

Case 16-G-0257
National Fuel Gas Rates

Staff of the Department of Public Service
Response to Formal Request for Information

Requesting Party: National Fuel Gas Distribution Corporation
Set No.: 2
Request No.: NFG-DPS-063
Responding Witness: Staff – Consumer Services Panel
Date of Response: October 4, 2016 (Supplemental Response)

Question:

Provide a listing of all existing telephone Calls Answered CSPI targets and documentation in the possession of the Department of Public Service showing all utility performance for this measure for the last six years. Any spreadsheets in original form are preferred and should be provided if they exist. Provide a ranking of the utilities by performance for Calls Answered within 30 seconds, and also list the target thresholds for each.

Response:

As Staff discussed with the Company last week, we agreed to provide annual reports for those utilities who have call answer rate included in their CSPI. For those that do not, we provided the Performance indicator reports.

Attachments 1a-1i include the KEDLI reports. In gathering these, we determined that pre-2013 reports for KEDLI are only available on the Lotus Notes archive, which are not readily accessible. We are therefore providing the KEDLI reports for 2013, 2014, and 2015. KEDLI's annual call answer rates for 2010, 2011, and 2013, can be obtained from our annual reports to the Commission on service quality. We are providing those in lieu of the original performance indicator reports.

Attachments 2a-2f include the KEDNY reports for 2010-2015.

Attachments 3a-3f include the Niagara Mohawk reports for 2010-2015.

Attachments 4a-4g include the Consolidated Edison reports for 2010-2015. Please note that Consolidated Edison switched from rate year to calendar year reporting during this period.

Attachments 5a-5f include the NYSEG/RGE reports for 2010-2015.

Attachments 6a-6f include the Orange & Rockland reports for 2010-2015. Please note that Orange & Rockland did not have a call answer rate in its CSPI until 2015 so the performance indicator reports are provided. For 2014, only a PDF version could be located.

Attachments 7a-7h include the Central Hudson reports for 2012-2015. Central Hudson only provides six months in a report so there are two for each year.

STATE OF NEW YORK
DEPARTMENT OF PUBLIC SERVICE

INTEROFFICE MEMORANDUM

June 1, 2011

TO: THE COMMISSION

FROM: OFFICE OF CONSUMER POLICY
DOUGLAS W. ELFNER, Director
By: ELIZABETH KATZ, Utility Consumer Assistance Specialist 3

OFFICE OF GENERAL COUNSEL
PETER McGOWAN, General Counsel
By: GUY MAZZA, Assistant Counsel

SUBJECT: Case 11-M-0144 - In the Matter of Energy Utility Customer
Service Quality

RECOMMENDATION: STAFF REPORT ON 2010 ENERGY UTILITY SERVICE
QUALITY PERFORMANCE – For Information Only

INTRODUCTION

This memorandum summarizes the utilities' performance for 2010 on measures of customer service quality. There are two groups of measures of customer service quality: 1) Customer Service Performance Incentives (CSPI), all of which were approved by the Commission and which also contain negative revenue adjustments for unsatisfactory customer service performance, and (2) performance indicators, which include standardized measures of customer service performance, but are not associated with monetary incentives. Performance indicator data show that all New York utilities are providing a satisfactory level of service on these measures. In 2010¹, the state's electric and gas utilities met or exceeded the standards for performance on each of the

¹ The performance indicators are submitted to Staff on a monthly basis and therefore we use the calendar year 2010 for reporting purposes; individual CSPI's are defined in the rate cases and may either follow the rate year, or the calendar year, as delineated in each rate case order.

measures of customer service established within their individual CSPI mechanisms. This last occurred in 2005.

BACKGROUND

As monopoly providers, utilities have little direct financial pressure to provide quality customer service. Furthermore, customer service operations may be easy targets of utility cost cutting efforts since such operations do little to enhance profits. Staff closely monitors the quality of customer service provided by utilities, to help ensure the appropriate treatment of utility customers. In the past, Staff conducted audits of customer service performance indicators (e.g., reviews of utilities' handling of customer contacts to assess their compliance with the Home Energy Fair Practices Act). While generally effective in identifying problems, such audits were time-consuming, costly, and did not provide regular, consistent information that easily allowed trend analysis or cross-utility comparisons.

CSPIs have been implemented as a key performance-based ratemaking tool that is in place at all of the state's major energy utilities. Maintaining good customer service became a paramount concern after the introduction of revenue decoupling mechanisms (RDMs) in the early 1990s and since then, all of the state's electric and gas utilities have been required to report their customer service performance on several key indicators on a uniform basis. Under conventional ratemaking regimes, utilities can increase profits by either increasing sales or cutting costs; however, under RDMs, utilities can only enhance profits by cutting costs, since any increases in revenue resulting from increased sales are simply passed back to customers. As a result, reductions in revenue resulting from non-compliance with CSPIs can significantly impact a utility's profits. In the late 1990s, RDMs fell out of favor, but concerns arose that the introduction of competition and industry restructuring would pressure utilities to downsize their customer service operations. This re-emphasized the importance of CSPIs. More recently, the

Commission's policy emphasis has returned to encouraging energy efficiency, and RDMs have re-emerged as ratemaking tools.

To ease the monitoring and analysis of gas and electric utilities' customer service performance, Staff proposed the use of standard performance indicators in May 1991. The Commission directed all gas and electric utilities to collect and report monthly service data in accordance with the performance indicators, beginning in April 1992.² Currently, the state's largest gas and electric utilities report performance in the following areas: PSC complaint rate, appointments kept, non-emergency service response time, telephone answer response, adjusted bills, and estimated meter readings.

Since they are designed to be reported on a uniform basis, these performance indicators facilitate comparative analysis of customer service on a consistent basis, allow identification of overall trends in customer service and inform CSPI design.³

CUSTOMER SERVICE PERFORMANCE INCENTIVES

CSPIs have typically been negotiated within the context of individual utility rate cases and the Commission has adopted and/or continued the terms of such CSPIs, sometimes with modifications, in its rate orders. CSPIs help to align shareholder and ratepayer interests by providing potential earnings consequences to shareholders that reflect the quality of service to utility customers. Such performance-based ratemaking techniques are commonly used regulatory tools throughout the United States.

Since the Commission sets CSPIs for each utility in the context of utility rate proceedings, each mechanism is slightly different in scope, target level, and amount

² Case 91-M-0500, Customer Service Standards for Electric, Gas and Steam Corporations, Order Directing Utilities to Supply Service Data (issued January 16, 1992); Cases 96-E-0909, et al., Order Concerning Electric and Gas Utility Customer Service Performance (issued May 9, 2001).

³ Performance indicator metrics are precisely defined in a Commission Order (Case 91-M-0500, supra), however, the data is self-reported by the utilities, so questions regarding uniformity of reporting cannot be completely eliminated.

at risk for nonperformance. Generally, CSPIs place the utilities at risk of negative revenue adjustments in the range of 30-50 basis points on common equity (depending on the complexity of the mechanism and past utility performance) if certain targets are not met. However, the Commission has departed from this range and in some cases, has doubled amounts at risk in response to perceived threats to service quality. In certain cases, the amount at risk falls below this range – either because of the length of time since the CSPI was last reviewed or because the subject utility’s performance is not perceived as presenting a potential threat to service quality. For example, in the proceeding approving the proposed merger of New York State Electric and Gas Corporation (NYSEG) and Rochester Gas and Electric Corporation (RG&E) with Iberdrola, S.A., the amount at risk in NYSEG and RG&E’s CSPIs was doubled.⁴ In contrast, National Fuel Gas Distribution Corporation’s (National Fuel) amount at risk has not been adjusted from its current value of \$1.5 million (approximately equal to 18 basis points) since it was established in 2002.

The CSPIs currently in place for the utilities in New York State establish stronger standards for performance and subject greater amounts of shareholder earnings to potential incentive payments than at any previous time. Overall, these mechanisms have been effective in making the quality of service to customers a high corporate priority and ensuring that the quality of customer service remains at satisfactory levels.

CSPI Components and Key Parameters

All of the CSPIs contain targets for PSC complaint rates and for customer satisfaction surveys. By their nature, both PSC complaint rates and customer satisfaction surveys are broad (referred to here as “macro”) measures of performance that reflect a utility’s performance in every facet of its operations, from billing accuracy to repair promptness. The CSPI mechanisms may also include targets for other more specific

⁴ CASE 07-M-0906, Joint Petition for the Approval of the Acquisition of Energy East Corporation by Iberdrola, S.A., Order Authorizing Acquisition Subject To Conditions (issued January 6, 2009).

(referred to here as “micro”) measures of utility performance, such as telephone answer response time or adjusted bills. In general, these micro-measures of performance were added to individual utility incentive mechanisms in response to an identified deficiency.⁵

PSC Complaint Rates

PSC complaint rates are measured in the same way for each utility, *i.e.*, expressed as the average monthly rate of complaints per 100,000 customers, as reported by the Office of Consumer Services. In addition to providing a uniform macro-measure of utility performance, PSC complaint rates are calculated by Staff, and thus provide a high degree of confidence in their results. In contrast, virtually every micro-measure of customer service is self-reported by the utilities and the results are generally not audited by Staff. Therefore, the PSC complaint rate is the single most important and reliable indicator of overall utility customer service performance.

Customer Satisfaction Surveys

Each of the utilities conducts a unique customer satisfaction survey, generally administered by an independent survey contractor, which has been benchmarked to establish a target level. Over time, as CSPIs have been adopted, the Commission has approved the use of selected responses to these surveys as part of its measures of customer service performance. Like PSC complaint rates, customer satisfaction surveys furnish macro-measures of customer service performance that capture every facet of utility operations. Also like PSC complaint rates, surveys administered by a third party contractor provide an additional measure of confidence, secured by the survey contractor’s reputation, that the results accurately reflect customer satisfaction.

⁵ For example, the Commission added an outage notification incentive mechanism to Con Edison’s customer service performance incentive following the Company’s poor performance in notifying customers during and after the Washington Heights outages in 1999. See Case 00-M-0095, Con Edison and Northeast Utilities, Inc., Order Approving Mechanism (issued April 28, 2002).

Unlike PSC complaint rates, or virtually any other measure of utility customer service performance, customer satisfaction surveys are unique to each utility. This is because they were developed by and for the utilities for their use in obtaining customer feedback and identifying process improvement opportunities. The Commission has adopted and used these surveys as indicators of customer satisfaction for purposes of applying CSPIs, primarily to minimize the costs that would be involved with developing and administering separate surveys for that purpose.

Because they are unique to each utility, the surveys provide an independent and, after years of successive surveys, highly reliable macro-measure of each utility's customer service performance as measured against itself, but do not furnish a means for comparing a utility's performance to that of its peers. PSC complaint rates, and the performance indicators, are standardized and readily provide for such comparative analysis. Therefore, standardization of customer satisfaction surveys would be both unnecessary and costly.

In the sections that follow, the CSPIs in effect at Central Hudson Gas & Electric Corporation (Central Hudson), Consolidated Edison Company of New York, Inc. (Con Edison), Key Span Energy Delivery New York and KeySpan Energy Delivery Long Island (KEDNY and KEDLI respectively, or collectively KeySpan), National Fuel Gas Distribution Corporation (National Fuel), NYSEG, Niagara Mohawk Power Corporation d/b/a National Grid (Niagara Mohawk), Orange and Rockland Utilities, Inc. (O&R), RG&E and St. Lawrence Gas Company, Inc. (St. Lawrence Gas) are described, and each utility's respective performance is reported, as are any resulting earnings or revenue adjustments.

Central Hudson

Central Hudson's incentive plan provides for downward adjustments to earnings of up to \$1.9 million (divided between electric and gas operations so as to produce the equivalent of approximately 33 and 21 basis points of common equity for electric and natural gas, respectively). The rate plan provides for allocation of \$950,000

to each of two performance measures: PSC complaint rate and a Customer Satisfaction Index (CSI).

Based on its performance for the most recent period, no revenue adjustments are applicable to Central Hudson. Furthermore, Central Hudson's measures in both of the above categories improved from the prior year.

Con Edison

The Commission updated Con Edison's electric customer service performance mechanism in March 2010.⁶ The rate plan maintained the existing overall level of financial exposure but made modifications within specific performance metrics. A maximum revenue adjustment in favor of ratepayers of up to \$40 million annually (equal to approximately 33 basis points of electric common equity) is applicable if the company does not meet specific customer service threshold targets. The specific customer service performance measures included in the CSPI are: PSC complaint rate; satisfaction of electric emergency callers, other non-emergency callers to the company's telephone centers, and visitors to the company's service centers; telephone calls (percentage answered within 30 seconds); and the Outage Notification Incentive Mechanism (ONIM), a measurement of the company's performance in customer notification of service outages.

Based on its performance for the most recent rate year on its electric customer service quality mechanism, Con Edison met the CSPI targets and no revenue adjustments are applicable.

The Commission reviewed and continued Con Edison's gas customer service incentive in a 2010 Order.⁷ The gas customer service incentive is based on an

⁶ Case 09-E-0428, Consolidated Edison Company of New York, Inc., Order Establishing Three-Year Electric Rate Plan (issued March 26, 2010).

⁷ Case 09-G-0795, Consolidated Edison Company of New York, Inc., Order Establishing Three-Year Steam and Gas Rate Plans (issued September 22, 2010).

average of biannual surveys of customer satisfaction with the handling of emergency calls relating to gas service. A customer satisfaction report is submitted to Staff twice a year, following surveys of specific customers who contacted Con Edison during the second and fourth quarters.

Based on its performance for the most recent rate year on its gas customer service quality mechanism, no revenue adjustments are applicable to Con Edison.

KEDNY/KEDLI

The Commission strengthened incentive mechanisms for KEDNY and KEDLI in the proceeding concerning KeySpan's merger with National Grid, by increasing the negative revenue adjustments associated with certain measures.⁸ A maximum revenue adjustment of \$11.7 million annually for KEDNY (equal to approximately 59 basis points of common equity) and \$9.9 million for KEDLI (equal to approximately 52 basis points of common equity) is applicable if they do not meet customer service threshold targets. For KEDNY and KEDLI, \$4.68 million and \$4.455 million, respectively, are allocated to each of two broad-based measures of customer services performance: PSC complaint rate and Customer Satisfaction Index (CSI) as measured through a monthly survey of customers who have recently contacted KeySpan. For KEDNY, \$1.17 million is at risk for each of (a) the number of bills that are adjusted due to company errors, and (b) the percentage of calls answered within 30 seconds. For KEDLI, \$0.99 million is at risk for the number of bills that are adjusted due to company errors (no call answer rate measure is applicable to KEDLI).

Based on their respective performance for 2010, no ratemaking adjustments are applicable to KEDLI and KEDNY resulting from the operation of their respective CSPI mechanisms.

⁸ See Case 06-M-0878, National Grid PLC and KeySpan Corporation, Order Authorizing Acquisition Subject to Conditions and Making Some Revenue Requirement Determinations for KeySpan Energy Delivery New York and KeySpan Energy Delivery Long Island (issued September 17, 2007).

National Fuel

The Commission's rate plan order for National Fuel continued the company's service quality performance mechanism effective August 1, 2007 until the company's base rates are changed.⁹ The performance mechanism provides a maximum \$1.5 million downward adjustment (equal to approximately 18 basis points) and consists of eight performance measures. They include residential Customer Satisfaction Index (CSI), non-residential CSI, appointments kept, new service installations, telephone response, adjusted bills, estimated meter readings, and PSC complaint rate.

Based on its performance for the rate year ending July 31, 2010, no ratemaking adjustments are applicable to National Fuel. Additionally, seven out of eight of National Fuel's performance measures for 2010 showed improvement from 2009 (the Company's score was identical to the previous year on the Appointments Kept indicator).

Niagara Mohawk

The Commission established Niagara Mohawk's service quality incentive plan in its order¹⁰ authorizing the company's merger and rate plan, and strengthened it in May 2009, increasing negative revenue adjustments for failure to achieve certain measures.¹¹

⁹ Case 07-G-0141 - Proceeding on Motion of the Commission as to the Rates, Charges, Rules and Regulations of National Fuel Gas Distribution Corporation for Gas Service, Order Establishing Rates for Gas Service (issued December 21, 2007).

¹⁰ Case 01-M-0075, Opinion and Order Authorizing Merger and Adopting Rate Plan, Opinion No. 01-6 (issued December 3, 2001).

¹¹ Case 08-G-0609, Proceeding on Motion of the Commission as to the Rates, Charges, Rules and Regulations of Niagara Mohawk Power Corporation for Gas Service, Order Adopting the Terms of a Joint Proposal and Implementing a State Assessment Surcharge (issued May 15, 2009). Niagara Mohawk's CSPI was strengthened again in January, 2011. See Case 10-E-0050 – Proceeding on Motion of the Commission as to the Rates, Charges, Rules and Regulations of Niagara Mohawk Power Corporation for Electric Service, Order Establishing Rates for Electric Service (issued January 24, 2011).

A total of \$15 million in potential revenue adjustments, \$10.4 million for electric (the equivalent of approximately 44 basis points of electric common equity) and \$4.6 million for gas (the equivalent of approximately 47 basis points of gas common equity) is at risk annually, divided among six performance measures including: PSC complaint rate: annual Residential and Small/Medium Commercial and Industrial (C&I) surveys; percentage of meters read on cycle; percentage of calls answered within 30 seconds; and a measure of Low Income Customer Assistance Program (LICAP) referrals.

Based on Niagara Mohawk's performance for the most recent calendar year, there are no earnings adjustments applicable to National Grid for customer service performance. This is the second consecutive year that National Grid has met all of its CSPI measures. In addition, during the reporting period National Grid achieved its lowest Office of Consumer Services (OCS) complaint rate, since the Department's Quick Referral system for complaint handling was initiated in 2002.

NYSEG

The Commission revised and adjusted NYSEG's incentive mechanisms in the Company's 2010 rate plan, as described below.¹² The performance incentive currently carries a maximum potential annual negative revenue adjustment of \$9.0 million for electric (equal to approximately 77 basis points of electric common equity) and \$1.3 million for gas (equal to approximately 33 basis points of gas common equity). Included in this amount is a doubling provision wherein for any target that is missed for two consecutive years, the associated negative revenue adjustment will be doubled in the second missed year. If the target continues to be missed, the negative revenue adjustment will continue to double. Once the target is achieved, however, the negative revenue adjustment will revert back to its original revenue adjustment amount. The current

¹² Cases 09-E-0715, et al., New York State Electric & Gas Corporation and Rochester Gas & Electric Corporation- Electric and Gas Rates, Order Establishing Rate Plan (issued September 21, 2010).

NYSEG CSPI includes the following measures: PSC complaint rate; Customer Satisfaction Index; estimated meter readings; and calls answered within 30 seconds.

NYSEG met all of its performance standards for 2010 and did not incur any negative revenue adjustments.

O&R

O&R's CSPI consist of targets for separate annual satisfaction surveys of residential and commercial/industrial customers, and PSC complaint rate. Under the current electric rate plan, O&R may incur a maximum downward adjustment to electric earnings of \$1.1 million (equal to approximately 38 basis points on electric common equity). The gas rate plan provides that the company may incur a maximum downward adjustment to gas earnings of \$600,000 (equal to approximately 38 basis points on gas common equity) ¹³

Based on its performance for 2010, no ratemaking adjustments are applicable to O&R. Additionally, the Company saw a decline in the number of PSC complaints received from 2009 to 2010, and saw an improvement in its scores for both its annual surveys.

RG&E

In 2010, the Commission reduced the number of RG&E's CSPI measures from five to four, eliminating a billing accuracy measure. The four measures included in the CSPI are: PSC complaint rate; Customer Satisfaction Index; percentage of estimated meter readings; and, calls answered within 30 seconds. The revenue adjustments remain the same at a maximum of \$6.4 million annually, with \$5 million applicable to electric operations (equal to approximately 71 basis points of electric common equity) and \$1.4

¹³ Case 05-G-1494, Orange and Rockland Utilities, Inc., Order Establishing Rates and Terms of Three-Year Rate Plan (issued October 20, 2006); Cases 06-E-1433 and 06-E-1547, Orange and Rockland Utilities, Inc., Order Setting Permanent Rates, Reconciling Overpayments During Temporary Rate Period and Establishing Disposition of Property Tax Refunds (issued October 18, 2007).

million applicable to gas operations (equal to approximately 50 basis points of gas common equity).¹⁴

RG&E met all of its performance standards for 2010 and did not incur any negative revenue adjustments. Additionally, the Company reports improved performance in each of its measures from the prior reporting period.

St. Lawrence Gas

In December 2009, the Commission continued St. Lawrence Gas' CSPI in its order establishing the Company's rate plan.¹⁵ St. Lawrence Gas' CSPI consists of two targets: annual customer satisfaction survey; and, an annual PSC complaint target. Under the rate plan, the Company may incur a maximum downward adjustment to earnings of \$36,000 (equal to approximately 15 basis points on common equity), split evenly between the annual survey and the number of PSC complaints.

St. Lawrence Gas met both of its performance standards for 2010. It did not incur any negative revenue adjustments.

REVIEW OF PERFORMANCE TO DATE

The PSC complaint statistics compiled by OCS, along with the data provided by each utility in the performance indicator reports, allow Staff to analyze and make comparisons of utility customer service performance on a detailed and consistent basis. The table below provides a summary of the complaint statistics, and the utilities' performance indicator achievements for calendar year 2010:

¹⁴ Case 09-E-0715, supra, Order Establishing Rate Plan (issued September 21, 2010).

¹⁵ Case 08-G-1392, Proceeding on Motion of the Commission as to the Rates, Charges, Rules and Regulations of St. Lawrence Gas Company, Inc. for Gas Service, Order Establishing Rate Plan (issued December 18, 2009).

Utility	PSC Complaint Rate	Appointments Kept	Telephone Response (in 30 secs.)	Adjusted Bills	Estimated Readings
Central Hudson	0.13	99.85%	69.67 %	0.94%	3.76%
Con Edison	1.62	99.79%	58.19%	0.38%	11.65%
KEDNY	0.62	83.04%	65.93%	1.36%	7.42%
KEDLI	0.48	96.50%	32.53%	1.10%	21.94%
National Fuel	0.05	98.14%	89.74%	1.03%	12.87%
Niagara Mohawk	0.76	99.06%	78.90%	0.50%	0.98%
NYSEG	0.39	99.54%	67.42%	0.41%	5.13%
O&R	0.50	100.00%	64.50%	2.67%	7.43%
RG&E	0.33	99.55%	80.28%	0.34%	2.82%
Mean	0.54	97.27%	67.46%	0.97%	8.22%
Median	0.48	99.54%	67.42%	0.94%	7.42%

The bolded statistics in the chart above represent performance improvements for the metric from the prior year. The data above show that, while performance varies from utility to utility, all New York utilities are providing satisfactory service in the service areas covered by these performance indicators. Central Hudson, NYSEG and RGE each posted strong performances, scoring either better than or equal to both the mean and the median levels in all categories. Other noteworthy findings include the following: National Fuel posts the highest call answer rate, and it continues to improve; National Fuel also posts the lowest PSC complaint rate, and it continues to improve; Niagara Mohawk scored better than all other utilities on the Estimated Bill metric, and its performance improved during the reporting period; and while most of the companies scored well on the Appointments Kept metric, O&R reports that it kept 100% of its scheduled appointments.

CONCLUSION

Overall, the electric and gas utilities' performance during the reporting period on reported measures of customer service quality is satisfactory, and the customer service performance incentive mechanisms implemented by the Commission are effective. Staff will continue to monitor customer service quality and promote performance-based ratemaking strategies relating to customer service quality, in conformance with Commission policies.

STATE OF NEW YORK
DEPARTMENT OF PUBLIC SERVICE

INTEROFFICE MEMORANDUM

May 31, 2012

TO: THE COMMISSION

FROM: OFFICE OF CONSUMER POLICY
DOUGLAS ELFNER, Director
By: ELIZABETH KATZ, Utility Consumer Program Specialist 4

OFFICE OF GENERAL COUNSEL
PETER McGOWAN, General Counsel
By: GUY MAZZA, Assistant Counsel

SUBJECT: Case 12-M-0170 - In the Matter of Energy Utility Customer
Service Quality

RECOMMENDATION: STAFF REPORT ON 2011 ENERGY UTILITY SERVICE
QUALITY PERFORMANCE – For Information Only

INTRODUCTION

This memorandum summarizes the utilities' reports of their performance for 2011 on measures of customer service quality. There are two groups of measures of customer service quality: (1) performance indicators, which include standardized measures of customer service performance, but are not associated with financial incentives, and (2) Customer Service Performance Incentives (CSPI), which include negative revenue adjustments for unsatisfactory customer service performance. Performance indicator data show that all New York utilities provided a satisfactory level of service on these measures for 2011. In addition, the state's electric and gas utilities met or exceeded the standards for performance on every measure of customer service established within their individual CSPI mechanisms for 2011.

BACKGROUND

As monopoly providers, utilities face little direct financial pressure to provide quality customer service. Furthermore, customer service operations may be easy targets of utility cost cutting efforts since such operations do not generally enhance profits. Staff performs a variety of activities to monitor the quality of customer service provided by utilities, and to help ensure the fair and appropriate treatment of utility customers. Staff has historically used specific customer service audits (e.g., reviews of utilities' handling of customer contacts to assess their compliance with the Home Energy Fair Practices Act) as its primary tool for achieving these objectives. While generally effective in identifying problems, however, such audits were time-consuming, costly, and did not provide consistent results that easily allowed trend analysis or cross-utility comparisons.

Since the early 1990s, utilities have been required to report their customer service performance on several key indicators on a uniform basis. Maintaining customer service performance became a vital concern after the introduction of revenue decoupling mechanisms (RDMs) in the early 1990s. Under conventional ratemaking regimes, utilities can increase profits by either increasing sales or cutting costs; however, under RDMs, utilities can only enhance profits by cutting costs, since any increases in revenue resulting from increased sales are simply passed back to customers. In the late 1990s, RDMs fell out of favor, but concerns arose that the introduction of competition and industry restructuring would likewise pressure utilities to downsize their customer service operations. More recently, the Commission's policy emphasis has returned to encouraging energy efficiency, and RDMs have re-emerged as ratemaking tools. Through all of these developments, CSPIs have been developed and implemented as a key performance-based ratemaking tool. CSPI mechanisms currently are in place at all of the state's major energy utilities.

