consultant

Date: March 09, 2017

Subject: QGC – CSSR for Year Ending December 2016, Docket No. 17-999-02

Questar Gas' Customer Satisfaction Standards Report (CSSR). In the Matter of Miscellaneous Correspondence and Reports Regarding Gas Utility Services; 2017

RECOMMENDATION

The Division of Public Utilities (Division) recommends that the Public Service Commission of Utah (Commission) accept the CSSR submitted by Questar Gas Company (Company).

ISSUE

On February 15, 2017, the Company submitted its year-end 2016 CSSR to the Commission. On March 1, 2017, the Commission issued its Action Request to the Division to: "Review for Compliance and Make Recommendations". This is the Division's response to the Commission's request.

BACKGROUND

In the settlement stipulation and order in the Dominion and Questar merger docket (No.16-057-01) the parties agreed that; "Within 120 days of the Effective Time, Dominion Questar Gas will meet with the Division and OCS on a collaborative basis and update Customer Satisfaction Standards, taking into account recent historical results. Dominion Questar Gas will report quarterly on its performance relative to the Customer Satisfaction Standards. Quarterly reporting will continue until Dominion Questar Gas' next general rate case filing." Additionally the

stipulation also states that; “If the Dominion Questar Gas service levels become deficient, meaning they fall short of the Customer Satisfaction Standards as shown in the report, Dominion Questar Gas will file a remediation plan with the Commission explaining how it will improve and restore service to meet the Customer Satisfaction Standards.”

Following the approval of the merger stipulation, the parties met and updated the standards to be used, beginning in 2017, as the standard upon which the Company will report its compliance. The report filed February 15, 2017 is for the calendar year 2016 and provides the customer satisfaction results using the goals that were in effect at the beginning of that year.

DISCUSSION

The Division has reviewed the report and has spoken with a Company representative concerning this report. For the calendar year 2016, the Company is meeting or exceeding the standards for nearly all of the CSSR goals but is not meeting the standard in two areas. The two categories that “fall short” of the standards are Customer Care #5, (Amount of time talking with customer and completing request) and Billing #1, (Read each meter monthly).

Customer Care #5 -Amount of time talking with customer and completing request

The goal for the 2016 calendar year was “less than 5 minutes” The result for the year was exactly 5 minutes. Although that is not “less than”, from the first quarter to the fourth quarter, the times are trending down. The first quarter of 2016 was at 5.1 minutes and the fourth quarter was at 4.9 minutes. A standard like this one is tricky to balance. Namely, if a customer is going to be given sufficient time to have his/her concerns addressed, a CSR shouldn’t cut a conversation short to meet the time goal. The real goal is to help the customer not beat the clock. The Company will continue to monitor this metric, but no remediation plan has been established.

Billing #1, - Read each meter monthly

The goal in the Billing #1 (Read each meter monthly) was 99%. There is not a clear trend for the four quarters of 2016 with a high of 98.2% and a low of 94.8%. The Company explained that it has recently discovered that some of the originally installed transponders are beginning to fail and believes that transponder failure is the cause of it not meeting this goal. The Company is in the process of replacing the current transponders with those from a different vendor, which are reportedly more reliable over the long term than the ones currently in service. As this replacement occurs there will be likely be errors and incorrect meter reads and other related statistics that one would naturally expect to be in flux during a transition period like this. The replacement of these transponders provides a plan for remediation of the failure to meet this standard criteria. With a million customers, this replacement program will take considerable time, which the Company has not estimated as of yet.

These two underperforming CSSR measures are issues that are not demonstrative of a degeneration of customer service, rather they are a regular part of the fluctuations of a utility business and therefore requires no further ‘remediation plan’ than is currently outlined.

CONCLUSION

The Division has reviewed the Company's CSSR filing, which is compliant with the Commission's order. Therefore, the Division recommends that the Commission accept the 2016 CSSR as filed.

CC: Kelly Mendenhall, Questar Gas Company
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