PERFORMANCE INDICATORS

To ease the monitoring and analysis of gas, electric, and water utilities' customer service performance, Staff proposed the use of standard performance indicators

in May 1991. The Commission directed all major gas and electric utilities (those serving more than 25,000 customers) and the state's five largest water corporations to collect and report monthly service data in accordance with the performance indicators, beginning in April 1992.¹ Currently, the state's largest gas and electric utilities report these performance indicators, including the following: PSC complaint rate, appointments kept, non-emergency service response time, telephone answer response, adjusted bills, and estimated meter readings. Since they are designed to be reported on a uniform basis, these performance indicators facilitate comparative analysis of customer service on a consistent basis, allow identification of overall trends in customer service and inform CSPI design; however, performance is self-reported by the utilities and unaudited by Staff.²

Analysis of Trends in Customer Service

The PSC complaint statistics compiled and issued monthly by the Office of Consumer Services (OCS), along with the data provided by each utility in its performance indicator reports, allow the Office of Consumer Policy (OCP) to analyze and compare utility customer service performance on a detailed and consistent basis. The table below provides summary data from the OCS complaint statistics and the utilities' performance indicator reports for calendar year 2011, for Central Hudson Gas & Electric Corporation (Central Hudson), Consolidated Edison Company of New York, Inc. (Con Edison), Key Span Energy Delivery New York and KeySpan Energy Delivery Long Island (KEDNY and KEDLI respectively, or collectively KeySpan), National Fuel Gas Distribution Corporation (National Fuel), New York State Electric & Gas Corporation

¹ Case 91-M-0500, Customer Service Standards for Electric, Gas and Steam Corporations, Order Directing Utilities to Supply Service Data (issued January 16, 1992); Cases 96-E-0909, et al., Order Concerning Electric and Gas Utility Customer Service Performance (issued May 9, 2001).

² Performance indicator metrics are precisely defined in a Commission Order (Case 91-M-0500, supra), however, the data is self-reported by the utilities, so questions regarding uniformity of reporting cannot be completely eliminated.

(NYSEG), Niagara Mohawk Power Corporation d/b/a National Grid (National Grid), Orange and Rockland Utilities, Inc. (O&R), and Rochester Gas and Electric Corporation (RG&E):

Utility	PSC Complaint Rate	Appointments Kept	Telephone Response (in 30 secs.)	Adjusted Bills	Estimate Readings
Central Hudson	0.17%	99.84%	74.68%	1.07%	3.39%
Con Edison	1.60%	99.84%	58.40%	0.35%	11.57%
KEDNY	0.50%	78.30%	58.88%	1.44%	7.04%
KEDLI	0.37%	96.30%	39.40%	1.43%	22.94%
National Fuel	0.10%	98.52%	90.90%	0.80%	12.51%
National Grid	0.66%	98.50%	79.40%	0.50%	1.03%
NYSEG	0.14%	99.87%	64.70%	0.38%	5.78%
O&R	0.80%	99.49%	61.00%	1.63%	10.62%
RG&E	0.34%	99.86%	80.75%	0.30%	3.08%
Mean	0.52%	96.72%	67.57%	0.88%	8.67%
Median	0.37%	99.49%	64.70%	0.80%	7.04%

The data reported by the utilities show that all New York utilities appear to be providing satisfactory levels of service. RG&E posted the strongest performance overall in 2011, scoring better than both the mean and the median levels in all categories, including having the top scores in Appointments Kept and Adjusted Bills. RG&E also had the best performance for the prior calendar year and scored better than both the mean and median in 2010 as well. In addition, Con Edison improved its performance on every measure, when compared to last year, while National Fuel improved its performance in four out of five categories, including top scores on PSC Complaint Rate and Telephone Response. National Grid posted the top score for Estimated Readings.

CUSTOMER SERVICE PERFORMANCE INCENTIVES

CSPIs have typically been negotiated within the context of individual utility rate cases and the Commission has adopted the terms of such CSPIs, sometimes with modifications, in its rate orders. CSPIs help to align shareholder and ratepayer interests

by providing potential earnings consequences to shareholders that reflect the quality of service to utility customers. Such performance-based ratemaking techniques are commonly used regulatory tools throughout the United States.

Since the Commission sets CSPIs for each utility in the context of utility rate proceedings, each mechanism is different in scope, target level, and amount at risk for nonperformance. Generally, CSPIs place the utilities at risk of negative revenue adjustments in the range of 30-50 basis points (depending on the complexity of the mechanism and past utility performance) if certain targets are not met. The Commission has departed from this range; however, and in some cases has doubled or tripled amounts at risk in order to alleviate threats to service quality. In certain other cases, the amount at risk falls below this range – either because of the length of time since the CSPI was last reviewed or because the subject utility’s performance is not perceived as presenting a potential threat to service quality.

CSPI Components and Key Parameters

All of the CSPIs contain targets for PSC complaint rates and for customer satisfaction surveys. By their nature, both PSC complaint rates and customer satisfaction surveys are broad (referred to here as “macro”) measures of performance that reflect utility performance in every facet of its operations, from billing accuracy to repair promptness. The incentive mechanisms may also include targets for other more specific (referred to here as “micro”) measures of utility performance, such as telephone answer response time or adjusted bills. In general, these micro-measures of performance were added to individual utility incentive mechanisms in response to an identified deficiency.³

³ For example, the Commission added an outage notification incentive mechanism (ONIM) to Con Edison’s customer service performance incentive following the Company’s poor performance in notifying customers during and after the Washington Heights outages in 1999. See Case 00-M-0095, Con Edison and Northeast Utilities, Inc., Order Approving Mechanism (issued April 28, 2002).

Complaint Rates

PSC complaint rates are measured in the same way for each utility (i.e., expressed as the average monthly rate of complaints per 100,000 customers, as reported by OCS). In addition to providing a uniform macro-measure of utility performance, PSC complaint rates are calculated by Staff, and thus provide a high degree of confidence in their results. In contrast, virtually every micro-measure of customer service is self-reported by the utilities and the results are not audited by Staff. Therefore, the PSC complaint rate is considered an important and reliable indicator of overall utility customer service performance.

Customer Satisfaction Surveys

Each of the utilities conducts a proprietary customer satisfaction survey, generally administered by an independent survey contractor, which has been benchmarked to establish a target level. Over time, as CSPIs have been adopted, the Commission has approved the use of selected responses to these surveys as part of its measures of customer service performance. Like PSC complaint rates, customer satisfaction surveys furnish macro-measures of customer service performance that capture most facets of utility operations. Also like PSC complaint rates, surveys administered by a third party contractor provide an additional measure of confidence, secured by the survey contractor's reputation, that the results accurately reflect customer satisfaction.

Unlike PSC complaint rates, customer satisfaction surveys are unique to each utility because they were developed by and for the utilities for their use in gaining customer feedback and identifying process improvement opportunities. The Commission has used these surveys as indicators of customer satisfaction for purposes of applying CSPIs, primarily to minimize the costs that would be involved with developing and administering separate surveys for that purpose.

Because they are unique to each utility, the surveys provide an independent and (after years of successive surveys) reliable macro-measure of each utility's customer service performance as measured against itself, but do not furnish a means for comparing

a utility's performance to that of its peers. PSC complaint rates, and the performance indicators, are standardized and more readily provide for comparative analysis. Therefore, standardization of customer satisfaction surveys appears to be unnecessary and obtaining this standardization would be costly and difficult to administer.

REVIEW OF CURRENT CUSTOMER SERVICE PERFORMANCE INCENTIVES

In the sections that follow, the customer service mechanisms in effect at Central Hudson; Con Edison; KeySpan; National Fuel; NYSEG; National Grid; O&R; RG&E, and St. Lawrence Gas Company, Inc.⁴ (St. Lawrence Gas) are described, and each utility's respective performance is reported.⁵

Central Hudson

The Central Hudson CSPI provides for downward adjustments to earnings of up to \$1.9 million (equivalent to approximately 29 and 19 basis points of common equity for electric and natural gas, respectively). The rate plan provides for allocation of \$950,000 to each of two performance measures: PSC complaint rate and a Customer Satisfaction Index (CSI).

Based on its performance for the most recent period, no revenue adjustments are applicable to Central Hudson. In addition, Central Hudson scored better on both measures in 2011 than it did in either of the two previous years.

⁴ St. Lawrence Gas is introduced in this section because it is not required to file performance indicator reports (Case 91- M-0500, *supra*).

⁵ The Commission recently approved a rate plan for Corning Natural Gas Corp., including a new CSPI, which became effective May 1, 2012. See Case 11-G-0280, Corning Natural Gas Corporation, Order Adopting Terms Of Joint Proposal And Establishing A Multi-Year Rate Plan (issued April 20, 2012).

Con Edison

The Commission updated Con Edison's electric CSPI for this reporting period in the Company's most recent rate plan order.⁶ A maximum revenue adjustment in favor of ratepayers of up to \$40 million annually (equivalent to approximately 34 basis points of electric common equity) is applicable if the company does not meet customer service threshold targets.

Specific customer service performance measures included in Con Edison's CSPI are the PSC complaint rate; satisfaction of electric emergency callers, other non-emergency callers to the company's telephone centers, and visitors to the company's service centers; telephone calls (percentage answered within 30 seconds); and the Outage Notification Incentive Mechanism (ONIM), a measurement of the company's performance in customer notification of service outages.

Based on its performance for the most recent rate year on its electric CSPI, which covers the period from May 1, 2011 through April 30, 2012, no revenue adjustments are applicable to Con Edison. In addition, Con Edison improved from its 2010 performance on three of the six measures: PSC complaint rate, satisfaction of non-emergency callers and call answer rate.⁷

Con Edison's gas CSPI is based on an average of biannual surveys of customer satisfaction with the handling of emergency calls relating to gas service.⁸ A customer satisfaction report is submitted twice a year, following customer surveys in the second and fourth quarters.

⁶ Case 09-E-0428, Consolidated Edison Company of New York, Inc., Order Establishing Three-Year Electric Rate Plan (issued March 26, 2010).

⁷ There were no outage events in 2010 that triggered the operation of the ONIM. There were two such events in 2011; however, Con Edison's communication actions were timely, and the information conveyed was satisfactory in each of the communication activities during the events, and no negative revenue adjustments are due.

⁸ Case 09-G-0795, Consolidated Edison Company of New York, Inc., Order Establishing Three-Year Steam and Gas Rate Plans (issued September 22, 2010).

Based on its performance for the most recent rate year on its gas CSPI, no revenue adjustments are applicable to Con Edison.

KeySpan

A maximum revenue adjustment of \$11.7 million annually for KEDNY (equivalent to approximately 77 basis points of common equity) and \$9.9 million for KEDLI (equivalent to approximately 69 basis points of common equity) is applicable if the Companies do not meet customer service threshold targets. For KEDNY and KEDLI, \$4.68 million and \$4.455 million, respectively, are allocated to each of two broad-based measures of customer services performance: PSC complaint rate and Customer Satisfaction Index (CSI) as measured through a monthly survey of customers who have recently contacted KeySpan. For KEDNY, \$1.17 million is at risk for the number of bills that are adjusted due to company errors, and an additional \$1.17 million is at risk for the percentage of calls answered within 30 seconds. For KEDLI, \$0.99 million is at risk for the number of bills that are adjusted due to company errors.

Based on their respective performance for 2011, no rate adjustments are applicable to KEDLI and KEDNY.

National Fuel

The National Fuel CSPI provides a maximum \$1.5 million downward adjustment (equivalent to approximately 29 basis points) and consists of eight performance measures.⁹ They include residential Customer Satisfaction Index (CSI), non-residential CSI, appointments kept, new service installations, telephone response, adjusted bills, estimated meter readings, and PSC complaint rate.

Based on its performance for the rate year ending July 31, 2011, no ratemaking adjustments are applicable to National Fuel. In addition, NFG improved its score in six out of eight measures, compared to the previous rate year.

⁹ Case 07-G-0141, National Fuel Gas Distribution Corporation, Order Establishing Rates for Gas Service (issued December 21, 2007).

National Grid

National Grid's CSPI places a total of \$19.8 million at risk annually in potential revenue adjustments, \$15.2 million for electric (the equivalent of approximately 47 basis points of electric common equity) and \$4.6 million for gas (the equivalent of approximately 62 basis points of gas common equity) for failure to achieve certain measures. The electric amount at risk is divided among four performance measures including: PSC complaint rate, the annual Residential survey and the Small/Medium Commercial and Industrial (C&I) survey and calls answered within 30 seconds.¹⁰ The gas amount at risk is divided among six measures, including the above and adding the percentage of meters read on cycle, and a measure of Low Income Customer Assistance Program (LICAP) referrals.¹¹

Based on National Grid's performance for the most recent calendar year, there are no earnings adjustments applicable to National Grid for customer service performance. National Grid had its lowest complaint rate to date in 2011, and has steadily improved its residential customer satisfaction survey scores over the last three years.

NYSEG

NYSEG's CSPI currently carries a maximum potential annual negative adjustment to the company's earnings of \$9.0 million for electric (equivalent to approximately 72 basis points of electric common equity) and \$1.3 million for gas (equal

¹⁰ Case 10-E-0050, Niagara Mohawk Power Corporation, Order Establishing Rates For Electric Service (issued January 24, 2011).

¹¹ Case 08-G-0609, Proceeding on Motion of the Commission as to the Rates, Charges, Rules and Regulations of Niagara Mohawk Power Corporation for Gas Service, Order Adopting The Terms Of A Joint Proposal And Implementing A State Assessment Surcharge (issued May 15, 2009).

to approximately 40 basis points of gas common equity).¹² Included in this amount is a doubling provision whereby any individual measure target that is missed for two consecutive years will have its associated negative revenue adjustment doubled in the second missed year. The negative revenue adjustment will continue to double for each consecutive miss of the target; however, once the target is met, the negative revenue adjustment will revert back to its original amount. The current customer performance measures in place for NYSEG are: PSC complaint rate, Customer Satisfaction Index, estimated meter readings, and calls answered within 30 seconds.

NYSEG met all of its performance standards for 2011 and did not incur any negative revenue adjustments. In addition, its performance on PSC complaint rate and Customer Satisfaction Index showed improvement over 2010.

O&R

O&R's CSPI consists of targets for annual surveys of residential and commercial/industrial customers, an adjusted bills measure and an annual PSC complaint rate target. Under the current electric rate plan, O&R may incur a maximum downward adjustment to electric earnings of \$1.1 million (equivalent to approximately 22 basis points on electric common equity). The gas rate plan provides that the company may incur a maximum downward adjustment to gas earnings of \$600,000 (equivalent to approximately 26 basis points on gas common equity).¹³

Based on its performance for 2011, no ratemaking adjustments are applicable to O&R. Additionally, the Company saw an improvement from 2010 in its scores for adjusted bills and its customer satisfaction surveys.

¹² Cases 09-E-0715, et al., New York State Electric & Gas Corporation and Rochester Gas & Electric Corporation- Electric and Gas Rates, Order Establishing Rate Plan (issued September 21, 2010).

¹³ Case 05-G-1494, Orange and Rockland Utilities, Inc., Order Establishing Rates and Terms of Three-Year Rate Plan (issued October 20, 2006) (Gas Rate Order); Case 10-E-0362, Orange and Rockland Utilities, Inc., Order Establishing Rates for Electric Service (issued June 17, 2011) (Electric Rate Order).

RG&E

In 2010, the Commission revised the number of RG&E's CSPI measures downward to four measures: PSC complaint rate, Customer Satisfaction Index, percentage of estimated meter readings, and calls answered within 30 seconds. Total amounts at risk were maintained however, at a maximum of \$6.4 million annually, with \$5 million applicable to electric operations (equivalent to approximately 68 basis points of electric common equity) and \$1.4 million applicable to gas operations (equivalent to approximately 43 basis points of gas common equity).¹⁴

RG&E met all of its performance standards for 2011 and did not incur any negative revenue adjustments. As noted previously in this report, RG&E is consistently among the top performers in all measured areas of customer service.

St. Lawrence Gas

St. Lawrence Gas' CSPI consists of targets for annual surveys of customer satisfaction, and an annual PSC complaint target.¹⁵ The Company may incur a maximum downward adjustment to earnings of \$36,000 (equivalent to approximately 17 basis points on common equity), split evenly between the annual survey and the number of PSC complaints.

St. Lawrence Gas performed at a satisfactory level in 2011, and did not incur any negative revenue adjustments. The Company's performance is particularly remarkable in that it had no PSC complaints in 2011.

¹⁴ Case 09-E-0715, *supra*.

¹⁵ Case 08-G-1392, Proceeding on Motion of the Commission as to the Rates, Charges, Rules and Regulations of St. Lawrence Gas Company, Inc. for Gas Service, Order Establishing Rate Plan (effective December 18, 2009).

REVIEW OF PERFORMANCE TO DATE

The CSPIs currently in place at the utilities in New York State establish stronger standards for performance and subject greater amounts of shareholder earnings to potential incentive payments than at any previous time. Overall, these mechanisms have been effective in making the quality of service to customers a high corporate priority and ensuring that the quality of customer service remains at satisfactory levels.

CONCLUSION

Overall, the electric and gas utilities' performance to date on measures of customer service quality is satisfactory, and the CSPI mechanisms implemented by the Commission are effective. Staff will continue to monitor customer service quality, and to promote performance-based ratemaking strategies relating to customer service quality, in conformance with Commission policies.

STATE OF NEW YORK
DEPARTMENT OF PUBLIC SERVICE



Case 13-M-0211

In the Matter of Energy Utility Customer Service Quality

2012 UTILITY SERVICE QUALITY REPORT

June 2013

STATE OF NEW YORK
DEPARTMENT OF PUBLIC SERVICE

EXECUTIVE SUMMARY

This memorandum summarizes the utilities' reports of their performance for 2012 on measures of customer service quality. There are two groups of measures of customer service quality: (1) performance indicators, which include standardized measures of customer service performance, but are not associated with financial incentives, and (2) Customer Service Performance Incentives (CSPI), which include negative revenue adjustments for unsatisfactory customer service performance. Performance indicators data shows that all New York utilities provided a satisfactory level of service on these measures for 2012. In addition, the state's electric and gas utilities met or exceeded the standards for performance on every measure of customer service established within their individual CSPI mechanisms for 2012.

BACKGROUND

As monopoly providers, utilities have little direct financial pressure to provide quality customer service. In addition, customer service operations may be easy targets of utility cost cutting efforts since such operations do not generally enhance profits. Staff performs a variety of activities to monitor the quality of customer service provided by utilities, and to help ensure the fair and appropriate treatment of utility customers. Staff historically used specific customer service audits (e.g., reviews of utilities' handling of customer contacts to assess their compliance with the Home Energy Fair Practices Act) as its primary tool for achieving these objectives. While generally effective in identifying problems, however, such audits are time-consuming, costly, and do not provide consistent results that easily allow trend analysis or cross utility comparisons.

Since the early 1990s, utilities have been required to report their customer service performance on several key indicators on a uniform basis. Maintaining customer service performance became a vital concern after the introduction of revenue decoupling mechanisms (RDMs) in the early 1990s. Under conventional ratemaking regimes,

utilities can increase profits either by increasing sales or cutting costs; however, under RDMs, utilities can only enhance profits by cutting costs, since any increases in revenue resulting from increased sales are simply passed back to customers. In the late 1990s, RDMs fell out of favor, but concerns arose that the introduction of competition and industry restructuring would likewise pressure utilities to downsize their customer service operations. More recently, the Commission's policy emphasis has returned to encouraging energy efficiency, and RDMs have re-emerged as ratemaking tools. Through all of these developments, CSPIs have been developed and implemented as a key performance-based ratemaking tool. CSPI mechanisms currently are in place at all of the state's major energy utilities.

PERFORMANCE INDICATORS

To ease the monitoring and analysis of gas, electric, and water utilities' customer service performance, Staff, in May 1991, proposed the use of standard performance indicators. The Commission directed all major gas and electric utilities (those serving more than 25,000 customers) and the state's five largest water corporations to collect and report monthly service data in accordance with the performance indicators, beginning in April 1992.¹ Currently, the state's largest gas and electric utilities report these performance indicators, including the following: PSC complaint rate, appointments kept, telephone answer response time, adjusted bills, and estimated meter readings. Since they are designed to be reported on a uniform basis, these performance indicators facilitate comparative analysis of customer service on a consistent basis, allow identification of overall trends in customer service and inform CSPI design.

Analysis of Trends in Customer Service

The PSC complaint statistics compiled and issued monthly by the Office of Consumer Services (OCS), along with the data provided by each utility in its

¹ Case 91-M-0500, Customer Service Standards for Electric, Gas and Steam Corporations, Order Directing Utilities to Supply Service Data (issued January 16, 1992; Cases 96-E-0909, et al., Order Concerning Electric and Gas Utility Customer Service Performance (issued May 9, 2001).

performance indicator reports, allow the Office of Consumer Policy (OCP) to analyze and compare utility customer service performance on a detailed and consistent basis. The summary data from the OCS complaint statistics and the utilities' performance indicator reports for calendar year 2012 for Central Hudson Gas and Electric Corporation (Central Hudson), Consolidated Edison Company of New York, Inc. (Con Edison), KeySpan Energy Delivery New York and Keys pan Energy Delivery of Long Island (KEDNY and KEDLI respectively, or collectively KeySpan), National Fuel Gas Distribution Corporation (National Fuel), New York State Electric and Gas Corporation (NYSEG), Niagara Mohawk Power Corporation d/b/a National Grid (National Grid), Orange and Rockland Utilities, Inc. (O&R), and Rochester Gas and Electric Corporation (RG&E) show that all New York utilities appear to be providing satisfactory levels of service.

CUSTOMER SERVICE PERFORMANCE INCENTIVES

CSPIs have typically been negotiated within the context of individual utility rate cases and the Commission has adopted the terms of such CSPIs, sometimes with modifications, in its rate orders. CSPIs help to align shareholder and ratepayer interests by providing potential earnings consequences to shareholders that reflect the quality of service to utility customers. Such performance-based ratemaking techniques are commonly used regulatory tools throughout the United States.

Since the Commission sets CSPIs for each utility in the context of utility rate proceedings, each mechanism is different in scope, target level, and amount at risk for nonperformance. Generally, CSPIs place the utilities at risk of negative revenue adjustments in the range of 30-50 basis points (depending on the complexity of the mechanism and past utility performance) if certain targets are not met. The Commission has departed from this range, however, and in some cases has doubled or tripled amounts at risk in order to alleviate threats to service quality. In other cases, the amount at risk falls below this range – either due to the length of time since the CSPI was last reviewed or because the subject utility's performance is not perceived as presenting a potential threat to service quality.

CSPI Components and Key Parameters

All of the CSPIs contain targets for PSC complaint rates and for customer satisfaction surveys. By their nature, both PSC complaint rates and customer satisfaction surveys are broad (referred to here as “macro”) measures of performance that reflect utility performance in every facet of its operations, from billing accuracy to repair promptness. The incentive mechanisms may also include targets for other more specific (referred to here as “micro”) measures of utility performance, such as telephone answer rate or adjusted bills. In general, these micro-measures of performance were added to individual utility incentive mechanisms in response to identified deficiencies.¹

Complaint Rates

PSC complaint rates are measured in the same way for each utility, *i.e.*, expressed as the average monthly rate of complaints per 100,000 customers, as reported by OCS. In addition, to providing a uniform macro- measure of utility performance, PSC complaint rates are calculated by Staff, and thus provide a high degree of confidence in their results. In contrast, virtually every micro-measure of customer service is self-reported by the utilities. Therefore, the PSC complaint rate is considered an important and reliable indicator of overall utility customer service performance.

Customer Satisfaction Surveys

Each of the utilities conducts a proprietary customer satisfaction survey, generally administered by an independent survey contractor, which has been benchmarked to establish a target level. Over time, as CSPIs have been adopted, the Commission has approved the use of selected responses to these surveys as part of its measures of customer service performance. Like PSC complaint rates, customer satisfaction surveys furnish macro-measures of customer service performance that capture every facet of utility operations. Also like PSC complaint rates, surveys

¹ For example, the Commission added an outage notification incentive mechanism (ONIM) to Con Edison’s customer service performance incentive following the Company’s poor performance in notifying customers during and after the Washington Heights outages in 1999. See Case 00-M-0095, Con Edison and Northeast Utilities, Inc., Order Approving Mechanism (issued April, 28, 2002).

administered by third party contractor provide an additional measure of confidence, secured by the survey contractor's reputation, that the results accurately reflect customer satisfaction.

Unlike PSC complaint rates, customer satisfaction surveys are unique to each utility because they were developed by and for the utilities for their use in gaining customer feedback and identifying process improvement opportunities. The Commission has used these surveys as indicators of customer satisfaction for purposes of applying CSPIs, primarily to minimize the costs that would be involved with developing and administering separate surveys for that purpose. Because they are unique to each utility, the surveys provide an independent and (after years of successive surveys) reliable macro-measure of each utility's customer service performance as measured against itself, but do not furnish a means for comparing a utility's performance to that of its peers. PSC complaint rates, and the performance indicators, are standardized and more readily provide for comparative analysis. Therefore, standardization of customer satisfaction surveys appears not only to be unnecessary, but would be costly and difficult to administer.

REVIEW OF CURRENT CUSTOMER SERVICE PERFORMANCE INCENTIVES

In the sections that follow, the customer service mechanisms in effect at Central Hudson, Con Edison, Corning Natural Gas Corporation (Corning Gas), KeySpan, National Fuel, National Grid, NYSEG, O&R, RG&E, and St. Lawrence Gas Company, Inc.¹ (St. Lawrence Gas) are described, and each utility's respective performance is reported.

Central Hudson

The Central Hudson CSPI provides for downward adjustments to earnings of up to \$1.9 million, divided between electric and gas operations proportionately to the revenues of each (with the portions equivalent to approximately 27 and 18 basis points of

¹ St Lawrence Gas is introduced in this section because it is not required to file performance indicator reports (Case 91-M-0500, supra).

common equity for electric and natural gas respectively). The rate plan provides for allocation of \$950,000 to each of two performance measures: PSC complaint rate and a Customer Satisfaction Index (CSI). In addition, Central Hudson provides a \$20 payment to a customer with whom Central Hudson misses a scheduled appointment.

Based on its performance for the calendar year 2012, no revenue adjustments are applicable to Central Hudson. In addition, Central Hudson scored better on both measures in 2012 than it did in 2011. Total payments of \$460 were made for missed appointments during the period, representing a \$20 credit applied to the accounts of affected customer for each of 23 missed appointments.

Con Edison

A maximum revenue adjustment in favor of ratepayers of up to \$40 million annually (equivalent to approximately 30 basis points of electric common equity) is applicable if the Company does not meet customer service threshold targets. Con Edison's specific customer service performance measures are: the PSC complaint rate; satisfaction of electric emergency callers; satisfaction of other callers to the company's telephone centers; satisfaction of visitors to the company's service centers; telephone response time (percentage answered within 30 seconds); and the Outage Notification Incentive Mechanism (ONIM), a measurement of the company's performance in customer notification of service outages.

Based on its performance for the most recent year on its electric CSPI, which covers the period from April 1, 2012 through March 31, 2013, no revenue adjustments are applicable to Con Edison. In addition, Con Edison improved from its 2011 performance on PSC complaint rate and electric emergency caller satisfaction. However, the satisfaction of non-emergency callers and customers who visited the company's service centers decreased.¹ In addition, Con Edison's call answer rate for the reporting period is below the two prior annual reporting periods.

¹ Outage Notification Incentive Mechanism (ONIM) was applicable to an outage event that occurred on October 29-30, 2012. As discussed in the report Con Edison filed with the Commission on January 11, 2013, the Company's communication actions were timely, and the information conveyed was satisfactory in each of the ONIM
(continued ...)

Con Edison's gas CSPI is based on an average of biannual surveys of customer satisfaction with the handling of emergency calls relating to gas service.¹ A customer satisfaction report is submitted twice a year, following customer surveys in the second and fourth quarters. If, during any rate year, satisfaction should fall below the 88.1 percent target, the Company would incur an adjustment to return ranging up to \$3.3 million (equivalent to approximately 12 basis points of gas common equity), reaching the maximum negative revenue adjustment at a satisfaction level of 87.5 percent or below. Based on its performance for the most recent rate year on its gas CSPI, no revenue adjustments are applicable to Con Edison.

Corning Gas

Corning's CSPI is comprised of two performance measures: PSC complaint rate and Customer Satisfaction Survey.² Total maximum amount at risk annually for the two measures is \$36,000 (approximately 13 basis points of common equity). However, the Customer Satisfaction Survey will not go into effect until Rate Year 3 which begins on May 1, 2014, in order to allow the Company to develop and benchmark the survey. Therefore, the Company's performance measurement for calendar year 2012 is limited to the PSC complaints. Based on its performance in the calendar 2012, no revenue adjustment is applicable to Corning Gas. In addition, Corning's complaint rate for 2012 is 0.

communication activities during the event, and no negative revenue adjustments are due under ONIM.

¹ Case 09-G-0795, Consolidated Edison Company of New York, Inc., Order Establishing Three-Year Steam and Gas Rate Plans (issued September 22, 2010).

² The Commission approved a rate plan for Corning Natural Gas Corporation, including a new CSPI, which became effective May 1, 2012. See Case 11-G-0280, Corning Natural Gas Corporation, Order Adopting Terms of Joint Proposal and Establishing a Multi-Year Rate Plan (issued April 20, 2012).

KeySpan

A maximum revenue adjustment of \$11.7 million annually for KEDNY (equivalent to approximately 75 basis points of common equity) and \$9.9 million for KEDLI (equivalent to approximately 69 basis points of common equity) is applicable if the Companies do not meet customer service threshold targets. For KEDNY and KEDLI, \$4.68 million and \$4.455 million, respectively, are allocated to each of two broad-based measures of customer services performance: PSC complaint rate and Customer Satisfaction Index (CSI) as measured through a monthly survey of customers who have recently contacted KeySpan. For KEDNY, \$1.17 million is at risk for the number of bills that are adjusted due to company errors, and an additional \$1.17 million is at risk for the percentage of calls answered within 30 seconds. For KEDLI, \$0.99 million is at risk for the number of bills that are adjusted due to company errors.

Based on their respective performance for calendar year 2012, no rate adjustments are applicable to KEDNY and KEDLI. In addition, both Companies improved from their 2011 performance score on the adjusted bills measure.

National Fuel

The National Fuel CSPI provides a maximum \$1.5 million downward adjustment (equivalent to approximately 29 basis points) and consists of eight performance measures.¹ They include residential Customer Satisfaction Index (CSI), non-residential CSI, appointment kept, new service installations, telephone response, adjusted bills, estimated meter readings, and PSC complaint rate.

Based on its performance for the rate year ending July 31, 2012, no rate adjustments are applicable to National Fuel. In addition, National Fuel maintained or improved each of its performance measures.

¹ Case 07-G-0141, National Fuel Gas Distribution Corporation, Order Establishing Rates for Gas Service (issued December 21, 2007).

National Grid

National Grid's CSPI provides a total of \$19.8 million at risk annually in potential revenue adjustments, \$15.2 million for electric (equivalent of approximately 47 basis points of electric common equity) and \$4.6 million for gas (the equivalent of approximately 62 basis points of gas common equity) for failure to achieve certain performance measures. The electric amount at risk is divided among the following measures: PSC complaint rate, the annual Residential survey and the Small/Medium Commercial and Industrial (C&I) survey and calls answered within 30 seconds.¹ The gas amount at risk is divided among the four electric measures above and adding the percentage of meters read on cycle, and a measure of Low Income Customer Assistance Program (LICAP) referrals.²

Based on National Grid's performance for the 2012 calendar year, there are no earnings adjustments applicable to National Grid for customer service performance. National Grid's complaint rate for the calendar year 2012 was the lowest since the CSPI was implemented. In addition, the Company continues to exceed its prior year performance in customer satisfaction as measured by both the Residential and Small/Medium Commercial and Industrial surveys and calls answered.

NYSEG

NYSEG's CSPI carries a maximum potential annual negative adjustment to earnings of \$9.0 million for electric (equivalent to approximately 68 basis points of electric common equity) and \$1.3 million for gas (equivalent to 32 basis points of gas common equity).³ Included in this amount is a doubling provision whereby any

¹ Case 10-E-0050, Niagara Mohawk Power Corporation, Order Establishing Rates for Electric Service (issued January 24, 2011).

² Case 08-G-0609, Proceeding on Motion of the Commission as to the Rates, Charges, Rules and Regulations of Niagara Mohawk Power Corporation for Gas Service, Order Adopting The Terms Of A Joint Proposal and Implementing A State Assessment Surcharge (issued May 15, 2009).

³ Cases 09-E-0715, et al., New York State Electric & Gas Corporation and Rochester Gas & Electric Corporation- Electric and Gas Rates, Order Establishing Rate Plan (issued September 21, 2010).

individual measure target that is missed for two consecutive years will have its associated negative revenue adjustment doubled in the second missed year. The negative revenue adjustment will continue to double for each consecutive missed year of the target; however, once the target is met, the negative revenue adjustment will revert back to its original amount. The current customer performance measures in place for NYSEG are: PSC complaint rate, Customer Satisfaction Index, estimated meter readings, and calls answered within 30 seconds.

NYSEG met all of its performance targets for the 2012 calendar year and did not incur any negative revenue adjustments. In addition, its performance on estimated meter reads and calls answered within 30 seconds improved over the previous year.

Orange & Rockland

O&R's CSPI consists of targets for annual surveys of residential and commercial/industrial customers, an adjusted bills measure and an annual PSC complaint rate. Under the current electric rate plan, O&R may incur a maximum negative adjustment to electric earnings of \$1.1 million (equivalent to approximately 21 basis points on electric common equity). The gas rate plan provides for a maximum negative adjustment to gas earnings of \$600,000 (equivalent to approximately 24 basis points on gas common equity).¹

Based on its performance for calendar year 2012, no earnings adjustments are applicable to O&R. In addition, the Company improved its performance scores for PSC complaint rate over the previous year.

RG&E

RG&E's CSPI is comprised of four measures: PSC complaint rate, Customer Satisfaction Index, percentage of estimated meter readings, and calls answered within 30 seconds. Total maximum amount at risk is \$6.4 million annually, with \$5

¹ Case 05-G-1494, Orange and Rockland Utilities, Inc., Order Establishing Rates and Terms of Three Year Plan (issued October 20, 2006) (Gas Rate Order); Case 10-E-0362, Orange and Rockland Utilities, Inc., Order Establishing Rates for Electric Service (issued June 17, 2011) (Electric Rate Order).

million applicable to electric operations (equivalent to approximately 58 basis points of electric common equity) and \$1.4 million applicable to gas operations (equivalent to approximately 42 basis points of gas common equity).¹

RG&E met all of its performance standards for the calendar year 2012 and did not incur any negative revenue adjustments. In addition, the Company improved its performance scores in calls answered in 30 seconds and estimated meter readings over the previous year.

St Lawrence Gas

St Lawrence CSPI consists of targets for annual surveys of customer satisfaction, and an annual PSC complaint rate target.² The Company may incur a maximum negative adjustment to earnings of \$36,000 (equivalent to approximately 17 basis points on common equity), split evenly between the annual customer satisfaction survey and the number of PSC complaints. St. Lawrence Gas met its performance targets for the calendar year 2012, and did not incur any negative revenue adjustments. In addition, St. Lawrence's complaint rate for 2012 is 0.

REVIEW OF PERFORMANCE TO DATE

The CSPIs currently in place at the utilities in New York State establish standards for performance and subject significant amounts of shareholder earnings to potential incentive payments. Overall, these mechanisms have been effective in making the quality of service to customers a corporate priority and providing criteria for ensuring that the quality of customer service remains at satisfactory levels.

¹ Case 09-E-0715, *supra*.

² Case 08-G-1392, Proceeding on Motion of the Commission as to the Rates, Charges, Rules and Regulations of St. Lawrence Gas Company, Inc. for Gas Service, Order Establishing Rate Plan (effective December 18, 2009).

CONCLUSION

In sum, the electric and gas utilities' performance to date on measures of customer service quality is satisfactory, and the CSPI mechanisms implemented by the Commission are effective. Staff will continue to monitor customer service quality, and to promote performance-based ratemaking strategies relating to customer service quality, in conformance with Commission policies.

Company Name: National Grid LI PSC Indicator Report 2010

ITEM	INDICATOR	Jan-10	Feb-10	Mar-10	Apr-10	May-10	Jun-10	Jul-10	Aug-10	Sep-10	Oct-10	Nov-10	Dec-10
1	Appointments												
1a.	Appointments made	4,500	3,656	4,596	4,109	3,791	3,866	3,790	3,675	3,160	3,312	3,289	
1b.	Appointments kept***	4,321	3,515	4,386	3,962	3,711	3,814	3,742	3,549	3,049	3,129	3,115	
2	Adjusted Bills												
2a.	Total bills issued	534,008	515,337	556,899	534,357	523,528	526,014	525,970	534,058	522,741	519,049	533,484	
2b.	Total bills adjusted	5,261	4,803	5,871	5,613	5,426	5,721	5,815	7,180	6,324	6,537	6,329	
3	Telephone Answer Response												
3a.	Total incoming calls received	117,646	110,256	128,325	109,914	102,536	105,586	100,882	103,269	100,106	111,311	113,209	
3b.	Percent of calls answered	92.9%	93.6%	92.7%	94.4%	92.9%	94.1%	90.4%	89.5%	89.2%	91.7%	92.0%	
3c.	Total incoming calls requesting a representative	77,089	73,644	85,003	73,101	69,216	71,947	66,116	69,601	66,224	74,201	75,380	
3d.	Percent of calls answered by a rep. Within 30 secs.	32.1%	28.0%	31.6%	34.9%	27.0%	36.3%	24.3%	26.5%	22.4%	38.3%	40.1%	
4	Non-Emergency Service Response Time*												
4a.	Service/meter work orders received	182	159	225	225	254	212	196	160	178	215	206	
4b.	Days to complete all svc/mtr jobs*	1	1	1	1	1	1	1	1	1	1	1	
4c.	Avg. days to complete all svc/mtr jobs	1	1	1	1	1	1	1	1	1	1	1	
5	Estimated Readings												
5a.	Total meters scheduled to be read	308,410	303,160	309,436	297,381	298,786	300,178	308,632	304,101	310,057	303,944	310,565	
5b.	Total estimated readings made	62,082	76,744	70,373	64,263	64,331	66,165	64,593	64,398	64,599	66,363	64,935	
6	Consumer Complaints to the PSC												
6a.	Complaint per 100,000 customers**	0.2	0.2	0.6	0.6	0.6	0.9	0.2	0.7	0.7	0.2	0.6	
7	Customer Satisfaction												
7a.	Percent of customers satisfied	86.60%	90.50%	85.20%	85.91%	85.14%	89.90%	79.30%	84.20%	82.20%	85.10%		

*Report days to complete even though the job may not have been completed in the month it was received.

**Also this section is revised data commencing May 2007 per meeting with Tom Madeo and Martin Insogna.

***Several months lag, figures obtained from PSC website.

***Gas Customer Service took over gas special reads.

Company Name: **National Grid LI PSC Indicator Report 2011**

ITEM	INDICATOR	Jan 2011	Feb 2011	Mar 2011	Apr 2011	May 2011	Jun 2011	Jul 2011	Aug 2011	Sep 2011	Oct 2011	Nov 2011	Dec 2011	YTD
1	Appointments													
1a.	Appointments made	3,946	4,201	4,809	4,085	4,053	3,663	3,560	3,421	3,095	3,930	3,680	3,396	45,839
1b.	Appointments kept***	3,785	4,114	4,712	3,999	3,987	3,524	3,429	3,211	2,902	3,769	3,503	3,212	44,147
2	Adjusted Bills													
2a.	Total bills issued	518,436	550,356	540,862	527,236	538,239	527,596	520,686	549,151	515,791	530,326	531,044	533,543	6,383,266
2b.	Total bills adjusted	4,744	5,547	9,659	6,284	7,587	8,888	9,004	6,443	7,765	9,065	9,847	6,337	91,170
3	Telephone Answer Response													
3a.	Total incoming calls received	119,065	118,247	130,243	107,921	111,237	107,223	103,513	102,107	107,958	118,953	110,150	106,290	1,342,907
3b.	Percent of calls answered	93.0%	93.7%	96.1%	96.8%	95.4%	95.3%	92.0%	95.3%	92.0%	93.3%	94.9%	96.0%	94.5%
3c.	Total incoming calls requesting a representative	76,310	77,849	86,358	70,136	73,945	72,198	66,959	65,758	67,001	78,947	72,844	68,278	876,583
3d.	Percent of calls answered by a rep. Within 30 secs.	33.5%	36.5%	46.5%	51.2%	42.0%	37.8%	22.9%	45.3%	28.3%	34.3%	42.6%	48.2%	39.4%
4	Non-Emergency Service Response Time*													
4a.	Service/meter work orders received	186	191	213	114	198	202	163	179	191	231	178	188	2,234
4b.	Days to complete all svc/mtr jobs*	1	1	1	1	1	1	1	1	1	1	1	1	
4c.	Avg. days to complete all svc/mtr jobs	1	1	1	1	1	1	1	1	1	1	1	1	
5	Estimated Readings													
5a.	Total meters scheduled to be read	311,150	305,491	311,950	306,129	312,057	306,320	311,874	307,020	312,712	306,987	313,231	307,734	3,712,655
5b.	Total estimated readings made	107,394	69,352	57,135	61,700	60,602	60,878	63,613	89,895	86,288	65,103	63,071	66,621	851,652
6	Consumer Complaints to the PSC													
6a.	Complaint per 100,000 customers**	0.2	0.2	0.5	0.7	0.5	0.5	0.2	0.5	0	0	0.9		
7	Customer Satisfaction													
7a.	Percent of customers satisfied	88.40%	89.30%	87.20%	83.20%	84.50%	84.70%	81.80%	80.00%	81.00%	81.50%	90.50%		84.74%

*Report days to complete even though the job may not have been completed in the month it was received.

**Also this section is revised data commencing May 2007 per meeting with Tom Madeo and Martin Insogna.

**Several months lag, figures obtained from PSC website.

***Gas Customer Service took over gas special reads.

Company Name: **National Grid LI PSC Indicator Report 2011**

ITEM	INDICATOR	Jan 2011	Feb 2011	Mar 2011	Apr 2011	May 2011	Jun 2011	Jul 2011	Aug 2011	Sep 2011	Oct 2011	Nov 2011	Dec 2011	YTD
1	Appointments													
1a.	Appointments made	3,946	4,201	4,809	4,085	4,053	3,663	3,560	3,421	3,095	3,930			38,763
1b.	Appointments kept***	3,785	4,114	4,712	3,999	3,987	3,524	3,429	3,211	2,902	3,769			37,432
2	Adjusted Bills													
2a.	Total bills issued	518,436	550,356	540,862	527,236	538,239	527,596	520,686	549,151	515,791	530,326			5,318,679
2b.	Total bills adjusted	4,744	5,547	9,659	6,284	7,587	8,888	9,004	6,443	7,765	9,065			74,986
3	Telephone Answer Response													
3a.	Total incoming calls received	119,065	118,247	130,243	107,921	111,237	107,223	103,513	102,107	107,958	118,953			1,126,467
		110,730	110,797	125,164	104,468	106,120	102,184	95,232	97,308	99,321	110,983	0	0	1,062,307
3b.	Percent of calls answered	93.0%	93.7%	96.1%	96.8%	95.4%	95.3%	92.0%	95.3%	92.0%	93.3%			94.3%
3c.	Total incoming calls requesting a representative	76,310	77,849	86,358	70,136	73,945	72,198	66,959	65,758	67,001	78,947			735,461
		25,564	28,415	40,156	35,910	31,057	27,291	15,334	29,788	18,961	27,079	0	0	279,555
3d.	Percent of calls answered by a rep. Within 30 secs.	33.5%	36.5%	46.5%	51.2%	42.0%	37.8%	22.9%	45.3%	28.3%	34.3%			38.0%
4	Non-Emergency Service Response Time*													
4a.	Service/meter work orders received	186	191	213	114	198	202	163	179	191	231			1,868
4b.	Days to complete all svc/mtr jobs*	1	1	1	1	1	1	1	1	1	1			
4c.	Avg. days to complete all svc/mtr jobs	1	1	1	1	1	1	1	1	1	1			
5	Estimated Readings													
5a.	Total meters scheduled to be read	311,150	305,491	311,950	306,129	312,057	306,320	311,874	307,020	312,712	306,987			3,091,690
5b.	Total estimated readings made	107,394	69,352	57,135	61,700	60,602	60,878	63,613	89,895	86,288	65,103			721,960
6	Consumer Complaints to the PSC													
6a.	Complaint per 100,000 customers**	0.2	0.2	0.5	0.7	0.5	0.5	0.2	0.5					
7	Customer Satisfaction													
7a.	Percent of customers satisfied	88.40%	89.30%	87.20%	83.20%	84.50%	84.70%	81.80%	80.00%	81.00%				84.46%

*Report days to complete even though the job may not have been completed in the month it was received.

*Also this section is revised data commencing May 2007 per meeting with Tom Madeo and Martin Insogna.

**Several months lag, figures obtained from PSC website.

***Gas Customer Service took over gas special reads.

ITEM	INDICATOR	Jan 2012	Feb 2012	Mar 2012	Apr 2012	May 2012	Jun 2012	Jul 2012	Aug 2012	Sep 2012	Oct 2012	Nov 2012	Dec 2012	YTD	
1	Appointments														
1a.	Appointments made	3,608	4,080	4,466	3,574	3,777	3,545	3,257	3,147	3,185	3,519	493	2,589	39,240	
1b.	Appointments kept***	3,450	3,917	4,244	3,431	3,602	3,386	3,092	3,002	3,084	3,239	245	2,452	37,144	94.66%
2	Adjusted Bills														
2a.	Total bills issued	547,273	523,933	535,762	523,446	533,929	515,211	531,153	534,507	519,019	514,801	518,912	536,290	6,334,236	
2b.	Total bills adjusted	6,103	5,835	5,138	5,343	5,840	8,172	7,428	8,181	7,266	7,260	3,097	5,533	75,196	1.19%
3	Telephone Answer Response														
3a.	Total incoming calls received	114,918	107,560	113,612	97,906	98,162	94,015	94,309	96,374	92,728	106,069	121,962	122,640	1,260,255	
3b.	Percent of calls answered	95.9%	97.1%	97.2%	96.8%	96.8%	96.9%	96.3%	96.3%	94.2%	96.1%	93.9%	93.1%	95.8%	
3c.	Total incoming calls requesting a representative	74,250	70,042	73,317	62,442	63,843	60,989	60,545	62,853	59,607	69,560	78,013	83,974	819,435	
3d.	Percent of calls answered by a rep. Within 30 secs.	42.1%	53.3%	55.8%	59.7%	55.6%	56.0%	53.7%	47.7%	29.1%	51.4%	65.8%	45.4%	51.5%	
4	Non-Emergency Service Response Time*														
4a.	Service/meter work orders received	206	182	152	175	141	158	141	182	182	232	326	252	2,329	
4b.	Days to complete all svc/mtr jobs*	1	1	1	1	1	1	1	1	1	1	1	1	1	
4c.	Avg. days to complete all svc/mtr jobs	1	1	1	1	1	1	1	1	1	1	1	1	1	
5	Estimated Readings														
5a.	Total meters scheduled to be read	314,118	308,424	314,755	308,599	314,870	308,992	315,113	309,372	315,092	306,500	321,734	309,668	3,747,237	
5b.	Total estimated readings made	61,931	65,355	58,415	64,019	63,005	67,322	65,552	66,815	68,412	100,303	269,461	82,172	1,032,762	27.56%
6	Consumer Complaints to the PSC														
6a.	Complaint per 100,000 customers**	0.5	0.4	0.5	0	0.2	0.4	0.4	0	0.7	1.4	0.4	0.5	0.45	
7	Customer Satisfaction														
7a.	Percent of customers satisfied	90.50%	92.70%	85.20%	86.60%	84.80%	84.90%	88.40%	89.50%	85.80%	73.30%	72.50%	83.20%	84.80%	

*Report days to complete even though the job may not have been completed in the month it was received.

**Also this section is revised data commencing May 2007 per meeting with Tom Madeo and Martin Insogna.

***Several months lag, figures obtained from PSC website.

***CMS performs Special reads on weekends. Mtr Rding performs them M-F.

Company Name: **National Grid LI PSC Indicator Report 2013**

ITEM	INDICATOR	Jan-2013	Feb-2013	Mar-2013	Apr-2013	May-2013	Jun-2013	Jul-2013	Aug-2013	Sep-2013	Oct-2013	Nov-2013	Dec-2013	YTD
1	Appointments													
1a.	Appointments made	3,771	3,600	4,514	4,715	4,252	3,742	3,680	3,722	3,587	4,282	3,733	1,962	45,560
1b.	Appointments kept***	3,483	3,302	4,285	4,418	4,133	3,563	3,527	3,556	3,322	4,061	3,574	1,897	43,121
2	Adjusted Bills													
2a.	Total bills issued	520,354	526,750	529,770	536,452	525,145	525,853	531,412	527,930	531,453	533,741	533,024	566,582	6,388,466
2b.	Total bills adjusted	8,886	6,261	6,069	6,501	6,940	7,431	7,068	8,874	9,460	10,031	9,692	6,517	93,730
3	Telephone Answer Response													
3a.	Total incoming calls received	144,208	110,405	136,189	126,824	115,839	105,542	110,067	106,117	107,760	120,489	111,523	140,128	1,435,091
3b.	Percent of calls answered	93.2%	91.5%	87.7%	93.7%	96.6%	95.8%	95.7%	96.4%	95.6%	97.1%	96.4%	87.8%	93.7%
3c.	Total incoming calls requesting a representative	97,492	73,230	89,814	86,560	77,938	69,236	71,478	69,775	70,889	80,850	72,776	117,093	977,131
3d.	Percent of calls answered by a rep. Within 30 secs.	41.7%	29.8%	19.2%	42.9%	46.2%	41.8%	43.9%	45.2%	42.5%	51.6%	47.6%	51.3%	42.4%
4	Non-Emergency Service Response Time*													
4a.	Service/meter work orders received	230	192	197	194	201	179	177	222	199	268	274	134	2,467
4b.	Days to complete all svc/mtr jobs*	1	1	1	1	1	1	1	1	1	1	1	1	
4c.	Avg. days to complete all svc/mtr jobs	1	1	1	1	1	1	1	1	1	1	1	1	
5	Estimated Readings													
5a.	Total meters scheduled to be read	313,882	310,259	315,362	311,491	316,801	311,226	317,207	311,506	317,719	312,599	319,236	210,970	3,668,258
5b.	Total estimated readings made	77,822	85,285	75,671	71,725	71,647	75,897	72,579	75,747	74,768	74,476	73,393	63,739	892,749
6	Consumer Complaints to the PSC													
6a.	Complaint per 100,000 customers**	0.2	0.4	0.4	0.6	1.6	0.6	1	0.6	0.6	1.8	0.2	0.4	0.70
7	Customer Satisfaction													
7a.	Percent of customers satisfied	87.79%	79.70%	84.70%	75.42%	82.57%	87.95%	81.32%	84.10%	76.40%	78.10%	70.00%	87.20%	80.70%

*Report days to complete even though the job may not have been completed in the month it was received.

**Also this section is revised data commencing May 2007 per meeting with Tom Madeo and Martin Insogna.

**Several months lag, figures obtained from PSC website.

***CMS performs Special reads on weekends. Mtr Rding performs them M-F.

Company Name: **National Grid LI PSC Indicator Report 2014**

ITEM	INDICATOR	Jan-2014	Feb-2014	Mar-2014	Apr-2014	May-2014	Jun-2014	Jul-2014	Aug-2014	Sep-2014	Oct-2014	Nov-2014	Dec-2014	YTD
1	Appointments													
1a.	Appointments made	3,406	3,307	3,719	3,121	2,812	2,690	2,341	2,147	2,121	2,198	1,786	2,449	32,097
1b.	Appointments kept***	3,299	3,214	3,664	3,066	2,770	2,648	2,310	2,113	2,084	2,138	1,702	2,380	31,388
2	Adjusted Bills													
2a.	Total bills issued	589,261	590,390	588,151	580,626	585,978	580,053	581,258	571,225	578,500	582,116	578,548	586,296	6,992,402
2b.	Total bills adjusted	8,873	9,940	7,160	6,486	6,238	7,092	6,707	6,492	8,820	8,550	7,253	5,425	89,036
3	Telephone Answer Response													
3a.	Total incoming calls received	240,265	217,443	223,928	182,277	167,504	159,560	161,203	154,875	170,344	177,840	147,766	153,336	2,156,341
3b.	Percent of calls answered	82.5%	82.5%	88.1%	95.2%	96.7%	96.9%	94.6%	95.5%	95.1%	95.9%	93.8%	96.9%	92.1%
3c.	Total incoming calls requesting a representative	181,949	160,581	164,860	129,822	115,799	109,246	110,298	104,101	116,392	123,755	101,634	105,368	1,523,805
3d.	Percent of calls answered by a rep. Within 30 secs.	45.7%	46.4%	64.0%	86.5%	80.2%	76.8%	77.3%	64.9%	67.6%	66.4%	56.5%	68.8%	66.2%
4	Non-Emergency Service Response Time*													
4a.	Service/meter work orders received	168	192	175	181	164	154	113	173	142	159	201	204	2,026
4b.	Days to complete all svc/mtr jobs*	1	1	1	1	1	1	1	1	1	1	1	1	
4c.	Avg. days to complete all svc/mtr jobs	1	1	1	1	1	1	1	1	1	1	1	1	
5	Estimated Readings													
5a.	Total meters scheduled to be read	343,525	312,214	332,182	326,990	316,801	360,536	365,857	391,272	398,086	441,991	390,521	480,955	4,460,930
5b.	Total estimated readings made	75,739	80,294	71,422	69,569	71,647	75,440	72,385	72,400	70,136	70,193	58,201	65,957	853,383
6	Consumer Complaints to the PSC													
6a.	Complaint per 100,000 customers**	1.2	1.2	1.6	0.8	0.6	3.3	1.2	1	0.2	2.2			1.33
7	Customer Satisfaction													
7a.	Percent of customers satisfied	82.00%	78.70%	73.00%	80.50%	83.70%	79.90%	81.60%	87.50%	86.50%	84.10%			81.80%

*Report days to complete even though the job may not have been completed in the month it was received.

**Also this section is revised data commencing May 2007 per meeting with Tom Madeo and Martin Insogna.

**Several months lag, figures obtained from PSC website.

***CMS performs Special reads on weekends. Mtr Rding performs them M-F.

Company Name: National Grid LI PSC Indicator Report 2015

ITEM	INDICATOR	Jan-2015	Feb-2015	Mar-2015	Apr-2015	May-2015	Jun-2015	Jul-2015	Aug-2015	Sep-2015	Oct-2015	Nov-2015	Dec-2015	YTD
1	Appointments													
1a.	Appointments made	1,903	1,404	1,713	1,573	1,401	1,411	1,240	878	833	874	809	830	14,869
1b.	Appointments kept***	1,861	1,385	1,699	1,563	1,376	1,375	1,189	851	817	836	798	827	14,577
2	Adjusted Bills													
2a.	Total bills issued	582,333	586,038	587,546	584,734	588,331	590,346	589,607	590,141	587,313	589,655	586,048	650,603	7,112,695
2b.	Total bills adjusted	5,166	4,997	5,305	4,956	4,518	6,264	5,737	4,751	4,636	4,332	3,431	2,957	57,050
3	Telephone Answer Response													
3a.	Total incoming calls received	155,049	154,857	181,726	163,127	151,982	164,150	152,515	140,140	137,200	150,448	128,910	137,088	1,817,192
3b.	Percent of calls answered	96.1%	94.5%	97.5%	97.7%	96.8%	95.4%	96.9%	97.5%	97.9%	97.6%	97.5%	97.5%	96.9%
3c.	Total incoming calls requesting a representative	103,844	106,248	124,757	112,097	102,628	111,654	100,854	91,838	91,064	100,623	84,086	90,039	1,219,732
3d.	Percent of calls answered by a rep. Within 30 secs.	66.3%	59.2%	79.9%	80.8%	73.4%	66.3%	74.8%	69.8%	76.7%	70.6%	80.4%	75.0%	72.8%
4	Non-Emergency Service Response Time*													
4a.	Service/meter work orders received	171	130	186	200	307	312	298	263	289	392	307	328	3,183
4b.	Days to complete all svc/mtr jobs*	1	1	1	1	1	1	1	1	1	1	1	1	
4c.	Avg. days to complete all svc/mtr jobs	1	1	1	1	1	1	1	1	1	1	1	1	
5	Estimated Readings													
5a.	Total meters scheduled to be read	480,267	468,741	536,898	558,180	527,375	577,517	584,958	546,241	641,956	573,574	532,003	603,995	6,631,705
5b.	Total estimated readings made	59,451	56,982	54,719	50,114	45,703	44,047	42,979	31,822	32,307	24,019	19,217	18,833	480,193
6	Consumer Complaints to the PSC													
6a.	Complaint per 100,000 customers**	1	0.3	1.2	0.7	0.3	1	1.4	1.2	1.6	0.9	0.5	0.2	0.86
7	Customer Satisfaction													
7a.	Percent of customers satisfied	89.30%	92.20%	89.70%	87.90%	93.10%	86.60%	89.00%	84.50%	79.70%	82.80%	86.70%	81.30%	86.90%

*Report days to complete even though the job may not have been completed in the month it was received.

**Also this section is revised data commencing May 2007 per meeting with Tom Madeo and Martin Insogna.

**Several months lag, figures obtained from PSC website.

***CMS performs Special reads on weekends. Mtr Rding performs them M-F.



Adam Benshoff
Counsel

VIA E-FILING

March 30, 2011

Honorable Jaclyn Brilling, Secretary
New York State Department of Public Service
Three Empire State Plaza
Albany, New York 12223

Re: Case 06-M-0878 – Joint Petition of National Grid plc and KeySpan Corporation for Approval of Stock Acquisition and other Regulatory Authorizations

Dear Secretary Brilling:

The Brooklyn Union Gas Company d/b/a National Grid NY and KeySpan Gas East Corporation d/b/a National Grid (collectively, “National Grid” or “Companies”), hereby advise the Commission that the “Customer Service Quality Performance Requirements” of Sections V-B-3 and VI-B-3 of the *Joint Proposal for Gas Safety, Reliability and Customer Service Performance Requirements* (“JP-3”), as adopted by the Commission in this proceeding,¹ have been fully satisfied for calendar year 2010. As evidence of the satisfaction of each of the standards, please find enclosed a detailed matrix reflecting both the benchmarks and actual performance.

Please contact the undersigned with any questions regarding this letter or the enclosure.

Respectfully submitted,

/s/ Adam L. Benshoff
Adam L. Benshoff

Encl.

¹ Case 06-M-0878, *Joint Petition of National Grid plc and KeySpan Corporation for Approval of Stock Acquisition and other Regulatory Authorizations*, “Order Authorizing Acquisition Subject to Conditions and Making Some Revenue Requirement Determinations for KeySpan Energy Delivery New York and KeySpan Energy Delivery Long Island” (September 17, 2007), pp. 107-108 & 143 (adopting the August 23, 2007, “Abbreviated Order”).

**NATIONAL GRID
NYS RATE AGREEMENT CUSTOMER SERVICE PERFORMANCE
REQUIREMENTS**

Rate Agreement Period: January 1, 2008 - December 31, 2012

<u>KEDNY:</u>			<u>KEDLI:</u>		
Category	Benchmark	2010 Performance	Category	Benchmark	2010 Performance
PSC Complaint Rate	1.7 Complaints per 100,000 Customers	0.62	PSC Complaint Rate	1.1 Complaints per 100,000 Customers	0.48
Customer Satisfaction	84.80%	91.6%	Customer Satisfaction	83.40%	85.7%
Adjusted Bills	1.69% or less	0.43%	Adjusted Bills	1.69% or less	1.13%
Call Center Answer Rate	52.9% of calls answered by a CSR w/in 30 seconds	66.03%	Call Center Answer Rate	N/A	N/A

National Grid performed above penalty / threshold levels in all categories

KEDNY Residential Customer Satisfaction - National Grid NY

NYC Gas	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD	PSC Goal
2010	91.60%	93.40%	86.80%	92.70%	90.00%	94.60%	86.40%	93.40%	94.10%	91.00%	89.00%	96.60%	91.63%	84.80%

KEDLI Residential Customer Satisfaction - National Grid

LI Gas	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD	PSC Goal
2010	86.60%	90.50%	85.20%	85.91%	85.14%	89.90%	79.30%	84.20%	82.20%	85.10%	84.60%	90.20%	85.74%	83.40%

KEDNY Adjusted Customer Bills - Service Quality - 2010

	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Total	
Total Bills	1,175,619	1,166,509	1,380,764	1,299,105	1,240,172	1,238,589	1,237,556	1,238,711	1,292,362	1,236,373	1,173,050	1,257,346	14,936,156	
Total Adjusted Bills	13,659	15,026	18,647	18,350	16,963	18,611	15,139	16,958	14,792	16,855	11,756	11,281	188,037	1.259%
Less Non Company Error Rebills	7,525	9,038	11,400	13,107	12,635	16,175	11,917	12,007	10,628	7,671	6,492	5,485	124,080	
Net Adjusted Bills	6,134	5,988	7,247	5,243	4,328	2,436	3,222	4,951	4,164	9,184	5,264	5,796	63,957	0.428%

KEDLI Adjusted Customer Bills - Service Quality - 2010

Month	Adj Bills	Final Adj	Total Adj	Total Bills	Corrected
Jan	5,261	96	5,357	534,008	1.00%
Feb	4,828	79	4,907	515,337	0.95%
Mar	5,893	110	6,003	556,899	1.08%
Apr	5,651	146	5,797	534,357	1.08%
May	5,440	90	5,530	523,528	1.06%
Jun	5,983	95	6,078	526,014	1.16%
Jul	5,870	82	5,952	525,970	1.13%
Aug	7,242	114	7,356	534,058	1.38%
Sep	6,336	81	6,417	522,741	1.23%
Oct	6,568	82	6,650	519,049	1.28%
Nov	6,360	87	6,447	533,484	1.21%
Dec	4,957	71	5,028	518,223	0.97%
					1.13%

KEDNY Telephone Answer Response - Service Quality - 2010

ITEM	INDICATOR	Jan-10	Feb-10	Mar-10	Apr-10	May-10	Jun-10	Jul-10	Aug-10	Sep-10	Oct-10	Nov-10	Dec-10
3	Telephone Answer Response												
3a.	Total incoming calls received	276,996	266,128	295,941	258,470	247,348	251,032	244,303	240,818	235,068	246,895	234,854	241,411
3b.	Percent of calls answered	91.99%	94.50%	96.06%	96.95%	96.86%	96.82%	96.34%	97.19%	94.18%	94.80%	94.96%	94.51%
3c.	Total incoming calls requesting a representative	217,898	208,465	231,339	200,145	191,561	195,302	187,467	185,314	180,527	188,632	178,620	183,955
3d.	Percent of calls answered by a rep. within S/L (52.9% in 30secs)	47.44%	59.30%	68.12%	76.80%	77.14%	78.93%	71.70%	76.57%	60.27%	58.04%	60.69%	56.17%
	YTD Service Level	47.44%	53.34%	58.67%	63.11%	65.65%	67.77%	68.29%	69.26%	68.38%	67.41%	66.86%	66.03%



Adam Benshoff
Senior Counsel

VIA E-FILING

March 27, 2012

Honorable Jaclyn Brilling, Secretary
New York State Department of Public Service
Three Empire State Plaza
Albany, New York 12223

Re: Case 06-M-0878 – Joint Petition of National Grid plc and KeySpan Corporation for Approval of Stock Acquisition and other Regulatory Authorizations

Dear Secretary Brilling:

The Brooklyn Union Gas Company d/b/a National Grid NY and KeySpan Gas East Corporation d/b/a National Grid (collectively, “National Grid” or “Companies”), hereby advise the Commission that the “Customer Service Quality Performance Requirements” of Sections V-B-3 and VI-B-3 of the *Joint Proposal for Gas Safety, Reliability and Customer Service Performance Requirements* (“JP-3”), as adopted by the Commission in this proceeding,¹ have been fully satisfied for calendar year 2011. As evidence of the satisfaction of each of the standards, please find enclosed a detailed matrix reflecting both the benchmarks and actual performance.

Please contact the undersigned with any questions regarding this letter or the enclosure.

Respectfully submitted,

/s/ Adam L. Benshoff
Adam L. Benshoff

Encl.

¹ Case 06-M-0878, *Joint Petition of National Grid plc and KeySpan Corporation for Approval of Stock Acquisition and other Regulatory Authorizations*, “Order Authorizing Acquisition Subject to Conditions and Making Some Revenue Requirement Determinations for KeySpan Energy Delivery New York and KeySpan Energy Delivery Long Island” (September 17, 2007), pp. 107-108 & 143 (adopting the August 23, 2007, “Abbreviated Order”).

**NATIONAL GRID
NYS RATE AGREEMENT CUSTOMER SERVICE PERFORMANCE
REQUIREMENTS**

Rate Agreement Period: January 1, 2008 - December 31, 2012

<u>KEDNY:</u>			<u>KEDLI:</u>		
Category	Benchmark	2011 Performance	Category	Benchmark	2011 Performance
PSC Complaint Rate	< 1.7 Complaints per 100,000 Customers	0.54	PSC Complaint Rate	< 1.1 Complaints per 100,000 Customers	0.37
Customer Satisfaction	> 84.8%	90.6%	Customer Satisfaction	> 83.4%	85.2%
Adjusted Bills	1.69% or less	0.47%	Adjusted Bills	1.69% or less	1.45%
Call Center Answer Rate	52.9% of calls answered by a CSR w/in 30 seconds	58.96%	Call Center Answer Rate	N/A	N/A

National Grid performed above penalty / threshold levels in all categories

KEDNY Residential Customer Satisfaction - National Grid NY

NYC Gas	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD	PSC Goal
2011	87.40%	88.30%	94.00%	85.30%	89.50%	95.50%	82.80%	94.90%	92.70%	95.50%	91.90%	89.60%	90.62%	84.80%

KEDLI Residential Customer Satisfaction - National Grid

LI Gas	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD	PSC Goal
2011	88.40%	89.30%	87.20%	83.20%	84.50%	84.70%	81.80%	80.00%	81.00%	81.50%	90.50%	90.50%	85.22%	83.40%

KEDNY Adjusted Customer Bills - Service Quality - 2011

	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Total	
Total Bills	1,285,276	1,191,931	1,310,928	1,197,621	1,311,326	1,249,875	1,176,650	1,308,103	1,303,529	1,179,874	1,182,948	1,315,983	15,014,044	
Total Adjusted Bills	23,327	15,320	18,084	24,212	17,369	17,158	13,714	17,072	14,335	14,378	13,472	14,062	202,503	1.349%
Less Non Company Error Rebills	7,367	10,385	12,548	10,356	14,296	14,763	10,265	12,067	11,141	10,322	9,011	9,488	132,009	
Net Adjusted Bills	15,960	4,935	5,536	13,856	3,073	2,395	3,449	5,005	3,194	4,056	4,461	4,574	70,494	0.470%

2011 KEDLI GAS Adjusted Customer Bills

Month	Adj Bills	Final Adj	Total Adj	Total Bills	Corrected
Jan	4,778	81	4,859	518,436	0.94%
Feb	5,577	81	5,658	550,356	1.03%
Mar	9,056	186	9,242	540,862	1.71%
Apr	6,333	110	6,443	527,236	1.22%
May	7,673	131	7,804	538,239	1.45%
Jun	8,959	146	9,105	527,596	1.73%
Jul	9,070	114	9,184	520,686	1.76%
Aug	6,451	97	6,548	549,151	1.19%
Sep	7,582	95	7,677	515,791	1.49%
Oct	9,147	197	9,344	530,326	1.76%
Nov	9,880	122	10,002	531,044	1.88%
Dec	6,350	109	6,459	533,543	1.21%
					1.45%

KEDNY Telephone Answer Response - Service Quality - 2011

ITEM	INDICATOR	Jan-11	Feb-11	Mar-11	Apr-11	May-11	Jun-11	Jul-11	Aug-11	Sep-11	Oct-11	Nov-11	Dec-11
3	Telephone Answer Response												
3a.	Total incoming calls received	261,014	261,742	290,686	252,176	251,606	242,418	229,757	245,567	238,594	254,992	239,699	241,769
3b.	Percent of calls answered	93.53%	93.55%	96.06%	96.88%	95.41%	96.28%	96.91%	97.00%	95.92%	94.71%	96.08%	96.35%
3c.	Total incoming calls requesting a representative	193,354	193,863	217,916	184,870	184,871	178,654	167,367	183,347	176,954	192,069	178,725	175,914
3d.	Percent of calls answered by a rep. within S/L (52.9% in 30secs)	47.15%	44.89%	69.43%	67.56%	59.57%	68.17%	68.35%	69.14%	58.59%	49.63%	51.87%	52.15%
	YTD Service Level	47.15%	46.02%	54.65%	57.75%	58.10%	59.68%	60.80%	61.84%	61.49%	60.29%	59.55%	58.96%



Patric R. O'Brien
Senior Counsel

March 13, 2014

Honorable Kathleen H. Burgess
Secretary
New York State Public Service Commission
Three Empire State Plaza
Albany, New York 12223

Re: Case 06-M-0878 – Joint Petition of National Grid plc and KeySpan Corporation for Approval of Stock Acquisition and Other Regulatory Authorizations

Dear Secretary Burgess:

KeySpan Gas East Corporation d/b/a National Grid (“KEDLI”) submits a correction to its 2012 Customer Service Quality Performance Requirements report. The correction is due to a transcription error in the monthly Residential Customer Satisfaction scores. Attachment 1 shows the corrected monthly and year-end Residential Customer Satisfaction scores. Attachment 2 is the corrected 2012 annual report. Notwithstanding the correction, KEDLI still achieved its Residential Customer Satisfaction performance target in 2012.

Should you have any questions or concerns, please do not hesitate to contact me. Thank you for your time and attention.

Respectfully submitted,

/s/ Patric R. O'Brien

Patric R. O'Brien

ATTACHMENT 1

KEDLI

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year-end	Penalty level
2012 as reported	90.5%	92.7%	85.2%	86.6%	84.8%	84.9%	88.4%	89.5%	85.8%	73.3%	72.5%	83.2%	84.8%	83.4
2012 corrected	92.7%	85.2%	86.6%	84.8%	84.9%	88.4%	85.2%	89.5%	85.8%	73.3%	72.5%	83.2%	84.3%	83.4

ATTACHMENT 2

**NATIONAL GRID
NYS RATE AGREEMENT CUSTOMER SERVICE PERFORMANCE
REQUIREMENTS**

Rate Agreement Period: January 1, 2008 - December 31, 2012

<u>KEDNY:</u>			<u>KEDLI:</u>		
Category	Benchmark	2012 Performance	Category	Benchmark	2012 Performance
PSC Complaint Rate	< 1.7 Complaints per 100,000 Customers	0.45	PSC Complaint Rate	< 1.1 Complaints per 100,000 Customers	0.45
Customer Satisfaction	> 84.8%	89.7%	Customer Satisfaction	> 83.4%	84.3%
Adjusted Bills	1.69% or less	0.36%	Adjusted Bills	1.69% or less	1.25%
Call Center Answer Rate	52.9% of calls answered by a CSR w/in 30 seconds	65.00%	Call Center Answer Rate	N/A	N/A

National Grid performed above penalty / threshold levels in all categories

06-M-0878

KEDNY Residential Customer Satisfaction National Grid NY

NYC Gas	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD	PSC Goal
2012	86.10%	95.90%	92.10%	83.10%	86.80%	85.50%	89.70%	97.40%	87.50%	95.60%	82.90%	93.20%	89.65%	84.80%

KEDLI Residential Customer Satisfaction National Grid NY

LI Gas	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD	PSC Goal
2012	92.70%	85.20%	86.60%	84.80%	84.90%	88.40%	85.20%	89.50%	85.80%	73.30%	72.50%	83.20%	84.34%	83.40%

06-M-0878

KEDNY Adjusted Customer Bills - Service Quality - 2012

	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Total	
Total Bills	1,253,155	1,252,137	1,252,487	1,188,880	1,249,175	1,318,210	1,180,228	1,308,151	1,180,672	1,336,030	1,207,497	1,175,475	14,902,097	
Total Adjusted Bills	14,360	15,608	14,484	15,508	18,461	20,073	15,575	15,451	15,474	14,966	7,690	11,440	179,090	1.202%
Less Non Company Error Rebills	8,692	10,180	9,720	11,674	14,347	20,115	11,863	9,879	8,738	8,280	4,615	7,580	125,683	
Net Adjusted Bills	5,668	5,428	4,764	3,834	4,114	-42	3,712	5,572	6,736	6,686	3,075	3,860	53,407	0.358%

06-M-0878**2012 KEDLI GAS Adjusted Customer Bills**

Month	Adj Bills	Final Adj	Total Adj	Total Bills	Corrected
Jan	6,141	99	6,240	520,614	1.20%
Feb	5,898	103	6,001	528,938	1.13%
Mar	5,401	105	5,506	535,762	1.03%
Apr	5,355	78	5,433	523,446	1.04%
May	5,897	87	5,984	533,929	1.12%
Jun	8,650	168	8,818	515,211	1.71%
Jul	7,469	128	7,597	531,153	1.43%
Aug	8,669	139	8,808	534,507	1.65%
Sep	8,026	127	8,153	519,019	1.57%
Oct	7,310	109	7,419	514,801	1.44%
Nov	3,107	57	3,164	518,912	0.61%
Dec	5,617	183	5,800	536,290	1.08%
					1.25%

06-M-0878

KEDNY Telephone Answer Response - Service Quality - 2012

ITEM	INDICATOR	Jan-12	Feb-12	Mar-12	Apr-12	May-12	Jun-12	Jul-12	Aug-12	Sep-12	Oct-12	Nov-12	Dec-12
3	Telephone Answer Response												
3a.	Total incoming calls received	252,650	252,055	260,570	235,310	242,697	231,471	208,363	219,657	200,877	221,332	228,617	198,487
3b.	Percent of calls answered	96.85%	95.91%	95.33%	95.83%	96.33%	96.90%	98.28%	97.48%	96.83%	96.99%	93.36%	94.35%
3c.	Total incoming calls requesting a representative	182,748	180,596	186,501	167,799	173,177	163,432	147,072	156,390	141,780	158,817	165,118	137,387
3d.	Percent of calls answered by a rep. within S/L (52.9% in 30 secs)	58.20%	56.60%	64.10%	64.70%	69.90%	78.30%	80.00%	67.80%	64.90%	64.40%	54.30%	56.00%
	YTD Service Level	58.20%	57.40%	59.60%	60.80%	62.60%	65.00%	66.90%	67.00%	66.80%	66.80%	65.70%	65.00%



Patric R. O'Brien
Senior Counsel

March 31, 2014

Honorable Kathleen H. Burgess
Secretary
New York State Public Service Commission
Three Empire State Plaza
Albany, New York 12223

Re: Case 06-M-0878 – Joint Petition of National Grid plc and KeySpan Corporation for Approval of Stock Acquisition and Other Regulatory Authorizations

Case 12-G-0544 - In the Matter of the Commission's Examination of The Brooklyn Union Gas Company d/b/a National Grid NY's Earnings Computation Provisions and Other Continuing Elements of the Applicable Rate Plan.

Dear Secretary Burgess:

Pursuant to the Joint Proposal for Gas Safety, Reliability and Customer Service Performance Requirements (“JP-3) in Case 06-M-0878, KeySpan Gas East Corporation d/b/a National Grid (“KEDLI”) and The Brooklyn Union Gas Company d/b/a National Grid NY (“KEDNY”) submits for filing the 2013 Customer Service Quality Performance Requirements report.

KEDNY met all of its customer service requirements in 2013. KEDLI, however, missed its customer satisfaction target largely due to the impacts from Super Storm Sandy. KEDLI will be submitting a petition shortly to address the 2013 customer satisfaction target.

Should you have any questions or concerns, please do not hesitate to contact me. Thank you for your time and attention.

Respectfully submitted,

/s/ Patric R. O'Brien
Patric R. O'Brien

**NATIONAL GRID
NYS RATE AGREEMENT CUSTOMER SERVICE PERFORMANCE
REQUIREMENTS**

Rate Agreement Period: January 1, 2013 - December 31, 2014

KEDNY:			KEDLI:		
Category	Benchmark	2013 Performance	Category	Benchmark	2013 Performance
PSC Complaint Rate	< 1.1 Complaints per 100,000 Customers	0.68	PSC Complaint Rate	< 1.1 Complaints per 100,000 Customers	0.68
Customer Satisfaction	> 84.8%	89.5%	Customer Satisfaction	> 83.4%	81.3%
Adjusted Bills	1.69% or less	0.35%	Adjusted Bills	1.69% or less	1.53%
Call Center Answer Rate	59.0% of calls answered by a CSR w/in 30 seconds	63.40%	Call Center Answer Rate	N/A	N/A

06-M-0878

NYS PSC Complaint Rate per 100,000 - The National Grid Companies

REGION	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	<u>2013</u>
Metro NY (PSC Threshold 1.1 per 100K)	0.6	0.6	0.8	1.2	0.6	0.8	0.5	0.7	0.3	0.8	0.6	0.7	0.68
SRS	7	7	9	14	7	10	6	8	4	9	7	8	96
QRS	72	79	97	102	113	72	95	90	99	121	110	86	1136
Long Island (PSC Threshold 1.1 per 100K)	0.2	0.2	0.4	0.6	1.6	0.6	1	0.6	0.6	1.8	0.2	0.4	0.68
SRS	1	1	2	3	8	3	5	3	3	9	1	2	41
QRS	46	27	36	53	48	38	33	40	40	50	33	44	488

06-M-0878

KEDNY Residential Customer Satisfaction National Grid NY

NYC Gas	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD	PSC Goal
2013	95.2%	89.3%	82.8%	92.3%	85.3%	90.5%	88.6%	87.7%	98.6%	85.5%	88.1%	90.6%	89.54%	84.80%

KEDLI Residential Customer Satisfaction National Grid NY

LI Gas	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD	PSC Goal
2013	87.8%	79.7%	84.7%	75.4%	82.6%	88.0%	81.3%	84.1%	76.4%	78.1%	70.0%	87.2%	81.3%	83.40%

06-M-0878

KEDNY Adjusted Customer Bills - Service Quality - 2013

	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Total	% of Total
Total Bills	1,312,006	1,196,288	1,258,614	1,256,920	1,255,611	1,238,345	1,250,754	1,251,641	1,239,193	1,376,927	1,131,095	1,253,018	15,020,412	
Total Adjusted Bills	13,637	13,803	15,957	17,002	16,501	16,407	16,143	15,518	14,093	15,362	11,771	11,218	177,412	1.18%
Less Non Company Error Rebills	11,696	8,819	10,790	11,949	12,784	14,805	12,333	10,192	9,349	10,305	6,586	5,900	125,508	
Net Adjusted Bills	1,941	4,984	5,167	5,053	3,717	1,602	3,810	5,326	4,744	5,057	5,185	5,318	51,904	0.35%

06-M-0878

KEDLI Adjusted Customer Bills - Service Quality - 2013

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Total Bills	520,354	526,750	529,770	536,452	525,145	525,853	531,412	527,930	531,453	533,741	533,024	566,582	6,388,466
Total Adj	9,301	6,726	6,333	6,731	7,138	7,650	7,247	9,022	9,675	10,268	11,251	6,517	97,859
Corrected (%)	1.79%	1.28%	1.20%	1.25%	1.36%	1.45%	1.36%	1.71%	1.82%	1.92%	2.11%	1.15%	1.53%

06-M-0878

KEDNY Telephone Answer Response - Service Quality - 2013

ITEM	INDICATOR	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
3	Telephone Answer Response												
3a.	Total incoming calls received	240,969	254,771	272,297	260,625	262,639	231,099	239,790	237,836	225,376	261,460	235,049	242,726
3b.	Percent of calls answered	92.16%	88.36%	95.18%	96.21%	96.20%	96.59%	97.71%	96.83%	97.46%	97.11%	94.79%	94.27%
3c.	Total incoming calls requesting a representative	169,111	182,043	192,699	185,581	189,435	162,769	166,927	167,865	166,179	185,761	162,617	17,980
3d.	Percent of calls answered by a rep. within S/L (52.9% in 30 secs)	47.70%	32.60%	60.90%	61.90%	68.80%	62.60%	76.50%	74.20%	79.00%	74.20%	58.50%	59.10%
	YTD Service Level	47.70%	40.10%	47.80%	51.60%	55.30%	56.40%	59.20%	61.10%	63.00%	64.20%	63.70%	63.40%



Patric R. O'Brien
Assistant General Counsel

March 31, 2015

Honorable Kathleen H. Burgess
Secretary
New York State Public Service Commission
Three Empire State Plaza
Albany, New York 12223

Re: Case 06-M-0878 – Joint Petition of National Grid plc and KeySpan Corporation for Approval of Stock Acquisition and Other Regulatory Authorizations

Case 12-G-0544 - In the Matter of the Commission's Examination of The Brooklyn Union Gas Company d/b/a National Grid NY's Earnings Computation Provisions and Other Continuing Elements of the Applicable Rate Plan.

Dear Secretary Burgess:

Pursuant to the Joint Proposal for Gas Safety, Reliability and Customer Service Performance Requirements (“JP-3) in Case 06-M-0878, KeySpan Gas East Corporation d/b/a National Grid (“KEDLI”) and The Brooklyn Union Gas Company d/b/a National Grid NY (“KEDNY”) submits for filing the 2014 Customer Service Quality Performance Requirements report.

KEDNY met all of its customer service requirements in 2014. KEDLI, however, missed its customer satisfaction target largely due to the impacts of a system conversion and high bills caused by the extreme cold weather. KEDLI also missed its complaint rate metric.

Should you have any questions or concerns, please do not hesitate to contact me. Thank you for your time and attention.

Respectfully submitted,

/s/ Patric R. O'Brien
Patric R. O'Brien

**NATIONAL GRID
NYS RATE AGREEMENT CUSTOMER SERVICE PERFORMANCE
REQUIREMENTS**

Rate Agreement Period: January 1, 2013 - December 31, 2014

<u>KEDNY:</u>			<u>KEDLI:</u>		
Category	Benchmark	2014 Performance	Category	Benchmark	2014 Performance
PSC Complaint Rate	< 1.1 Complaints per 100,000 Customers	0.59	PSC Complaint Rate	< 1.1 Complaints per 100,000 Customers	1.29
Customer Satisfaction	> 84.8%	91.8%	Customer Satisfaction	> 83.4%	82.0%
Adjusted Bills	1.69% or less	0.60%	Adjusted Bills	1.69% or less	1.27%
Call Center Answer Rate	59.0% of calls answered by a CSR w/in 30 seconds	60.61%	Call Center Answer Rate	N/A	N/A

06-M-0878

NYS PSC Complaint Rate per 100,000 - The National Grid Companies

REGION	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	2014
Metro NY (PSC Threshold 1.1 per 100K)	0.4	0.4	0.6	0.9	0.6	0.6	0.6	0.5	0.4	0.4	1	0.7	0.59
SRS	4	4	7	10	7	7	7	6	5	5	11	8	81
QRS	92	90	119	142	157	141	134	117	101	139	139	123	1494
Long Island (PSC Threshold 1.1 per 100K)	1.2	1.2	1.6	0.8	0.6	3.3	1.2	1	0.2	2.2	1	1.2	1.29
SRS	6	6	8	4	3	17	6	5	1	11	5	6	78
QRS	102	99	100	93	175	71	75	71	80	128	73	59	1126

06-M-0878

KEDNY Residential Customer Satisfaction National Grid NY

NYC Gas	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD	PSC Goal
2014	95.0%	92.1%	91.3%	96.4%	86.4%	90.1%	97.6%	90.0%	89.4%	87.0%	92.9%	93.1%	91.8%	84.8%

KEDLI Residential Customer Satisfaction National Grid NY

LI Gas	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD	PSC Goal
2014	82.0%	78.7%	73.0%	80.5%	83.7%	79.9%	81.6%	87.5%	77.2%	86.5%	86.4%	87.1%	82.0%	83.4%

06-M-0878

KEDNY Adjusted Customer Bills - Service Quality - 2014

	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Total	% of Total
Total Bills	1,319,269	1,188,744	1,257,416	1,259,724	1,199,296	1,297,484	1,263,748	1,313,974	1,236,042	1,340,994	1,054,666	1,316,438	15,047,795	
Total Adjusted Bills	13,570	12,624	15,240	15,117	14,270	18,485	13,838	14,201	12,570	33,385	10,389	9,547	183,236	1.21%
Less Non Company Error Rebills	6,526	5,624	7,679	8,946	8,879	14,025	8,567	8,792	7,228	6,432	5,051	4,356	92,105	
Net Adjusted Bills	7,044	7,000	7,561	6,171	5,391	4,460	5,271	5,409	5,342	26,953	5,338	5,191	91,131	0.60%

06-M-0878

KEDLI Adjusted Customer Bills - Service Quality - 2014

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Total Bills	589,261	590,390	588,151	580,626	585,978	580,053	581,258	571,225	578,500	582,116	578,548	586,296	6,992,402
Total Adj (a)	8,873	9,940	7,160	6,486	6,238	7,092	6,707	6,492	8,820	8,550	7,253	5,425	89,036
Adjusted Bills (%)	1.51%	1.68%	1.22%	1.12%	1.06%	1.22%	1.15%	1.14%	1.52%	1.47%	1.25%	0.93%	1.27%

(a) Budget bills were removed because they were not counted as adjusted bills in the CAS system and, therefore, not reflected in the performance target.

06-M-0878

KEDNY Telephone Answer Response - Service Quality - 2014

ITEM	INDICATOR	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
3	Telephone Answer Response												
3a.	Total incoming calls received	284,603	271,060	311,634	282,407	271,184	250,261	244,712	231,557	231,356	240,309	229,759	238,895
3b.	Percent of calls answered	95.22%	93.78%	91.44%	94.87%	95.27%	96.45%	96.48%	93.55%	96.16%	96.80%	94.66%	96.95%
3c.	Total incoming calls requesting a representative	198,659	189,832	223,091	200,013	190,914	173,233	167,461	155,265	156,031	163,105	153,766	158,187
3d.	Percent of calls answered by a rep. within S/L (59.0% in 30 secs)	59.00%	56.90%	45.20%	54.00%	68.60%	69.80%	68.30%	50.70%	66.60%	65.30%	54.70%	68.20%
	YTD Service Level	59.00%	58.00%	53.50%	53.60%	56.50%	58.50%	59.80%	58.80%	59.60%	60.10%	59.70%	60.61%



Patric R. O'Brien
Assistant General Counsel

March 31, 2016

Honorable Kathleen H. Burgess
Secretary
New York State Public Service Commission
Three Empire State Plaza
Albany, New York 12223

Re: Case 06-M-0878 – Joint Petition of National Grid plc and KeySpan Corporation for Approval of Stock Acquisition and Other Regulatory Authorizations

Case 12-G-0544 - In the Matter of the Commission's Examination of The Brooklyn Union Gas Company d/b/a National Grid NY's Earnings Computation Provisions and Other Continuing Elements of the Applicable Rate Plan.

Dear Secretary Burgess:

Pursuant to the Joint Proposal for Gas Safety, Reliability and Customer Service Performance Requirements (“JP-3) in Case 06-M-0878, KeySpan Gas East Corporation d/b/a National Grid (“KEDLI”) and The Brooklyn Union Gas Company d/b/a National Grid NY (“KEDNY”) submit for filing the 2015 Customer Service Quality Performance Requirements report.

KEDNY and KEDLI met all of their customer service requirements in 2015.

Should you have any questions or concerns, please do not hesitate to contact me. Thank you for your time and attention.

Respectfully submitted,

/s/ Patric R. O'Brien

Patric R. O'Brien

**NATIONAL GRID
NYS RATE AGREEMENT CUSTOMER SERVICE PERFORMANCE
REQUIREMENTS**

For the Year Ended December 31, 2015

<u>KEDNY:</u>			<u>KEDLI:</u>		
Category	Benchmark	2015 Performance	Category	Benchmark	2015 Performance
PSC Complaint Rate	< 1.1 Complaints per 100,000 Customers	0.59	PSC Complaint Rate	< 1.1 Complaints per 100,000 Customers	0.86
Customer Satisfaction	> 84.8%	90.9%	Customer Satisfaction	> 83.4%	86.9%
Adjusted Bills	1.69% or less	0.60%	Adjusted Bills	1.69% or less	1.02%
Call Center Answer Rate	59.0% of calls answered by a CSR w/in 30 seconds	63.06%	Call Center Answer Rate	N/A	N/A

06-M-0878

NYS PSC Complaint Rate per 100,000 - The National Grid Companies

REGION	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	2015
Metro NY (PSC Threshold 1.1 per 100K)	0.6	0.5	0.6	1.2	0.8	0.7	0.6	0.6	0.2	0.2	0.5	0.6	0.59
SRS	7	6	8	15	10	9	7	8	3	2	6	7	88
QRS	116	89	129	175	126	138	114	136	123	125	134	126	1531
Long Island (PSC Threshold 1.1 per 100K)	1	0.3	1.2	0.7	0.3	1	1.4	1.2	1.6	0.9	0.5	0.2	0.86
SRS	6	2	7	4	2	6	8	7	9	5	3	1	60
QRS	46	34	70	56	72	76	71	71	74	92	53	51	766

06-M-0878

KEDNY Residential Customer Satisfaction National Grid NY

NYC Gas	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD	PSC Goal
2015	93.5%	92.0%	96.6%	93.3%	90.9%	87.5%	92.3%	86.3%	87.9%	88.4%	91.3%	90.5%	90.9%	84.8%

KEDLI Residential Customer Satisfaction National Grid NY

LI Gas	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD	PSC Goal
2015	89.3%	92.2%	89.7%	87.9%	93.1%	86.6%	89.0%	84.5%	79.7%	82.8%	86.7%	81.3%	86.9%	83.4%

06-M-0878

KEDNY Adjusted Customer Bills - Service Quality - 2015

	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Total	% of Total
Total Bills	1,242,497	1,212,411	1,329,737	1,265,663	1,207,892	1,330,592	1,323,592	1,202,753	1,315,996	1,338,885	1,135,772	1,335,799	15,241,589	
Total Adjusted Bills	14,221	11,108	13,681	13,881	15,232	16,100	14,253	12,609	12,964	10,679	11,858	12,239	158,825	1.04%
Less Non Company Error Rebills	4,911	4,925	6,115	6,421	7,888	6,914	5,627	5,533	4,638	3,775	4,482	5,963	67,192	
Net Adjusted Bills	9,310	6,183	7,566	7,460	7,344	9,186	8,626	7,076	8,326	6,904	7,376	6,276	91,633	0.60%

06-M-0878

KEDLI Adjusted Customer Bills - Service Quality - 2015

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Total Bills	582,333	586,038	587,546	584,734	588,331	590,346	589,607	590,141	587,313	589,655	586,048	650,603	7,112,695
Total Adj (a)	6,330	6,313	6,615	6,431	6,377	7,863	7,298	6,074	5,903	5,374	4,155	3,631	72,364
Adjusted Bills (%)	1.09%	1.08%	1.13%	1.10%	1.08%	1.33%	1.24%	1.03%	1.01%	0.91%	0.71%	0.56%	1.02%

(a) Budget bills were removed because they were not counted as adjusted bills in the CAS system and, therefore, not reflected in the performance target.

KEDNY Telephone Answer Response - Service Quality - 2015

ITEM	INDICATOR	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
3	Telephone Answer Response												
3a.	Total incoming calls received	260,774	251,364	275,918	263,766	251,703	254,014	242,530	252,545	237,225	259,598	238,031	246,579
3b.	Percent of calls answered	94.76%	94.90%	97.09%	96.34%	96.04%	97.20%	96.55%	93.59%	97.09%	96.37%	95.31%	95.93%
3c.	Total incoming calls requesting a representative	172,737	166,259	186,794	180,321	166,731	171,047	156,875	171,180	156,981	173,772	156,666	160,750
3d.	Percent of calls answered by a rep. within S/L (59.0% in 30 secs)	50.20%	57.10%	71.60%	65.80%	64.30%	75.50%	66.20%	52.50%	69.60%	62.70%	60.20%	61.00%
	YTD Service Level	50.20%	53.65%	59.63%	61.18%	61.80%	64.08%	64.39%	62.90%	63.64%	63.55%	63.25%	63.06%



Rudolph Wynter
Senior Vice President
Customer Service Operations

March 31, 2011

RECEIVED

APR 4 - 2011

VIA OVERNIGHT AND ELECTRONIC MAIL

Douglas Elfner
Director of Office of Consumer Policy
New York State Department of Public Service
Three Empire State Plaza
Albany, New York 12223-1350

Thomas Dvorsky
Director – Electricity, Gas, and Water
New York State Department of Public Service
Three Empire State Plaza
Albany, New York 12223-1350

**NYS Dept. of Public Service
Director
Office of Consumer Policy**

Re: PSC Case No. 01-M-0075 – Joint Petition of Niagara Mohawk Holdings, Inc., Niagara Mohawk Power Corporation, National Grid plc, and National Grid USA for Approval of Merger and Stock Acquisition; Opinion and Order Authorizing Merger and Adopting Rate Plan, issued December 3, 2001

Dear Directors Elfner and Dvorsky:

In compliance with § 9.2.2 of Attachment 9 of the Merger Joint Proposal adopted by the Commission in the above-referenced proceeding, Niagara Mohawk Power Corporation d/b/a National Grid (“National Grid”) respectfully submits its Annual Service Quality Assurance Program Report for the year ended December 31, 2010. Included in the report are the fourth quarter SQA Program results and the fourth quarter Collections Satisfaction results.

National Grid is pleased to report that it met its annual customer service quality and electric reliability targets for the second consecutive year.

Thank you for your time and attention.

Respectfully submitted,

Rudolph Wynter

Enclosures

cc: Jean Lowe, Deputy Director – Consumer Services (via electronic mail)
Alice Miller (via electronic mail)
Martin Insogna (via electronic mail)
Donna DeVito (via electronic mail)
Leonard Silverstein (via electronic mail)

Rajendra Addepalli, Deputy Director – Electricity (via electronic mail)

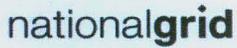
Michael Worden (via electronic mail)

Christian Bonvin (via electronic mail)

Robert Visalli (via overnight mail)

Denise Gerbsch (via overnight mail)

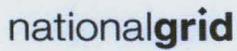
Patrick Piscitelli (via electronic mail)



PSC Case No. 01-M-0075
National Grid USA and Niagara Mohawk Merger Joint Proposal
Service Quality Assurance Program Report
For the Quarter Ended December 31, 2010

Summary
Sheet 1

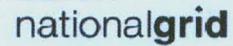
<u>TARGET</u>	<u>POTENTIAL 2010 ANNUAL PENALTY</u>	<u>ACTUAL YTD RESULTS THROUGH 31-Dec-2010</u>	<u>Penalty Incurred</u>
Customer Service Measures:			
1. PSC Complaint Rate			
<u>Rate Interval (per 100K customers)</u>			
< 3.0	\$0	0.76	\$0
=3.0	\$600,000		
>3.0 - 5.0	\$600,000 to \$4,800,000		
>5.0	\$4,800,000		
2. Residential Transaction Satisfaction Index			
<u>Residential Transaction Satisfaction Index Interval</u>			
>82.0	\$0	83.0	\$0
=82.0	\$300,000		
<82.0 - 78.0	\$300,000 to \$2,400,000		
<78.0	\$2,400,000		
3. Small/Medium Commercial & Industrial(C&I) Transaction Satisfaction Index			
<u>C&I Transaction Satisfaction Index Interval</u>			
>79.0	\$0	82.6	\$0
=79.0	\$300,000		
<79.0 - 75.0	\$300,000 to \$2,400,000		
<75.0	\$2,400,000		
4. Percent Meters Read			
<u>Percent Meters Read</u>			
>96.0	\$0	99.0	\$0
=96.0	\$250,000		
<96.0 - 95.0	\$250,000 to \$2,000,000		
<95.0	\$2,000,000		
5. Percent Calls Answered Within 30 Seconds			
<u>Percent Calls Answered Within 30 Seconds</u>			
>78.0	\$0	78.77	\$0
=78.0	\$300,000		
<78.0 - 72.0	\$300,000 to \$2,400,000		
<72.0	\$2,400,000		
6. Low Income Customer Assistance Program(LICAP)			
<u>Target</u>	<u>Goal</u>	<u>Performance Against Goal</u>	
Enrollment	3,780	>95.0%	\$0
		=95.0%	\$500,000
		<95.0% - 90.0%	\$500,000 to \$1,000,000
		<90.0%	\$1,000,000
			3,903
			\$0



PSC Case No. 01-M-0075
National Grid USA and Niagara Mohawk Merger Joint Proposal
Service Quality Assurance Program Report
For the Quarter Ended December 31, 2010

Summary
Sheet 2

<u>TARGET</u>	<u>POTENTIAL 2010 ANNUAL PENALTY</u>	<u>ACTUAL YTD RESULTS THROUGH 31-Dec-2010</u>	<u>Penalty Incurred</u>
Electric Reliability Measures:			
7. System Average Interruption Frequency Index(SAIFI)			
SAIFI Interval (Number of outages per customer per year)			
Under 0.93	\$0	0.802	\$0
.93 and higher	\$8,800,000		
8. Customer Average Interruption Duration Index(CAIDI)			
CAIDI Interval (Average hours per interruption)			
Under 2.07	\$0	1.98	\$0
2.07 and higher	\$4,400,000		
9. Momentary Interruptions (MI)			
Interval:			
115KV			
<=200	\$0	107	\$0
>200 to <250	\$366,500		
>=250	\$733,000		
23 - 69KV			
<=725	\$0	330	\$0
>725 to <825	\$366,500		
>=825	\$733,000		
Distribution			
<=2000	\$0	1,326	\$0
>2000 to <2200	\$366,500		
>=2200	\$733,000		



PSC Case No. 01-M-0075
National Grid USA and Niagara Mohawk Merger Joint Proposal
Service Quality Assurance Program Report
Calendar Year 2010 - Monthly Results

Summary
Sheet 3

Customer Service Measures:

	<u>January</u>	<u>February</u>	<u>March</u>	<u>April</u>	<u>May</u>	<u>June</u>	<u>July</u>	<u>August</u>	<u>September</u>	<u>October</u>	<u>November</u>	<u>December</u>
1. PSC Complaint Rate	0.53	0.59	0.53	0.59	0.76	0.76	0.94	1.17	1.35	0.82	0.23	0.82
2. Residential Transaction Satisfaction Index	-	-	83.6*	-	-	83.6			81.9*			83.0
3. Small/Medium Commercial & Industrial(C&I) Transaction Satisfaction Index	-	-	80.3	-	-	84.6			80.9			84.2
4. Percent Meters Read *	98.9	98.9	99.0	99.1	99.1	99.0	99.0	99.0	99.1	99.2	99.2	99.0
5. Percent Calls Answered Within 30 Seconds	77.82%	79.57%	76.66%	81.40%	78.40%	75.76%	74.81%	75.70%	76.96%	81.97%	82.40%	84.81%
6. Low Income Customer Assistance Program(LICAP) Enrollment	57	77	458	604	440	538	454	516	458	234	43	24

Electric Reliability Measures:

7. System Average Interruption Frequency Index(SAIFI)	0.037	0.023	0.064	0.049	0.108	0.078	0.121	0.075	0.068	0.084	0.072	0.027
8. Customer Average Interruption Duration Index(CAIDI)	1.968	1.902	1.982	2.103	2.245	1.580	2.290	2.310	1.650	2.400	1.920	2.570
9. Momentary Interruptions (MI) Interval:												
115KV	5	5	4	11	12	16	18	12	7	4	10	3
23 - 69KV	11	11	23	23	47	44	52	27	46	23	10	13
Distribution	53	90	68	42	134	177	196	134	150	128	91	63

*Updated results.

Niagara Mohawk Power Corporation
PSC Case No. 01-M-0075
National Grid USA and Niagara Mohawk Merger Joint Proposal
Collections Satisfaction Report
For the Quarter Ended December 31, 2010

Satisfaction Index	2008	2009	2010				Year - end
			1 st Qtr	2 nd Qtr	3 rd Qtr	4 th Qtr	
Residential Transaction Satisfaction Survey - Collections Transactions Satisfaction Index (1)	80.2	78.4	87.0	89.4*	79.5*	87.5*	85.9
Collections Services Satisfaction Survey - Collections Satisfaction Index (2)	79.5	80.6	87.2	82.0	86.1	81.1	84.5

*Updated results.

- (1) The quarterly Residential Transaction Satisfaction Survey is administered to a sample of customers with collections transactions. This survey is administered to customers having transactions in the first month of each quarter (January, April, July, October) based on inbound and outbound calls. The Satisfaction Index for these collections transactions is calculated the same way as the overall Index (based on resolution satisfaction, call center, and field service satisfaction) and can be directly compared to performance on the overall index.
- (2) The Collections Services Satisfaction Survey is administered to a sample of customers who had contact with collections services based on inbound and outbound calls. This survey is administered to customers having contacts in the first month of the quarter and is now being administered quarterly (January, April, July, October). The Satisfaction Index is based on resolution satisfaction and the customers' overall rating of the quality of collections services representatives.

Case No. 01-M-0075

**Niagara Mohawk Power Corporation d/b/a
National Grid
Service Quality Assurance Program Report
For the Year Ended December 31, 2010**

Case No. 01-M-0075
Niagara Mohawk Power Corporation d/b/a National Grid
Service Quality Assurance Program Report
For the Year Ended December 31, 2010

I. INTRODUCTION

Niagara Mohawk Power Corporation d/b/a National Grid (“National Grid” or “Company”) has prepared this report on its Service Quality Assurance Program (“SQA Program”) for the year ended December 31, 2010, in compliance with the requirements set forth in paragraph 9.2.2 (Reporting) of Attachment 9 to the Joint Proposal filed on October 11, 2001 (revised on October 7, 2004) in Case 01-M-0075, and approved by the Public Service Commission in Opinion No. 01-6, originally issued December 3, 2001, revised, approved, and issued on March 11, 2005.

National Grid is pleased to report that it met all of the customer service-related SQA measures and all three electric reliability measures for the second consecutive year. As such, National Grid incurred no penalty for 2010.

This report includes an overview of the Company’s Customer Service organization during 2010, details on performance results for the six customer service measures, details on the performance results for collections satisfaction, and an overall assessment of customer service for the year.

Additionally, performance results for the three electric reliability measures for which there are potential penalties are presented. A detailed presentation and further discussion of those measures is found in National Grid’s Annual Reliability Report and Annual Power Quality Report filed in Case 02-E-1240.

Please note that the year ended December 31, 2010 is the final year of the SQA Program in its current form. Beginning in calendar year 2011, National Grid will be implementing changes to the SQA Program consistent with the Order in Case 10-E-0050 (“Rate Order”).¹ These changes include the elimination of the low income customer assistance program (“LICAP”) and percentage of meters read measures; modification of the PSC complaint rate threshold; modification of the small/medium C&I customer satisfaction survey from a mail-based survey to a telephone-based survey; and increasing the total amount at risk in potential revenue adjustments. Additionally, as part of the “Stipulation and Agreement of Certain Matters Relating to Capital Investment and Operating & Maintenance Spending,”² which was adopted by the Commission in the Rate Order, the

¹ Case 10-E-0050, Proceeding on Motion of the Commission as to the Rates, Charges, Rules and Regulations of Niagara Mohawk Power Corporation for Electric Service, *Order Establishing Rates for Electric Service* (issued and effective January 24, 2011).

² Exhibit 394 in Case 10-E-0050.

Company and PSC Staff agreed to changes to the electric reliability measures; specifically, modification of the SAIFI and CAIDI performance mechanisms, elimination of the momentary interruption measures, and implementation of an estimating metric and a standardized interconnection requirements metric.

II. CUSTOMER SERVICE 2010 OVERVIEWS

National Grid's Customer Service organization is pleased to report that the Company met or exceeded all customer service-related SQA measures in 2010, demonstrating the Company's commitment to its customers and its drive to achieve operational excellence. Throughout 2010, National Grid's Customer Service organization continued to implement best practices and process improvements to deliver the service that the Company's customers deserve. Each employee at National Grid is committed and held accountable for the success of the Company through key performance indicators that are both individual and team orientated.

The centerpiece of National Grid's customer service efforts is the Customer Call Center in Syracuse, New York. The Call Center is a full service 24 hour a day, 365 day a year center, handling over a million calls per year. The Call Center management team works to promote National Grid's values, vision, and mission statement through coaching, evaluating, and measuring performance. For a more detailed discussion of National Grid's management of customer service quality, please see the direct testimony of Rudolph Wynter in Case 10-E-0050.

III. CUSTOMER SERVICE MEASURES

1. Annual PSC Complaint Rate

a. PSC Complaint Trends:

As Table 3-1 indicates, over the past twelve years the Company's complaint rate has ranged from a high of 8.1 per 100,000 customers in 1999, to less than 3.0 per 100,000 customers in each of the last ten years.

The SQA Program provides for penalties incurred at a complaint rate of 3.0 or greater. The maximum penalty is incurred at a rate of 5.0 per 100,000 customers or greater.

In 2011, the penalty threshold for the PSC complaint rate will be changed from 3.0 complaints to 1.5 complaints per 100,000 customers, pursuant to the Rate Order.

Table 3-1

Year	PSC Complaint Volume	PSC Complaint Rate
2010	155	0.76
2009	210	1.03
2008	179	0.88
2007	195	0.96
2006	199	0.98
2005	230	1.14
2004	308	1.5
2003	405	2.0
2002	235	1.2
2001	562	2.8
2000	785	3.9
1999	1,634	8.1

b. 2010 Performance:

National Grid achieved the lowest charged complaint rate on record for the company in 2010. Complaint volumes for both QRS (non-charged) and SRS (charged complaints) were down from 2009 levels. Credit and collections issues continue to account for the majority of charged complaints. The Company's administration of credit and collections policies and programs attempts to minimize total arrears by working with customers on an individual basis. National Grid continues to focus on improving credit and collections performance, while maintaining customer satisfaction and holding the complaint rate at an absolute minimum. The Company continues to resolve the vast majority of initial contacts thereby minimizing the total number of charged complaints.

The top 11 complaint types, as illustrated in Table 3-2, account for 83% of National Grid's charged complaints in 2010. "High bill" is again the most frequent complaint received by the Company. This remains consistent with the findings of National Grid's customer satisfaction surveys, especially the verbatim comments where customers frequently express their concerns about energy affordability. "Final termination notice received" and "responsibility for bill" repeated the 2009 results as the second and third most frequent complaint types in 2010. These types also correlate to the affordability of energy and the condition of the economy in general.

Table 3-2

Complaint Type	2003	2004	2005	2006	2007	2008	2009	2010
Electric outage related	13 (8)	8 (8)	13 (5)	26 (1)	19 (2)	8 (5)	10 (7)	4 (9)
High bill	34 (3)	23 (1)	21 (2)	22 (2)	38 (1)	33 (1)	28 (1)	27 (1)
Back billing	14 (7)	17 (3)	8 (7)	17 (3)	11 (5)	11 (4)	16 (5)	9 (5)
Final termination notice received	37 (2)	10 (6)	14 (4)	9 (4)	19 (2)	22 (2)	22 (2)	25 (2)
Responsibility for bill	12 (9)	17 (3)	16 (3)	8 (5)	19 (2)	15 (3)	22 (2)	22 (3)
Acct Init – UCB	15 (6)	9 (7)	11 (6)	8 (5)	4 (8)	6 (6)	11 (6)	-
Service delay – New	5 (13)	6 (10)	14 (4)	6 (7)	8 (6)	6 (6)	4 (8)	10 (4)
Initial/final bill	6 (12)	11 (5)	11 (5)	6 (7)	3 (10)	0 (11)	0 (11)	-
Transfer	2 (16)	14 (4)	8 (6)	6 (7)	2 (11)	2 (9)	4 (8)	7 (6)
Line extension charges	8 (10)	8 (8)	6 (8)	6 (7)	4 (8)	1 (10)	3 (10)	3 (11)
CONP	83 (1)	23 (1)	24 (1)	5 (11)	6 (7)	6 (6)	20 (4)	6 (7)
Right of way	-	-	-	-	-	-	-	6 (7)
Relocation	-	-	-	-	-	-	-	4 (9)
Switched Meters	-	-	-	-	-	-	-	3 (11)
Estimated Read	-	-	-	-	-	-	-	3 (11)

2. Residential Customer Transaction Satisfaction Index

a. Recent Performance:

In 2010, National Grid remained focused on providing outstanding customer service, especially during these difficult economic times. Significantly, for the second straight year, National Grid met the Annual Residential Transaction Satisfaction Index metric.

Table 3-3

Year	Problem Resolution	Phone Rep Score	Field Rep Score	Contactoer Survey	Annual Index
2010	80.0	85.0	86.0	83.9	83.0*
2009	80.0	85.4	88.2	-	82.3
2008	78.6	83.7	86.7	-	81.4
2007	77.4	82.8	86.1	-	80.2
2006	78.2	82.8	85.5	-	80.3
2005	80.5	84.0	85.9	-	82.5

*The annual index for 2010 is based on the results of the mail-based survey and the telephone-based survey, as discussed below.

b. 2010 Performance:

The Residential Transactions Satisfaction Index was originally based on the results of a quarterly mail-based survey. In its Order in Case 08-G-0609,³ the Commission approved the Company's petition to replace the mail-based survey with a monthly telephone-based residential contactor survey ("Residential Contactor Survey"). The Order provides that the Company will administer both the mail survey and Residential Contactor Survey in 2010. The results of both surveys will be used to determine whether the Company met the threshold performance target in 2010. If there is a negative revenue adjustment, each survey will be weighted 50 percent to determine the adjustment amount. In 2011, the mail-based survey will be eliminated and the Residential Contactor Survey will be used exclusively to measure the annual performance target.

The Residential Contactor Survey includes a new customer satisfaction question (Question No. 28) that is used to measure the Company's performance. The question asks the customer overall, on a scale of 1 to 10, how satisfied they are with the services provided by National Grid. Satisfaction is measured by a score of 8 or higher to determine the annual index score.

As compared to 2009, National Grid's overall performance increased (+) 0.7 points. National Grid continues to improve its customer satisfaction scores, as the annual satisfaction index for 2010 was 83.0, 1.0 point above the penalty threshold of 82.0. Table 3-4 shows the results of both the mail-based survey and the Residential Contactor Survey.

Table 3-4

2010 Quarter	Problem Resolution	Phone Rep Score	Field Rep Score	Mail Survey Satisfaction Index	Residential Contactor Survey Satisfaction Index	Overall Satisfaction Index
Annual	80.0	85.0	86.0	82.2	83.9	83.0
IV	80.9	86.1	85.7	82.6	83.8	83.0
III	76.9	82.1	85.0	80.0	83.8	81.9
II	81.3	85.8	87.4	83.6	83.6	83.6
I	80.2	85.7	84.3	83.0	84.2	83.6

National Grid's 2010 Residential Customer Transaction Satisfaction Index score demonstrates positive potential for 2011.

³ Case 08-G-0609, Proceeding on Motion of the Commission as to the Rates, Charges, Rules and Regulations of Niagara Mohawk Power Corporation for Gas Service, *Order* (issued and effective December 23, 2009).

3. Small/Medium Commercial and Industrial (“C&I”) Customer Transaction Satisfaction

a. Recent Performance:

Table 3-5 displays the Small/Medium C&I Customer Transaction Satisfaction Index and National Grid’s performance on its key components since the small/medium C&I customer satisfaction survey was first administered in 1998. As the table shows, substantial progress has been made in the Small/Medium C&I Customer Transaction Satisfaction Index, moving from a starting index of 70.6 in 1998 to 82.6 in 2010. The small/medium C&I customer score improved significantly from 77.0 in 2006 to 82.6 in 2010. The business team in the Customer Call Center continues to be very focused on improving small/medium C&I customer satisfaction scores, and in collaborating with regional operations to improve overall service to this customer segment.

Table 3-5

Year	Problem Resolution	Phone Rep Score	Field Rep Score	Annual Index
2010	80.0	84.5	86.9	82.6
2009	78.7	84.1	88.3	82.0
2008	77.3	82.0	84.9	80.1
2007	77.7	82.0	86.6	80.5
2006	73.6	79.4	83.1	77.0
2005	78.0	82.6	84.2	80.5
2004	76.4	81.2	83.9	79.2
2003	75.1	80.5	84.8	78.4
2002	81.3	84.5	86.8	83.2
2001	77.3	75.9	82.7	77.6
2000	74.8	73.7	80.1	75.1
1999	65.5	64.9	77.9	66.8
1998	70.0	69.4	77.5	70.6

b. 2010 Performance:

The Small/Medium C&I Customer Annual Satisfaction Index for 2010 was 82.6, above the penalty threshold of 79.0. This index score is the second highest achieved by the Company for small/medium C&I customer transaction satisfaction. Table 3-6 displays the quarterly performance on the index and its key components in 2010.

Table 3-6

2010 Quarter	Problem Resolution	Phone Rep Score	Field Rep Score	Satisfaction Index
Annual	80.0	84.5	86.9	82.6
IV	81.7	87.0	85.8	84.2
III	78.2	82.4	86.3	80.9
II	81.7	86.7	89.1	84.6
I	77.8	81.0	86.5	80.3

Small/medium C&I customer contacts continue to be handled by a specialized group within the Customer Call Center. The Company continues to provide refresher training, quality monitoring, and individualized coaching for members of the small commercial customer team.

The current year shows an improvement in all components of the small commercial customer satisfaction survey index. Table 3-7 depicts field representative quarterly score card results.

Table 3-7

Percent who agree	Q1 2010	Q2 2010	Q3 2010	Q4 2010	2010 Annual
Did a good job explaining the solution or repair	93	91	91	93	92
Arrived at the time that I expected	91	96	83	93	91
Was very thorough in their work	88	98	94	91	93
Impressed me as someone to trust	95	98	89	94	95
Finished the job or scheduled a follow-up visit	84	93	92	91	90

In 2011, the quarterly mail-based survey used to measure small/medium C&I customer transaction satisfaction will be eliminated and replaced with a monthly telephone-based survey similar to the Residential Contactor Survey, per the Rate Order.

4. Percent of Meters Read

a. 2010 Meter Reading Performance:

The primary driver of meter reading performance has historically been access. Meter reading performance has improved with the increasing number of outside meters and the implementation of automated meter readings, which began in late 2002.

In 2010, the Company continued to pursue conversion of the remaining meters associated with either difficult to access premises or demand meters to be converted. Of the remaining meters to be converted, many of them are inactive meters that are being reviewed to determine if they can be retired in place. The number of remaining meters continues to decline as a result of the Company's efforts.

Table 3-8 depicts National Grid's meter reading performance for 2010.

Table 3-8

2010 Month	Meters Scheduled	Meters Read During Window	Percent Meters Read
January	2,287,934	2,262,516	98.9%
February	2,289,435	2,264,369	98.9%
March	2,288,449	2,265,364	99.0%
April	2,289,727	2,268,558	99.1%
May	2,288,731	2,267,669	99.1%
June	2,290,199	2,267,618	99.0%
July	2,289,386	2,265,837	99.0%
August	2,290,893	2,267,982	99.0%
September	2,290,269	2,268,947	99.1%
October	2,292,073	2,272,610	99.2%
November	2,291,579	2,272,715	99.2%
December	2,293,887	2,270,339	99.0%
Annual	27,482,562	27,214,524	99.0%

National Grid ended 2010 with an annual percent meters read of 99.0 percent from all sources, a slight increase from the 2009 performance level (98.7 percent). This trend is expected to continue in future years as the Company converts more meters to AMR. Monthly access performance was generally consistent over the twelve months, from a low of 98.9 percent to a high of 99.2 percent. The penalty threshold for percent meters read from all sources is 96.0 percent.

The percent of meters read performance measure has been eliminated in 2011, per the Rate Order.

5. Percent of Calls Answered within 30 Seconds

a. Recent Performance:

Table 3-9 displays the annual service level comparing the past three years, including calls answered by outsource contact centers.

Table 3-9

ANNUAL CALL VOLUMES				
Year	Calls Received	Calls Answered	Calls Answered ≤ 30 Seconds	Service Level % Calls Ans. Within 30 sec.
2010	3,901,479	3,803,619	2,996,287	78.77%
2009	3,999,550	3,903,845	3,192,267	81.77%
2008	4,200,937	4,082,566	3,206,700	78.55%

b. 2010 Performance:

Table 3-10 displays monthly service levels for 2010, excluding interactive voice response calls. The penalty threshold is 78 percent of calls answered within 30 seconds. As shown in the table, National Grid's annual total for 2010 was 78.77 percent, which is above the penalty threshold.

Table 3-10

2010 Monthly Call Volumes (without interactive voice response)				
Month	Calls Received	Calls Answered	Calls Answered ≤ 30 sec	Service Level
January	301,468	294,466	229,140	77.82%
February	295,057	282,240	224,589	79.57%
March	329,205	313,818	240,570	76.66%
April	313,914	308,880	251,429	81.40%
May	329,717	322,911	253,155	78.40%
June	345,964	336,825	255,187	75.76%
July	339,052	328,205	245,540	74.81%
August	349,217	340,163	257,493	75.70%
September	338,598	331,519	255,144	76.96%
October	346,984	341,064	279,555	81.97%
November	309,784	304,823	251,168	82.40%
December	302,519	298,705	253,317	84.81%
Total	3,901,479	3,803,619	2,996,287	78.77%

6. Low Income Customer Programs

a. Low Income Customer Assistance Program (“LICAP”)

LICAP is the National Grid program that has historically provided integrated services to payment troubled income eligible customers. The program’s components include deferred payment agreements with arrears forgiveness, energy education, and energy services or weatherization where economically beneficial. The payment agreement aspect of LICAP is rate-payer funded, while the education and energy services components have been supported by the system benefits charge.

b. 2010 Performance

During 2010, National Grid enrolled 3,903 customers for LICAP, 103 percent of its annual goal of 3,780 customers. A variety of methods are used to contact customers who may be eligible for enrollment, including outbound calls to eligible customers with an 800 number to call for additional information; and an outbound mailing campaign to those who do not return a call based on the outbound call. Referrals may also be made by National Grid’s consumer advocates as well as local Department of Social Service agencies.

The LICAP performance measure has been eliminated in 2011, per the Rate Order.

IV. COLLECTIONS SATISFACTION INDEX

1. Recent Performance

Table 4-1 indicates customer ratings on the key questions. The collection satisfaction survey originated with the consolidation of the former regional call centers within Customer Service and the creation of a Buffalo Collections Services operation. As the table shows, there had been incremental improvement on each rating and the satisfaction index over the years leading up to a decline in 2006. The current year once again shows improvement in all aspects of the collections customer satisfaction survey measures.

Table 4-1

Year	Rep Actions Rating	Rep Quality Rating	Problem Resolution Rating	Satisfaction Index
2010	84.8	85.9	83.1	84.5
2009	83.1	82.9	78.5	80.6
2008	81.1	81.2	77.9	79.5
2007	79.4	80.3	76.7	78.5
2006	79.2	79.5	74.9	76.8
2005	82.8	82.4	80.2	81.3
2004	79.3	79.9	77.9	78.9
2003	76.8	77.6	73.7	75.7
2002	76.9	77.6	73.9	75.8
2001	75.7	76.7	74.3	75.5
2000	75.4	76.2	71.8	74.0
1999	74.4	74.2	70.5	72.3
1998	73.9	75.3	72.3	73.8

2. 2010 Performance

Table 4-2 displays the customer ratings of the Collections Services organization over the four quarters of 2010. In general, the year ended with improvements in all attributes. National Grid believes that the current state of the economy continues to negatively impact collection satisfaction. National Grid continues to see benefits to customers of the stable and consistent application of collection policy and practice accompanying the Credit and Collections improvement initiatives. The hallmark of these initiatives is consistent implementation of policy and procedures, which, from the customer's perspective, means they know exactly what to expect every time they have a collections-related issue.

Table 4-2

Quarter	Rep Actions Rating	Rep Quality Rating	Problem Rating	Satisfaction Index
Annual	84.8	85.9	83.1	84.5
IV	81.3	80.8	81.5	81.1
III	86.1	87.3	84.8	86.1
II	80.8	84.8	79.1	82.0
I	88.5	89.2	85.1	87.2

Pursuant to the Commission's Order in Case 08-G-0609,⁴ the quarterly mail-based collections survey has been eliminated in 2011 and replaced by the Residential Contactor Survey.

V. OVERALL ASSESSMENT OF CUSTOMER SERVICE

For National Grid, 2010 was a year of tremendous hard work and dedication aimed at exceeding customer expectations. For the second consecutive year, National Grid met or exceeded all of the customer service performance measures. National Grid demonstrated consistent results in the Customer Call Center service level, was significantly better than target in PSC complaints, demonstrated customer satisfaction in many areas, and exceeded the LICAP target as well. In 2011, the Company will continue to work at improving customer satisfaction by analyzing data, quality monitoring, and identifying areas of opportunity. Further, National Grid will continue to implement best practices, as it remains committed to improving customer satisfaction.

VI. ELECTRIC RELIABILITY MEASURES

National Grid met all three electric reliability targets (Customer Average Interruption Duration Index ("CAIDI"), System Average Interruption Frequency Index ("SAIFI"), and Momentary Interruptions ("MI")) in 2010; therefore, no penalties were incurred.

1. SAIFI and CAIDI

As shown in Table 6-1 and Figure 6-1 below, the Company was successful in meeting its CAIDI target, which measures the average time that an affected customer is out of service, ending the year at 1.98 hours. This is below the target of 2.07 hours and was three percent below the five year average. The Company has performed better than the target for the fifth consecutive year.

The Company also performed better than its SAIFI target for the third consecutive year. SAIFI was below the target of 0.93 and 12 percent below the five year average. As shown in Table 6-1 and Figure 6-1, SAIFI, excluding the impact of major storm events, decreased from 0.87 in 2009 to 0.80 in 2010.

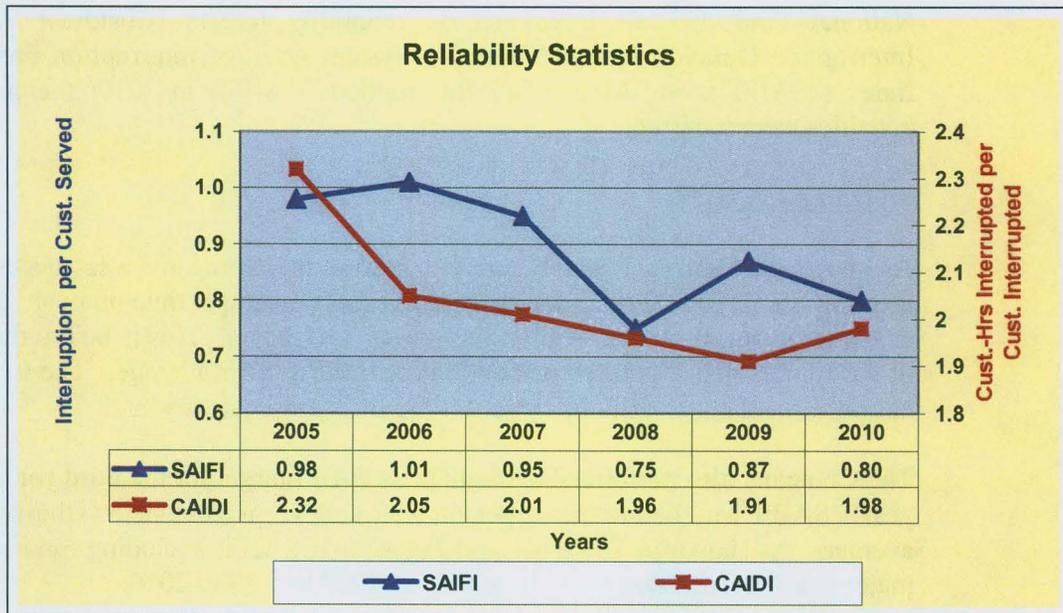
The number of interruptions excluding major storms decreased 13 percent from 2009 and was two percent below the five year average. The number of customers interrupted was down eight percent from 2009 and down 12 percent from the five year average. The duration of customers interrupted (Customer-Hours Interrupted) decreased four percent and 15 percent from 2009 and the five year average, respectively.

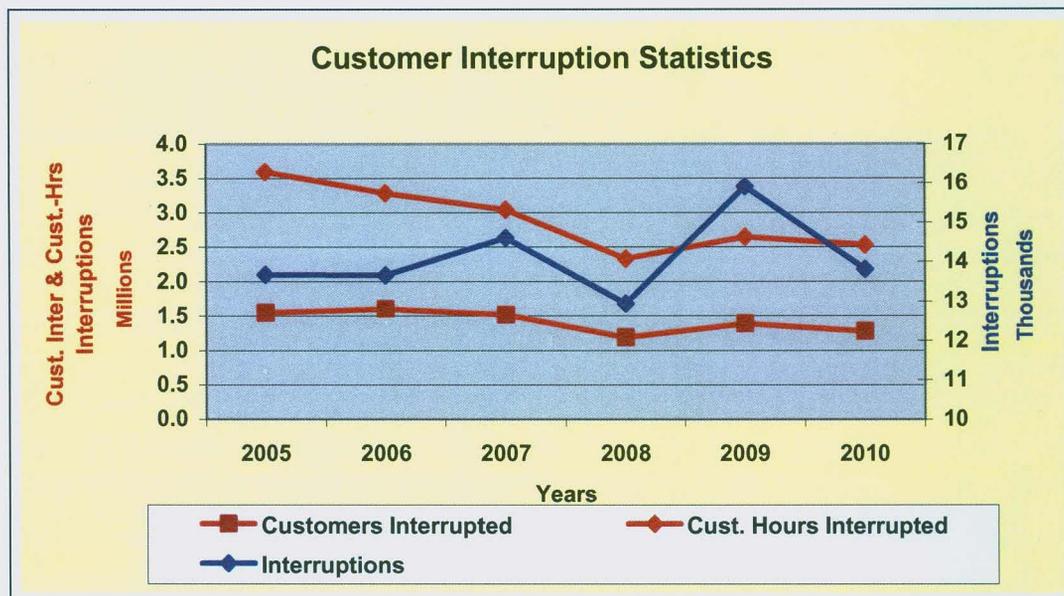
⁴ Case 08-G-0609, Proceeding on Motion of the Commission as to the Rates, Charges, Rules and Regulations of Niagara Mohawk Power Corporation for Gas Service, *Order* (issued and effective December 23, 2009).

Table 6-1

	2010	2009	2008	2007	2006	2005
CAIDI	1.98	1.91	1.96	2.01	2.05	2.32
SAIFI	0.80	0.87	0.75	0.95	1.01	0.98
Interruptions	13,821	15,917	12,940	14,606	13,665	13,680
Customers Interrupted	1,277,722	1,388,132	1,190,293	1,518,634	1,607,461	1,549,828
Customer-Hours Interrupted	2,528,993	2,648,096	2,337,979	3,045,284	3,289,340	3,596,266
Customers Served	1,587,730	1,587,230	1,580,798	1,593,230	1,589,949	1,585,438
Availability Index	99.9810	99.9800	99.9830	99.9780	99.9760	99.9740
Interruptions/1000 Customers	8.70	10.03	8.19	9.17	8.59	8.62

Figure 6-1 Reliability Statistics





2. MI

Momentary interruptions (“MIs”) are part of the normal operation of an electric power system and are usually incurred in the process of avoiding or attempting to avoid a sustained interruption. MIs are an interruption of electrical power to at least one customer for less than five minutes at the distribution circuit breaker level. MIs have a number of causes including tree limb contacts, animals, and lightning. MIs may also occur because of switching, equipment failure, or be pre-arranged to perform a repair. As shown in Table 6-2, the number of MIs experienced by National Grid customers in 2010 was below the targets established by the Commission.

Table 6-2

Classification	Actual	Target
Transmission	107	200
Sub Transmission	330	725
Distribution	1,326	2,000

For a more detailed discussion of National Grid’s electric reliability performance during 2010, please see the Company’s Annual Reliability Report and the Annual Power Quality Report, which are filed with the Secretary each year by March 31 in Case 02-E-1240.

Pursuant to the Rate Order, the MI performance measures have been eliminated in 2011.



Rudolph Wynter
Senior Vice President
Shared Services

March 30, 2012

VIA ELECTRONIC MAIL

Douglas Elfner
Director of Office of Consumer Policy
New York State Department of Public Service
Three Empire State Plaza
Albany, New York 12223-1350

Thomas Dvorsky
Director – Electricity, Gas, and Water
New York State Department of Public Service
Three Empire State Plaza
Albany, New York 12223-1350

Re: Case 10-E-0050 – Proceeding on Motion of the Commission as to the Rates, Charges, Rules and Regulations of Niagara Mohawk Power Corporation for Electric Service

Dear Directors Elfner and Dvorsky:

In accordance with Attachment 1 to the Rate Plan Provisions, as agreed to by the Company and Staff and submitted for approval to the Commission on January 31, 2012 in the above-captioned matter, Niagara Mohawk Power Corporation d/b/a National Grid respectfully submits its Annual Service Quality Assurance Program Report for the year ended December 31, 2011.

Thank you for your time and attention.

Respectfully submitted,

Rudolph Wynter

Attachments

cc: Rajendra Addepalli
Luann Scherer
Leonard Silverstein
Michael Worden
Christian Bonvin
Denise Gerbsch

nationalgrid

PSC Cases No. 08-G-0609 & 10-E-0050
Niagara Mohawk Power Corporation d/b/a National Grid
Service Quality Assurance Program Report
For the Quarter Ended December 31, 2011

Summary
Sheet 1

<u>TARGET</u>	<u>POTENTIAL 2011 ANNUAL NEGATIVE REVENUE ADJUSTMENT</u>	<u>ACTUAL YTD RESULTS THROUGH 31-Dec-2011</u>	<u>Penalty Incurred</u>
<u>Customer Service Measures:</u>			
<u>1a. Annual PSC Complaint Rate - Electric</u>			
Rate Interval (per 100K customers)			
< 1.5	\$0	0.66	* \$0
=1.5	\$880,000		
>1.5 - 2.5	\$880,000 to \$6,080,000		
>2.5	\$6,080,000		
<u>1b. Annual PSC Complaint Rate - Gas</u>			
Rate Interval (per 100K customers)			
< 3.0	\$0	0.66	* \$0
=3.0	\$200,000		
>3.0 - 5.0	\$200,000 to \$1,600,000		
>5.0	\$1,600,000		
<u>2. Residential Transaction Satisfaction Index</u>			
Residential Transaction Satisfaction Index Interval			
>82.0	\$0	84.3%	\$0
=82.0	\$540,000		
<82.0 - 78.0	\$540,000 to \$3,840,000		
<78.0	\$3,840,000		
<u>3. Small/Medium Commercial & Industrial(C&I) Transaction Satisfaction Index</u>			
C&I Transaction Satisfaction Index Interval			
>69.5	\$0	79.1%	\$0
=69.5	\$540,000		
<69.5 - 65.5	\$540,000 to \$3,840,000		
<65.5	\$3,840,000		
<u>4. Percentage of Meters Read</u>			
Percent Meters Read			
>96.0	\$0	99.26%	\$0
=96.0	\$50,000		
<96.0 - 95.0	\$50,000 to \$400,000		
<95.0	\$400,000		
<u>5. Percentage of Calls Answered within 30 Seconds</u>			
Percent Calls Answered within 30 Seconds			
>78.0	\$0	79.2%	\$0
=78.0	\$540,000		
<78.0 - 72.0	\$540,000 to \$3,840,000		
<72.0	\$3,840,000		
<u>6. AffordAbility</u>			
<u>Goal</u>	<u>Annual Enrollment (No. of Customers)</u>	<u>Performance Against Goal</u>	
3,780	>3,591	>95.0%	\$0
	=3,591	=95.0%	\$100,000
	<3,591 - 3,402	<95.0% - 90.0%	\$100,000 to \$200,000
	<3,402	<90.0%	\$200,000
			4,607
			\$0

PSC Cases No. 08-G-0609 & 10-E-0050
National Grid USA and Niagara Mohawk Merger Joint Proposal
Service Quality Assurance Program Report
For the Quarter Ended December 31, 2011

Summary
Sheet 2

<u>TARGET</u>	<u>POTENTIAL 2011 ANNUAL NEGATIVE REVENUE ADJUSTMENT</u>	<u>ACTUAL YTD RESULTS THROUGH 31-Dec-2011</u>	<u>Penalty Incurred</u>
<u>Electric Reliability Measures:</u>			
<u>7. System Average Interruption Frequency Index(SAIFI)</u>			
SAIFI Interval (Number of outages per customer per year)			
1.13 or below	\$0	0.98	\$0
Greater than 1.13 but less than or equal to 1.19	\$3,000,000		
Greater than 1.19	\$6,000,000		
<u>8. Customer Average Interruption Duration Index(CAIDI)</u>			
CAIDI Interval (Average hours per interruption)			
2.05 or below	\$0	1.95	\$0
Greater than 2.05 but less than or equal to 2.15	\$3,000,000		
Greater than 2.15	\$6,000,000		
<u>9. Estimating</u>			
Distribution and sub-Transmission projects			
>= 80%	\$0		
< 80%	\$2,000,000	50.0%	\$2,000,000
<u>10. Standardized Interconnection Requirements</u>			
a) Application processing			
Percent of applications completed within specified timeframe	\$0	96.7%	\$0
Failure to process >=90 % of the aggregate of completed application received within the set timeframe	\$2,000,000		
b) Installation of net meters			
Percent of meters installed within 10 days	\$0	90.6%	\$0
Failure to install >= 90% of net meters within 10 day timeframe	\$2,000,000		

*NOTE: Niagara Mohawk's electric and gas businesses have different performance targets. The performance target for the electric business was modified in Case 10-E-0050. The performance target for the gas business was modified in Case 08-G-0609.



PSC Cases No. 08-G-0609 & 10-E-0050
Niagara Mohawk Power Corporation d/b/a National Grid
Service Quality Assurance Program Report
Calendar Year 2011 - Monthly Results

Summary
Sheet 3

<u>Customer Service Measures:</u>		<u>January</u>	<u>February</u>	<u>March</u>	<u>April</u>	<u>May</u>	<u>June</u>	<u>July</u>	<u>August</u>	<u>September</u>	<u>October</u>	<u>November</u>	<u>December</u>	<u>YTD</u>
1. Annual PSC Complaint Rate	*	0.23	0.41	0.64	0.70	0.64	0.64	1.57	0.41	0.93	0.70	0.64	0.35	0.66
2. Residential Transaction Satisfaction Index		84.3%	84.1%	81.3%	85.9%	85.7%	83.4%	84.2%	86.7%	83.8%	84.8%	81.2%	85.8%	84.3%
3. Small/Medium Commercial & Industrial(C&I) Transaction Satisfaction Index		75.6%	78.3%	78.4%	81.6%	77.0%	79.8%	82.1%	73.5%	84.5%	81.7%	76.7%	80.0%	79.1%
4. Percentage of Meters Read		99.29%	99.20%	99.30%	99.39%	99.33%	99.30%	99.27%	99.32%	99.15%	99.26%	99.14%	99.22%	99.26%
5. Percent Calls Answered within 30 Seconds		81.9%	79.6%	80.3%	82.6%	82.1%	81.7%	80.5%	81.0%	61.4%	69.5%	85.8%	85.9%	79.2%
6. AffordAbility Enrollment		18	249	437	301	319	427	665	650	495	443	358	245	4607
<u>Electric Reliability Measures:</u>														
7. System Average Interruption Frequency Index(SAIFI)		0.06	0.07	0.06	0.08	0.08	0.09	0.12	0.10	0.09	0.09	0.06	0.07	0.98
8. Customer Average Interruption Duration Index(CAIDI)		1.55	2.07	2.03	2.12	1.53	1.97	2.40	2.12	2.59	1.46	1.33	1.71	1.95
9. Estimating		0	0	0	0	0	100%	50%	50%	50%	50%	50%	50%	50%
10. Standardized Interconnection Requirements (SIR)														
a) Application processing (YTD)	**	100.00%	100.00%	100.00%	100.00%	98.00%	100.00%	100.00%	98.00%	100.00%	100.00%	90.00%	74.00%	96.67%
b) Installation of net meters (YTD)	**	85.00%	97.00%	98.00%	91.00%	97.00%	92.00%	86.00%	98.00%	56.00%	96.00%	94.00%	97.00%	90.58%

*NOTE: Niagara Mohawk's electric and gas businesses have different performance targets. The performance target for the electric business was modified in Case 10-E-0050. The performance target for the gas business was modified in Case 08-G-0609.

**NOTE: These metrics are indicative of compliance with "Year To Date" requirements.

Case No. 10-E-0050

**Niagara Mohawk Power Corporation d/b/a
National Grid
Service Quality Assurance Program Report
For the Year Ended December 31, 2011**

Case No. 10-E-0050
Niagara Mohawk Power Corporation d/b/a National Grid
Service Quality Assurance Program Report
For the Year Ended December 31, 2011

I. INTRODUCTION

Niagara Mohawk Power Corporation d/b/a National Grid (“Niagara Mohawk” or “Company”) has prepared this report on its Service Quality Assurance Program (“SQA Program”) for the year ended December 31, 2011, in accordance with the requirements set forth in Attachment 1 to the Rate Plan Provisions, as agreed to by the Company and Staff and submitted for approval to the Commission on January 31, 2012 in Case 10-E-0050. Calendar year 2011 was the first year operating under the new SQA Program.

Niagara Mohawk met all of the customer service-related SQA measures for the third consecutive year and all but one of the electric reliability performance measures. In 2011, the Company missed the electric estimating performance measure, thereby incurring a negative revenue adjustment of \$2 million. This was the first year of the estimating measure. Niagara Mohawk has identified potential process improvements and is committed to improving its performance under this measure.

This report includes an overview of the Company’s Customer Service organization during 2011, details on performance results for the six customer service measures and the four electric reliability performance measures, and an overall assessment of customer service for the year.

II. CUSTOMER SERVICE 2011 OVERVIEWS

Niagara Mohawk met all customer service-related SQA measures in 2011, demonstrating the Company’s commitment to its customers and its drive to achieve operational excellence. Throughout 2011, Niagara Mohawk’s Customer Service organization continued to implement best practices and process improvements to deliver the service that the Company’s customers deserve. Each employee at Niagara Mohawk is held accountable for the success of the Company through key performance indicators that are both individual and team orientated.

The centerpiece of Niagara Mohawk's customer service efforts is the Customer Call Center in Syracuse, New York. The Call Center is a full service 24 hour a day, 365 day a year center, handling over one million calls per year. The Call Center management team works to promote Niagara Mohawk's values, vision, and mission statement through coaching, evaluating, and measuring performance. Another organization that contributes to customer service efforts is the Company's Accounts Processing organization. This organization, which is located in Syracuse and Niagara Falls, is responsible for ensuring bill accuracy, revenue integrity, and timely cash flow. In order to ensure the best customer experience possible, both the Customer Call Center and the Accounts Processing organization receive extensive training throughout the year specific to meeting both the needs of customers and the Company's regulatory obligations. In addition, Niagara Mohawk has a group, the Escalated Complaint Management UNY, located in Syracuse dedicated to handling escalated complaints received by the Company directly as well as from the Commission. The Escalated Complaint Management UNY is dedicated to resolving escalated customer issues, ensuring that the Company's regulatory customer policies are followed consistently, and managing the Commission's Quick Resolution Process for the Company. Every employee within the Customer Service organization at Niagara Mohawk is committed to providing the highest quality service to customers in Upstate New York.

III. CUSTOMER SERVICE MEASURES

1. Annual PSC Complaint Rate

As Table 3-1 indicates, over the past 13 years the Company's complaint rate has ranged from a high of 8.1 per 100,000 customers in 1999, to less than 3.0 per 100,000 customers in each of the last 11 years.

Niagara Mohawk's electric and gas businesses have different performance targets for the PSC Complaint Rate measure. The performance target for the electric business is 1.5 complaints per 100,000 customers, while the target for the gas business is 3.0 complaints per 100,000 customers. Although the performance targets are different, the calculation of complaints per 100,000 customers is based on the total sum of all charged complaints received regardless of whether an electric or gas complaint.

Table 3-1

Year	PSC Complaint Volume	PSC Complaint Rate
2011	135	0.66
2010	155	0.76
2009	210	1.03
2008	179	0.88
2007	195	0.96

2006	199	0.98
2005	230	1.14
2004	308	1.5
2003	405	2.0
2002	235	1.2
2001	562	2.8
2000	785	3.9
1999	1,634	8.1

Niagara Mohawk achieved the lowest charged complaint rate on record for the Company in 2011. Complaint volumes for both QRS (non-charged) and SRS (charged complaints) were down from 2010 levels. Credit and collections and billing issues continue to account for the majority of charged complaints. The Company's administration of credit and collections policies and programs attempts to minimize total arrears by working with customers on an individual basis. Niagara Mohawk continues to focus on improving credit and collections performance, while maintaining customer satisfaction and holding the complaint rate at an absolute minimum. The Company continues to resolve the vast majority of initial contacts, thereby minimizing the total number of charged complaints.

The top 14 complaint types, as illustrated in Table 3-2, account for 80.7 percent of Niagara Mohawk's charged complaints in 2011. "Final termination notice received" is the most frequent complaint received in 2011, with "Service Delay – New" coming in second and then "High bill" and "Responsibility for bill" tying for third highest complaints received.

Table 3-2

Complaint Type	2003	2004	2005	2006	2007	2008	2009	2010	2011
Electric outage related	13 (8)	8 (8)	13 (5)	26 (1)	19 (2)	8 (5)	10 (7)	4 (9)	6 (6)
High bill	34 (3)	23 (1)	21 (2)	22 (2)	38 (1)	33 (1)	28 (1)	27 (1)	15 (3)
Back billing	14 (7)	17 (3)	8 (7)	17 (3)	11 (5)	11 (4)	16 (5)	9 (5)	10 (4)
Final termination notice received	37 (2)	10 (6)	14 (4)	9 (4)	19 (2)	22 (2)	22 (2)	25 (2)	22 (1)
Responsibility for bill	12 (9)	17 (3)	16 (3)	8 (5)	19 (2)	15 (3)	22 (2)	22 (3)	15 (3)
Acct Init – UCB	15 (6)	9 (7)	11 (6)	8 (5)	4 (8)	6 (6)	11 (6)	-	2 (9)
Service delay – New	5 (13)	6 (10)	14 (4)	6 (7)	8 (6)	6 (6)	4 (8)	10 (4)	16 (2)

Initial/final bill	6 (12)	11 (5)	11 (5)	6 (7)	3 (10)	0 (11)	0 (11)	-	2 (9)
Transfer	2 (16)	14 (4)	8 (6)	6 (7)	2 (11)	2 (9)	4 (8)	7 (6)	5 (7)
Line extension charges	8 (10)	8 (8)	6 (8)	6 (7)	4 (8)	1 (10)	3 (10)	3 (11)	2 (9)
CONP	83 (1)	23 (1)	24 (1)	5 (11)	6 (7)	6 (6)	20 (4)	6 (7)	9 (5)
Right of way	-	-	-	-	-	-	-	6 (7)	-
Relocation	-	-	-	-	-	-	-	4 (9)	3 (8)
Switched Meters	-	-	-	-	-	-	-	3 (11)	1 (10)
Estimated Read	-	-	-	-	-	-	-	3 (11)	1 (10)

2. Residential Transaction Satisfaction Index

The Residential Transaction Satisfaction Index was originally based on the results of a quarterly mail-based survey. In its Order in Case 08-G-0609,³ the Commission approved the Company's petition to replace the mail-based survey with a monthly telephone-based survey. In 2011, the mail-based survey was eliminated, and moving forward, the telephone-based survey will be used exclusively to measure the annual performance target. The Residential Transaction Satisfaction Index metric is calculated from a sample of monthly telephone survey results, specifically for Upstate New York residential customer transactions with the Company occurring in each month of the calendar year.

The survey population includes a sample of customers of the Company who in that month had any one of the following transactions with the Company:

1. Connect
2. Disconnect
3. Electric Service Orders/Gas Service Orders
4. Service Orders
5. Budget
6. High Bill
7. Collections
8. Direct Debit

The telephone-based survey includes a customer satisfaction question (Question No. 28) that is used to measure the Company's performance. Only surveys where the respondent answered question No. 28 will be considered complete. The question asks the customer: "Overall, on a scale from 1 to 10, where 1 means dissatisfied and 10 mean satisfied, how satisfied are you with the services provided by National Grid?" Monthly satisfaction scores

³ Case 08-G-0609, Proceeding on Motion of the Commission as to the Rates, Charges, Rules and Regulations of Niagara Mohawk Power Corporation for Gas Service, *Order* (issued and effective December 23, 2009).

represent the percentage of customers who gave a Top 3 rating (8, 9, or 10). The annual index score is a year-to-date measure of customers who provided a score of 8 or higher on the question. Table 3-3 depicts the monthly performance scores for 2011.

Table 3-3

UNY Residential Scores					
2011	Satisfaction with Services (Q.28)	Base	2010	Satisfaction with Services (Q.28)	Base
Jan-11	84.3%	600	Jan-10	83.9%	597
Feb-11	84.1%	598	Feb-10	84.7%	607
Mar-11	81.3%	603	Mar-10	84.1%	602
Apr-11	85.9%	601	Apr-10	84.8%	599
May-11	85.7%	600	May-10	82.2%	589
Jun-11	83.4%	603	Jun-10	83.8%	594
Jul-11	84.2%	589	Jul-10	81.9%	598
Aug-11	86.7%	602	Aug-10	84.2%	603
Sep-11	83.8%	599	Sep-10	85.3%	604
Oct-11	84.8%	600	Oct-10	85.7%	603
Nov-11	81.2%	601	Nov-10	81.5%	595
Dec-11	85.8%	598	Dec-10	84.2%	595
YTD	84.3%	7194	YTD	83.9%	7186

As compared to 2010, Niagara Mohawk's overall performance increased (+) 0.4 points. Niagara Mohawk continues to improve its customer satisfaction scores, as the annual satisfaction index for 2011 was 84.3 percent, 2.3 points above the negative revenue adjustment threshold of 82.0 percent.

3. Small/Medium Commercial and Industrial ("C&I") Transaction Satisfaction Index

The Small/Medium C&I Customer Annual Satisfaction Index metric for 2011 was 79.1 percent, above the negative revenue adjustment threshold of 69.5 percent. Table 3-4 depicts the monthly performance scores for 2011.

Table 3-4

UNY C&I Scores						
2011	Satisfaction with Services (Q.28)	Base		2010	Satisfaction with Services (Q.28)	Base
Jan-11	75.6%	123		Jan-10	72.4%	127
Feb-11	78.3%	129		Feb-10	71.2%	125
Mar-11	78.4%	125		Mar-10	76.2%	126
Apr-11	81.6%	125		Apr-10	83.5%	127
May-11	77.0%	126		May-10	70.5%	122
Jun-11	79.8%	129		Jun-10	77.5%	129
Jul-11	82.1%	123		Jul-10	79.2%	125
Aug-11	73.5%	132		Aug-10	76.9%	130
Sep-11	84.4%	128		Sep-10	73.6%	125
Oct-11	81.7%	126		Oct-10	81.1%	122
Nov-11	76.7%	129		Nov-10	78.9%	128
Dec-11	80.0%	125		Dec-10	76.2%	126
YTD	79.1%	1520		YTD	76.4%	1512

In 2011, the quarterly mail-based survey used to measure Small/Medium C&I Transaction Satisfaction Index was eliminated and replaced with a monthly telephone-based survey, per Case 10-E-0050. Moving forward, the telephone-based survey will be used exclusively to measure the annual performance target. The Small/Medium C&I Transaction Satisfaction Index metric is calculated from a sample of monthly telephone survey results, specifically for Upstate New York SC2 customer transactions with the Company occurring in each month of the calendar year. The survey population includes a sample of customers of the Company who in that month had any one of the following transactions with the Company:

1. Connect
2. Disconnect
3. Electric Service Orders/ Gas Service Orders
4. Service Orders
5. Budget
6. High Bill
7. Collections
8. Direct Debit

The telephone-based survey includes a customer satisfaction question (Question No. 28) that is used to measure the Company's performance. Only surveys where the respondent answered question No. 28 will be considered complete. The question asks the customer: "Overall, on a scale from 1 to 10, where 1 means dissatisfied and 10 mean satisfied, how satisfied are you with the services provided by National Grid?" Monthly satisfaction scores

represent the percentage of customers who gave a Top 3 rating (8, 9, or 10). The annual index score is a year-to-date measure of customers who provided a score of 8 or higher on the question.

Small/Medium C&I customer contacts continue to be handled by a specialized group within the Customer Call Center. The Company continues to provide refresher training, quality monitoring, and individualized coaching for members of the small commercial customer team.

4. Percent of Meters Read

The primary driver of meter reading performance has historically been access. Meter reading performance has improved with the increasing number of outside meters and the implementation of automated meter readings, which began in late 2002.

In 2011, the Company continued to pursue conversion of the remaining meters associated with either difficult to access premises or demand meters to be converted. Of the remaining meters to be converted, many of them are inactive meters that are being reviewed to determine if they can be retired in place. The number of remaining meters continues to decline as a result of the Company's efforts. Table 3-5 depicts Niagara Mohawk's meter reading performance for 2011.

Table 3-5

2011 Month	Meters Scheduled	Meters Read During Window	Percent Meters Read
January	614,048	609,684	99.29%
February	614,357	609,444	99.20%
March	614,436	610,150	99.30%
April	614,437	610,673	99.39%
May	614,506	610,362	99.33%
June	614,549	610,250	99.30%
July	614,612	610,150	99.27%
August	614,792	610,582	99.32%
September	615,160	609,938	99.15%
October	615,773	611,188	99.26%
November	616,467	611,169	99.14%
December	617,082	612,299	99.22%
Annual	7,380,219	7,325,889	99.26%

Niagara Mohawk ended 2011 with an annual percent meters read of 99.26 percent from all sources, a slight increase from the 2010 performance level (99.0 percent). This trend is expected to continue in future years as the Company converts more meters to AMR. Monthly access performance was generally consistent over the twelve months, from a low of 99.14 percent to a high of 99.39 percent. The negative revenue adjustment threshold for percent meters read from all sources is 96.0 percent.

5. Percent of Calls Answered within 30 Seconds

This measure is the percentage of all inbound customer service and collection calls to Niagara Mohawk or its agents, regardless of location, that are answered within 30 seconds. The measure excludes calls answered by any current or future Integrated Voice Response (“IVR”) applications, such as Customer Connection or OnCall applications. Table 3-6 displays the annual service level comparing the past four years, including calls answered by outsource contact centers.

Table 3-6

ANNUAL CALL VOLUMES				
Year	Calls Received	Calls Answered	Calls Answered ≤ 30 Seconds	Service Level % Calls Ans. Within 30 sec.
2011	4,035,183	3,927,437	3,109,781	79.18%
2010	3,901,479	3,803,619	2,996,287	78.77%
2009	3,999,550	3,903,845	3,192,267	81.77%
2008	4,200,937	4,082,566	3,206,700	78.55%

Table 3-7 displays monthly service levels for 2011, excluding interactive voice response calls. The negative revenue adjustment threshold is 78 percent of calls answered within 30 seconds. As shown in the table, Niagara Mohawk’s annual total for 2011 was 79.18 percent, which is above the negative revenue adjustment threshold.

Table 3-7

2011 Monthly Call Volumes (without interactive voice response)				
Month	Calls Received	Calls Answered	Calls Answered ≤ 30 sec	Service Level
January	308,848	303,853	248,910	81.92%
February	289,242	283,903	226,077	79.63%
March	338,710	328,964	264,103	80.28%
April	310,621	305,484	252,194	82.56%
May	329,565	324,418	266,332	82.10%
June	355,546	350,410	286,150	81.66%
July	336,756	331,657	267,116	80.54%
August	413,613	404,919	328,048	81.02%
September	372,104	339,717	208,471	61.37%
October	363,797	345,958	240,453	69.50%
November	309,577	304,838	261,414	85.76%
December	306,804	303,316	260,513	85.89%
Total	4,035,183	3,927,437	3,109,781	79.18%

6. AffordAbility

AffordAbility is the Niagara Mohawk program that has historically provided integrated services to payment troubled income eligible customers. The program's components include deferred payment agreements with arrears forgiveness, energy education, and energy services or weatherization where economically beneficial. The payment agreement aspect of AffordAbility is rate-payer funded, while the education and energy services components have been supported by the system benefits charge.

During 2011, Niagara Mohawk enrolled 4,607 customers for AffordAbility, 122 percent of its annual goal of 3,780 customers. A variety of methods are used to contact customers who may be eligible for enrollment, including outbound calls to eligible customers with an 800 number to call for additional information; and an outbound mailing campaign to those who do not return a call based on the outbound call. Referrals may also be made by Niagara Mohawk's consumer advocates as well as local Department of Social Service agencies.

IV. OVERALL ASSESSMENT OF CUSTOMER SERVICE

For Niagara Mohawk, 2011 was a year of tremendous hard work and dedication aimed at exceeding customer expectations. For the third consecutive year, Niagara Mohawk met all of the customer service performance measures. Niagara Mohawk demonstrated consistent results in the Customer Call Center service level, was significantly better than target in PSC complaints, demonstrated customer satisfaction in many areas, and met the AffordAbility target as well. In 2012, the Company will continue to work at improving customer satisfaction by analyzing data, quality monitoring, and identifying areas of opportunity. Further, Niagara Mohawk will continue to implement best practices, as it remains committed to improving customer satisfaction.

V. ELECTRIC RELIABILITY PERFORMANCE MEASURES

Niagara Mohawk met three out of the four electric reliability performance targets in 2011, missing the estimating metric, which was in its first year of implementation in 2011. Based on the missed metric, Niagara Mohawk incurred a negative revenue adjustment of \$2 million for 2011.

1. SAIFI and CAIDI

As shown in Table 5-1 and Figure 5-1 below, the Company was successful in meeting its CAIDI target, which measures the average time that an affected customer is out of service, ending the year at 1.95 hours. This is below the target of 2.05 hours. The Company has performed better than the target for the sixth consecutive year.

The Company also performed better than its SAIFI target for the fourth consecutive year. SAIFI performance was 0.98, compared to the annual target of 1.13.

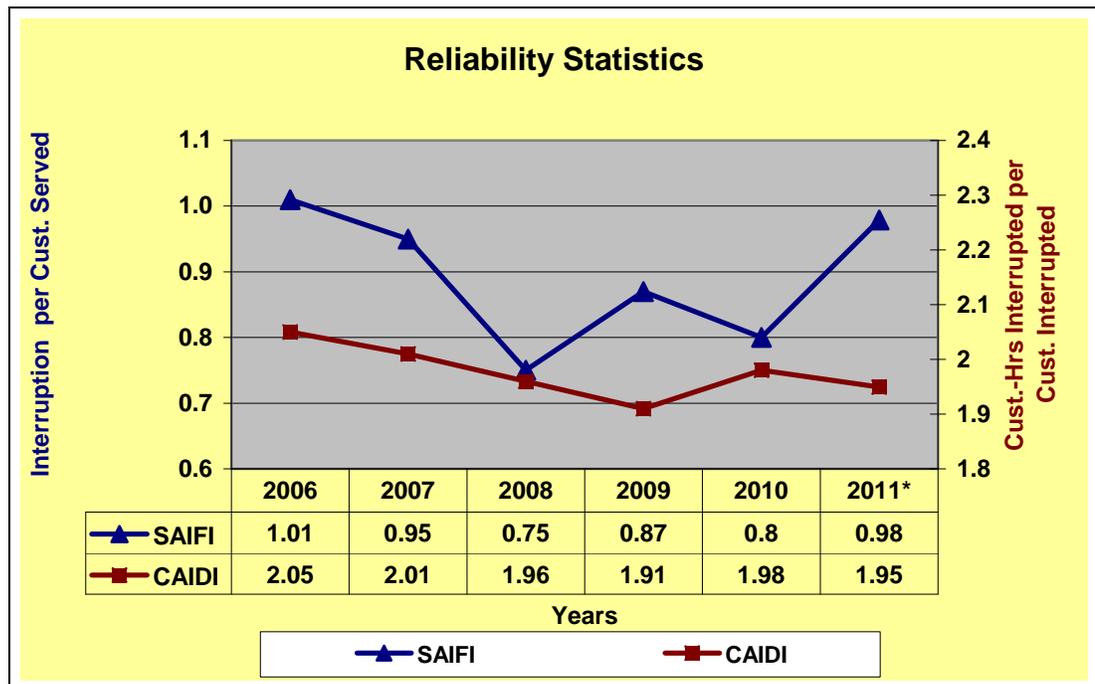
The number of interruptions excluding major storms increased two percent from five year average. The number of customers interrupted was up twelve percent compared to the five year average. The duration of customers interrupted (Customer-Hours Interrupted) increased by ten percent from five year average. Although the number of interruptions, Customers Interrupted, and Customer-Hours Interrupted are higher than in previous years, this is mostly due to better reporting of interruptions in the IDS system. It is believed that the system performed well this year compared to previous years.

Table 5-1

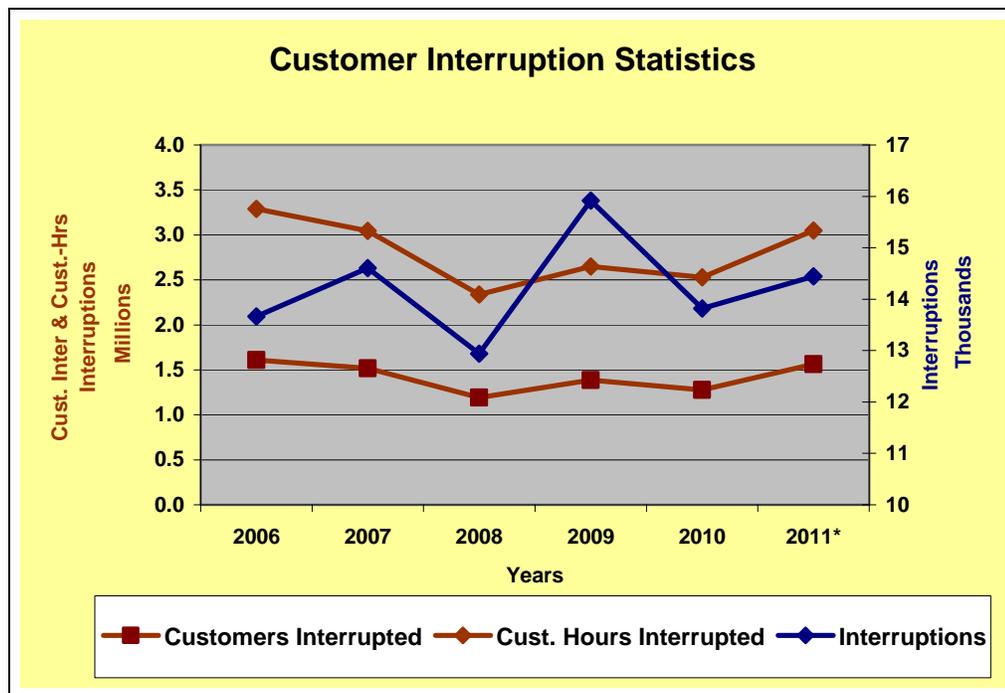
	2011*	2010	2009	2008	2007	2006
CAIDI (Target IDS: 2.05, SIR: 2.07)	1.95	1.98	1.91	1.96	2.01	2.05
SAIFI (Target IDS: 1.13, SIR: 0.93)	0.98	0.8	0.87	0.75	0.95	1.01
Interruptions	14,443	13,821	15,917	12,940	14,606	13,665
Customers Interrupted	1,564,208	1,277,722	1,388,132	1,190,293	1,518,634	1,607,461
Customer-Hours Interrupted	3,048,982	2,528,993	2,648,096	2,337,979	3,045,284	3,289,340
Customers Served	1,597,998	1,587,730	1,587,230	1,580,798	1,593,230	1,589,949
Customers Per Interruption	108.30	92.45	87.21	91.99	103.97	117.63
Availability Index	99.9782	99.981	99.98	99.983	99.978	99.976
Interruptions/1000 Customers	9.04	8.7	10.03	8.19	9.17	8.59

* In 2011, Niagara Mohawk began reporting reliability indices with IDS instead of SIR.

Figure 5-1 Reliability Statistics



* In 2011, Niagara Mohawk began reporting reliability indices with IDS instead of SIR.



* In 2011, Niagara Mohawk began reporting reliability indices with IDS instead of SIR.

2. ESTIMATING

Estimating is a new performance measure that was implemented in 2011, per Case 10-E-0050. As shown in Table 5-2, there were 12 distribution and sub-transmission capital projects that met the metric criteria. The criteria included: total project cost over \$100,000, initiation on or after January 1, 2011, and project closeout on or before December 31, 2011. Of those 12 projects, six projects were completed within a variance of +/- 10 percent. This result of 50 percent attainment does not meet the goal of 80 percent attainment. Of the remaining six projects, three failed the metric over budget, and three failed the metric under budget.

Table 5-2 Estimating Statistics

Total Projects	Variance ≤ 10%	Variance >10%	Result
12	6	6	50%

Niagara Mohawk is dedicated to improving its estimating accuracy and has identified process improvements that should assist the Company in improving its performance under this metric.

3. STANDARDIZED INTERCONNECTION REQUIREMENTS

First introduced in 2011, Niagara Mohawk implemented two mechanisms to measure its performance with respect to certain aspects of the “New York State Standardized Interconnection Requirements and Application Process for New Distributed Generators 2MW or Less Connected in Parallel with Utility Distribution Systems,” dated July 2010.

The first mechanism measures the timely processing of applications. The Company must process completed applications received in accordance with the SIR within the following timeframes: (a) ten (10) business days for systems \leq 25kW; (b) fifteen (15) business days for inverter based systems $>$ 25kW and \leq 200kW that qualify for the expedited application process; and (c) fifteen (15) business days for systems \leq 200kW that do not qualify for the expedited application process. Failure to process \geq ninety (90) percent of the aggregate of completed applications received within the timeframes set forth above subjects the Company to a negative revenue adjustment of \$2 million. In calendar year 2011, the Company processed on an average year-to-date basis 96.67 percent of its applications within the required timeframes.

The second mechanism measures the timely installation of net meters. For systems that qualify for the expedited application process, the Company must install net meters within ten (10) business days. Failure to install \geq ninety (90) percent of net meters within the ten (10) business day timeframe set forth above subjects the Company to a negative revenue adjustment of \$2 million. In calendar year 2011, Niagara Mohawk installed 90.58 percent of the net meters within the required timeframe.

The average year-to-date results are shown in Table 5-3. Achieving the application process and meter installation requirements was challenging in light of the fact that the number of applications received in calendar year 2011 increased by over 40 percent compared to calendar year 2010. The Company anticipates that applications for small generator interconnections and net metering installations will continue to accelerate in 2012 as the technology becomes more accessible and incentives to install such equipment continue.

Table 5-3

2011	Application processing	Installation of net meters
January	100.00%	85.00%
February	100.00%	97.00%
March	100.00%	98.00%
April	100.00%	91.00%
May	98.00%	97.00%
June	100.00%	92.00%
July	100.00%	86.00%
August	98.00%	98.00%
September	100.00%	56.00%
October	100.00%	96.00%
November	90.00%	94.00%
December	74.00%	97.00%
YTD	96.67%	90.58%



Rudolph Wynter
Senior Vice President
Shared Services

March 29, 2013

VIA ELECTRONIC FILING

Honorable Jeffrey C. Cohen
Acting Secretary
New York State Public Service Commission
Three Empire State Plaza
Albany, New York 12223-1350

Re: Case 10-E-0050 – Proceeding on Motion of the Commission as to the Rates, Charges, Rules and Regulations of Niagara Mohawk Power Corporation for Electric Service

Dear Acting Secretary Cohen:

Pursuant to Attachment 1 of the Rate Plan Provisions, which were adopted by the Commission in its *Order Adopting Rate Plan Provisions* (issued and effective July 17, 2012) in the above-captioned matter, Niagara Mohawk Power Corporation d/b/a National Grid (“Company”) respectfully submits its Annual Service Quality Assurance Program Report for the year ended December 31, 2012.

The Company is pleased to report that it met all of the service quality performance metrics in 2012.

Thank you for your time and attention.

Respectfully submitted,

A handwritten signature in blue ink that reads "Rudolph Wynter".

Rudolph Wynter

Attachments

cc: Douglas Elfner
Thomas Dvorsky
Rajendra Addepalli
Luann Scherer
Leonard Silverstein
Michael Worden
Christian Bonvin
Denise Gerbsch



PSC Case No. 10-E-0050
Niagara Mohawk Power Corporation d/b/a National Grid
Service Quality Assurance Program Report
For the Year Ended December 31, 2012

Summary
Sheet 1

<u>TARGET</u>	<u>POTENTIAL 2012 ANNUAL NEGATIVE REVENUE ADJUSTMENT</u>	<u>ACTUAL YTD RESULTS THROUGH 31-Dec-2012</u>	<u>Penalty Incurred</u>
Customer Service Measures:			
<u>1a. Annual PSC Complaint Rate - Electric</u>			
Rate Interval (per 100K customers)			
< 1.5	\$0	0.4 (a)	\$0
=1.5	\$880,000		
>1.5 - 2.5	\$880,000 to \$6,080,000		
>2.5	\$6,080,000		
<u>1b. Annual PSC Complaint Rate - Gas</u>			
Rate Interval (per 100K customers)			
< 3.0	\$0	0.4 (b)	\$0
=3.0	\$200,000		
>3.0 - 5.0	\$200,000 to \$1,600,000		
>5.0	\$1,600,000		
<u>2. Residential Transaction Satisfaction Index</u>			
Residential Transaction Satisfaction Index Interval			
>82.0	\$0	85.2%	\$0
=82.0	\$540,000		
<82.0 - 78.0	\$540,000 to \$3,840,000		
<78.0	\$3,840,000		
<u>3. Small/Medium Commercial & Industrial(C&I) Transaction Satisfaction Index</u>			
C&I Transaction Satisfaction Index Interval			
>75.1	\$0	80.2%	\$0
=75.1	\$540,000		
<75.1 - 71.1	\$540,000 to \$3,840,000		
<71.1	\$3,840,000		
<u>4. Percentage of Meters Read</u>			
Percent Meters Read			
>96.0	\$0	98.9%	\$0
=96.0	\$50,000		
<96.0 - 95.0	\$50,000 to \$400,000		
<95.0	\$400,000		
<u>5. Percentage of Calls Answered within 30 Seconds</u>			
Percent Calls Answered within 30 Seconds			
>78.0	\$0	81.6%	\$0
=78.0	\$540,000		
<78.0 - 72.0	\$540,000 to \$3,840,000		
<72.0	\$3,840,000		
<u>6. AffordAbility</u>			
<u>Goal</u>	<u>Annual Enrollment (No. of Customers)</u>	<u>Performance Against Goal</u>	
3,780	>3,591	>95.0%	\$0
	=3,591	=95.0%	\$100,000
	<3,591 - 3,402	<95.0% - 90.0%	\$100,000 to \$200,000
	<3,402	<90.0%	\$200,000
			3,848
			\$0

PSC Case No. 10-E-0050
Niagara Mohawk Power Corporation d/b/a National Grid
Service Quality Assurance Program Report
For the Year Ended December 31, 2012

Summary
Sheet 2

TARGET	POTENTIAL 2012 ANNUAL NEGATIVE REVENUE ADJUSTMENT	ACTUAL YTD RESULTS THROUGH 31-Dec-2012	Penalty Incurred
Electric Reliability Measures:			
7. System Average Interruption Frequency Index(SAIFI)			
SAIFI Interval (Number of outages per customer per year)			
1.13 or below	\$0	0.90	\$0
Greater than 1.13 but less than or equal to 1.19	\$3,000,000		
Greater than 1.19	\$6,000,000		
8. Customer Average Interruption Duration Index(CAIDI)			
CAIDI Interval (Average hours per interruption)			
2.05 or below	\$0	2.04	\$0
Greater than 2.05 but less than or equal to 2.15	\$3,000,000		
Greater than 2.15	\$6,000,000		
9. Estimating			
Distribution and sub-Transmission projects			
>= 80%	\$0	80.4%	\$0
< 80%	\$2,000,000		
10. Standardized Interconnection Requirements			
a) Application processing			
Percent of applications completed within specified timeframe	\$0	92.5%	\$0
Failure to process >=90 % of the aggregate of completed application received within the set timeframe	\$2,000,000		
b) Installation of net meters			
Percent of meters installed within 10 days	\$0	95.3%	\$0
Failure to install > = 90% of net meters within 10 day timeframe	\$2,000,000		

***NOTE:**

(a) & (b) Niagara Mohawk's electric and gas businesses have different performance targets. The performance target for the electric business was modified in Case 10-E-0050. The performance target for the gas business was modified in Case 08-G-0609.



PSC Case No. 10-E-0050
Niagara Mohawk Power Corporation d/b/a National Grid
Service Quality Assurance Program Report
Calendar Year 2012 - Monthly Results

Summary
Sheet 3

<u>Customer Service Measures:</u>	<u>Reference</u>	<u>January</u>	<u>February</u>	<u>March</u>	<u>April</u>	<u>May</u>	<u>June</u>	<u>July</u>	<u>August</u>	<u>September</u>	<u>October</u>	<u>November</u>	<u>December</u>	<u>YTD</u>
1. Annual PSC Complaint Rate	(a) & (b)	0.5	0.3	0.2	0.5	0.5	0.2	0.5	0.5	0.8	0.3	0.5	0.3	0.4
2. Residential Transaction Satisfaction Index		83.2%	85.2%	84.7%	82.7%	85.5%	85.6%	87.5%	87.4%	85.5%	85.3%	85.7%	84.5%	85.2%
3. Small/Medium Commercial & Industrial(C&I) Transaction Satisfaction Index		71.2%	79.8%	76.8%	88.1%	82.1%	82.5%	75.4%	82.3%	84.0%	84.8%	77.6%	78.6%	80.2%
4. Percentage of Meters Read		99.0%	98.9%	99.1%	99.1%	99.1%	99.0%	98.9%	98.9%	98.8%	98.8%	99.0%	98.9%	98.9%
5. Percent Calls Answered within 30 Seconds		75.4%	83.6%	82.2%	85.8%	87.8%	86.6%	82.0%	80.8%	76.7%	78.0%	80.2%	81.2%	81.6%
6. AffordAbility Enrollment		104	212	329	418	413	349	285	290	433	393	258	364	3848
<u>Electric Reliability Measures:</u>														
7. System Average Interruption Frequency Index(SAIFI)	(f)	0.10	0.03	0.08	0.07	0.07	0.09	0.15	0.08	0.08	0.06	0.04	0.05	0.90
8. Customer Average Interruption Duration Index(CAIDI)	(g)	2.00	1.76	1.67	2.25	1.74	2.02	2.58	1.74	2.26	1.83	1.75	2.07	2.04
9. Estimating (YTD)	(c)												80.4%	80.4%
10. Standardized Interconnection Requirements (SIR)														
a) Application processing (YTD)	(d)												92.5%	92.5%
b) Installation of net meters (YTD)	(e)												95.3%	95.3%

*NOTE:

(a) & (b) Niagara Mohawk's electric and gas businesses have different performance targets. The performance target for the electric business was modified in Case 10-E-0050. The performance target for the gas business was modified in Case 08-G-0609. Results updated since prior filing.

(c) through (g) Results updated since prior filing.

Case No. 10-E-0050

**Niagara Mohawk Power Corporation d/b/a
National Grid
Service Quality Assurance Program Report
For the Year Ended December 31, 2012**

Case No. 10-E-0050
Niagara Mohawk Power Corporation d/b/a National Grid
Service Quality Assurance Program Report
For the Year Ended December 31, 2012

I. INTRODUCTION

Pursuant to Attachment 1 of the Rate Plan Provisions, which were adopted by the Commission in its *Order Adopting Rate Plan Provisions* (issued and effective July 17, 2012) in Case 10-E-0050, Niagara Mohawk Power Corporation d/b/a National Grid (“Niagara Mohawk” or “Company”) submits this report on its Service Quality Assurance Program for the year ended December 31, 2012.

For calendar year 2012, Niagara Mohawk met all of the customer service and electric reliability performance measures.

This report includes an overview of the Company’s Customer Service organization during 2012, details on performance results for the customer service and electric reliability performance measures, and an overall assessment of customer service for the year.

II. CUSTOMER SERVICE 2012 OVERVIEW

Throughout 2012, Niagara Mohawk’s Customer Service organization continued to implement best practices and process improvements to deliver the service that the Company’s customers deserve. The centerpiece of Niagara Mohawk’s customer service efforts is the Customer Call Center in Syracuse, New York. The Call Center is open for full service Monday through Friday with limited services on Saturday. For emergency and outage calls, the Center is open 24 hours a day, 365 days a year. The Call Center management team works to promote Niagara Mohawk’s values, vision, and mission statement through coaching, evaluating, and measuring performance. Another organization that contributes to customer service efforts is the Company’s Accounts Processing organization. This organization, which is located in Syracuse and Niagara Falls, is responsible for ensuring bill accuracy, revenue integrity, and timely cash flow. To ensure the best customer experience possible, both the Customer Call Center and the Accounts Processing organization receive extensive training throughout the year specific to meeting both the needs of customers and the Company’s regulatory obligations. In addition, Niagara Mohawk has a group, the Escalated Complaint Management UNY, located in Syracuse dedicated to handling escalated complaints received by the Company directly as well as from the Commission. The Escalated Complaint Management UNY is dedicated to resolving escalated customer issues, ensuring that the Company’s regulatory customer policies are followed consistently, and managing the Commission’s Quick Resolution Process

for the Company. Every employee within the Customer Service organization at Niagara Mohawk is committed to providing the highest quality service to customers in Upstate New York.

III. CUSTOMER SERVICE MEASURES

1. Annual PSC Complaint Rate

Niagara Mohawk's electric and gas businesses have different performance targets for the PSC Complaint Rate measure. The performance target for the electric business is 1.5 complaints per 100,000 customers, while the target for the gas business is 3.0 complaints per 100,000 customers. Although the performance targets are different, the calculation of complaints per 100,000 customers is based on the total sum of all charged complaints received regardless of whether an electric or gas complaint.

Table 3-1

<u>Year</u>	<u>PSC Complaint Volume</u>	<u>PSC Complaint Rate</u>
2012	87	0.42
2011	135	0.66
2010	155	0.76
2009	210	1.03
2008	179	0.88
2007	195	0.96

As Table 3-1 indicates, Niagara Mohawk achieved a complaint rate of 0.42 per 100,000 customers in 2012. Complaint volumes for both QRS (non-charged) and SRS (charged complaints) were down from 2011 levels. Credit and collections and billing issues continue to account for the majority of charged complaints. The Company's administration of credit and collections policies and programs attempts to minimize total arrears by working with customers on an individual basis. Niagara Mohawk continues to focus on improving credit and collections performance, while maintaining customer satisfaction and holding the complaint rate at an absolute minimum. The Company continues to resolve the vast majority of initial contacts, thereby minimizing the total number of charged complaints.

The top 14 complaint types, as illustrated in Table 3-2, accounted for 74.8 percent of Niagara Mohawk's charged complaints in 2012. "Final termination notice received" was the most frequent complaint received in 2012 followed by "Back billing."

Table 3-2

<u>Complaint Type</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
<u>Electric outage related</u>	<u>8 (8)</u>	<u>13 (5)</u>	<u>26 (1)</u>	<u>19 (2)</u>	<u>8 (5)</u>	<u>10 (7)</u>	<u>4 (9)</u>	<u>6 (6)</u>	<u>2 (6)</u>
<u>High bill</u>	<u>23 (1)</u>	<u>21 (2)</u>	<u>22 (2)</u>	<u>38 (1)</u>	<u>33 (1)</u>	<u>28 (1)</u>	<u>27 (1)</u>	<u>15 (3)</u>	<u>2 (6)</u>
<u>Back billing</u>	<u>17 (3)</u>	<u>8 (7)</u>	<u>17 (3)</u>	<u>11 (5)</u>	<u>11 (4)</u>	<u>16 (5)</u>	<u>9 (5)</u>	<u>10 (4)</u>	<u>10 (2)</u>
<u>Final termination notice received</u>	<u>10 (6)</u>	<u>14 (4)</u>	<u>9 (4)</u>	<u>19 (2)</u>	<u>22 (2)</u>	<u>22 (2)</u>	<u>25 (2)</u>	<u>22 (1)</u>	<u>16 (1)</u>
<u>Responsibility for bill</u>	<u>17 (3)</u>	<u>16 (3)</u>	<u>8 (5)</u>	<u>19 (2)</u>	<u>15 (3)</u>	<u>22 (2)</u>	<u>22 (3)</u>	<u>15 (3)</u>	<u>6 (3)</u>
<u>Acct Init – UCB</u>	<u>9 (7)</u>	<u>11 (6)</u>	<u>8 (5)</u>	<u>4 (8)</u>	<u>6 (6)</u>	<u>11 (6)</u>	<u>=</u>	<u>2 (9)</u>	<u>4 (5)</u>
<u>Service delay – New</u>	<u>6 (10)</u>	<u>14 (4)</u>	<u>6 (7)</u>	<u>8 (6)</u>	<u>6 (6)</u>	<u>4 (8)</u>	<u>10 (4)</u>	<u>16 (2)</u>	<u>2 (6)</u>
<u>Initial/final bill</u>	<u>11 (5)</u>	<u>11 (5)</u>	<u>6 (7)</u>	<u>3 (10)</u>	<u>0 (11)</u>	<u>0 (11)</u>	<u>=</u>	<u>2 (9)</u>	<u>6 (3)</u>
<u>Transfer</u>	<u>14 (4)</u>	<u>8 (6)</u>	<u>6 (7)</u>	<u>2 (11)</u>	<u>2 (9)</u>	<u>4 (8)</u>	<u>7 (6)</u>	<u>5 (7)</u>	<u>2 (6)</u>
<u>Line extension charges</u>	<u>8 (8)</u>	<u>6 (8)</u>	<u>6 (7)</u>	<u>4 (8)</u>	<u>1 (10)</u>	<u>3 (10)</u>	<u>3 (11)</u>	<u>2 (9)</u>	<u>5 (4)</u>
<u>CONP</u>	<u>23 (1)</u>	<u>24 (1)</u>	<u>5 (11)</u>	<u>6 (7)</u>	<u>6 (6)</u>	<u>20 (4)</u>	<u>6 (7)</u>	<u>9 (5)</u>	<u>6 (3)</u>
<u>Right of way</u>	<u>=</u>	<u>=</u>	<u>=</u>	<u>=</u>	<u>=</u>	<u>=</u>	<u>6 (7)</u>	<u>=</u>	<u>1 (7)</u>
<u>Relocation</u>	<u>=</u>	<u>=</u>	<u>=</u>	<u>=</u>	<u>=</u>	<u>=</u>	<u>4 (9)</u>	<u>3 (8)</u>	<u>2 (6)</u>
<u>Switched Meters</u>	<u>=</u>	<u>=</u>	<u>=</u>	<u>=</u>	<u>=</u>	<u>=</u>	<u>3 (11)</u>	<u>1 (10)</u>	<u>1 (7)</u>
<u>Estimated Read</u>	<u>=</u>	<u>=</u>	<u>=</u>	<u>=</u>	<u>=</u>	<u>=</u>	<u>3 (11)</u>	<u>1 (10)</u>	<u>=</u>

2. Residential Transaction Satisfaction Index

The Residential Transaction Satisfaction Index performance measure is calculated from monthly telephone survey results of a sample of residential customer transactions with the Company occurring in each month of the calendar year.

The survey population includes a sample of customers who in that month had any one of the following transactions with the Company:

1. Connect
2. Disconnect
3. Electric Service Orders/Gas Service Orders
4. Service Orders
5. Budget
6. High Bill
7. Collections
8. Direct Debit

The telephone survey includes a customer satisfaction question (Question No. 28) that is used to measure the Company's performance. Only surveys where the respondent answered question No. 28 will be considered complete. The question asks the customer: "Overall, on a scale from 1 to 10, where 1 means dissatisfied and 10 mean satisfied, how satisfied are you with the services provided by National Grid?" Monthly satisfaction scores represent the percentage of customers who gave a Top 3 rating (8, 9, or 10). The annual index score is a year-to-date measure of customers who provided a score of 8 or higher on the question. Table 3-3 depicts the monthly performance scores for 2012.

Table 3-3

UNY Residential Scores						
2012	Satisfaction with Services (Q.28)	Base		2011	Satisfaction with Services (Q.28)	Base
Jan-12	83.2%	600		Jan-11	84.3%	600
Feb-12	85.2%	603		Feb-11	84.1%	598
Mar-12	84.7%	594		Mar-11	81.3%	603
Apr-12	82.7%	596		Apr-11	85.9%	601
May-12	85.5%	593		May-11	85.7%	600
Jun-12	85.6%	591		Jun-11	83.4%	603
Jul-12	87.5%	598		Jul-11	84.2%	589
Aug-12	87.4%	594		Aug-11	86.7%	602
Sep-12	85.5%	595		Sep-11	83.8%	599
Oct-12	85.3%	600		Oct-11	84.8%	600
Nov-12	85.7%	593		Nov-11	81.2%	601
Dec-12	84.5%	599		Dec-11	85.8%	598
YTD	85.2%	7156		YTD	84.3%	7194

Compared with 2011, Niagara Mohawk's overall performance increased (+) 0.9 percentage points.

3. Small/Medium Commercial and Industrial ("C&I") Transaction Satisfaction Index

The Small/Medium C&I Transaction Satisfaction Index performance measure is calculated from monthly telephone survey results of a sample of SC2 customer transactions occurring in each month of the calendar year. The survey population includes a sample of customers who in that month had any one of the following transactions with the Company:

1. Connect
2. Disconnect
3. Electric Service Orders/ Gas Service Orders
4. Service Orders
5. Budget
6. High Bill
7. Collections
8. Direct Debit

The telephone survey includes a customer satisfaction question (Question No. 28) that is used to measure the Company's performance. Only surveys where the respondent answered question No. 28 will be considered complete. The question asks the customer: "Overall, on a scale from 1 to 10, where 1 means

dissatisfied and 10 mean satisfied, how satisfied are you with the services provided by National Grid?" Monthly satisfaction scores represent the percentage of customers who gave a Top 3 rating (8, 9, or 10). The annual index score is a year-to-date measure of customers who provided a score of 8 or higher on the question.

Small/Medium C&I customer contacts continue to be handled by a specialized group within the Customer Call Center. The Company continues to provide refresher training, quality monitoring, and individualized coaching for members of the small commercial customer team

Table 3-4 depicts the monthly performance scores for 2012.

Table 3-4

UNY C&I Scores						
2012	Satisfaction with Services (Q.28)	Base		2011	Satisfaction with Services (Q.28)	Base
Jan-12	71.2%	125		Jan-11	75.6%	123
Feb-12	79.8%	124		Feb-11	78.3%	129
Mar-12	76.8%	138		Mar-11	78.4%	125
Apr-12	88.1%	126		Apr-11	81.6%	125
May-12	82.1%	123		May-11	77.0%	126
Jun-12	82.5%	126		Jun-11	79.8%	129
Jul-12	75.4%	126		Jul-11	82.1%	123
Aug-12	82.3%	124		Aug-11	73.5%	132
Sep-12	84.0%	125		Sep-11	84.4%	128
Oct-12	84.8%	125		Oct-11	81.7%	126
Nov-12	77.6%	125		Nov-11	76.7%	129
Dec-12	78.6%	131		Dec-11	80.0%	125
YTD	80.2%	1518		YTD	79.1%	1520

Compared with 2011, Niagara Mohawk's overall performance increased (+) 1.1 percentage points.

4. Percent of Meters Read

This measure represents the percentage of meters actually read in the calendar year. The measure includes reads from all sources – AMR, meter readers, other Niagara Mohawk field personnel, as well as customers themselves – provided within the four day billing window of the Company's Customer Service System. The measure is the percent meters read of the total meters scheduled to be read during the year.

The primary driver of meter reading performance has historically been access. Meter reading performance has improved with the increasing number of outside meters and the implementation of automated meter readings, which began in late 2002.

Niagara Mohawk ended 2012 with an annual percent meters read of 98.93 percent from all sources as shown in Table 3-5.

Table 3-5

2012 Month	Meters Scheduled	Meters Read During Window	Percent Meters Read
January	2,301,217	2,277,506	98.96%
February	2,303,176	2,278,625	98.93%
March	2,302,529	2,280,909	99.06%
April	2,303,995	2,282,808	99.08%
May	2,303,079	2,281,801	99.07%
June	2,304,755	2,280,737	98.95%
July	2,304,766	2,278,277	98.85%
August	2,306,859	2,280,820	98.87%
September	2,306,391	2,277,800	98.76%
October	2,308,717	2,280,537	98.77%
November	2,308,688	2,285,123	98.97%
December	2,311,276	2,286,711	98.93%
Annual	27,665,448	27,371,654	98.93%

5. Percent of Calls Answered within 30 Seconds

This measure is the percentage of all inbound customer service and collection calls to Niagara Mohawk or its agents, regardless of location, that are answered within 30 seconds. The measure excludes calls answered by any current or future Integrated Voice Response (“IVR”) applications, such as Customer Connection or OnCall applications. Table 3-6 displays the annual service level comparing the past four years, including calls answered by outsource contact centers.

Table 3-6

ANNUAL CALL VOLUMES				
Year	Calls Received	Calls Answered	Calls Answered ≤ 30 Seconds	Service Level % Calls Ans. Within 30 sec.
2012	3,923,225	3,836,647	3,129,577	81.57%
2011	4,035,183	3,927,437	3,109,781	79.18%
2010	3,901,479	3,803,619	2,996,287	78.77%
2009	3,999,550	3,903,845	3,192,267	81.77%

Table 3-7 displays monthly service levels for 2012, excluding IVR calls.

Table 3-7

2012 Monthly Call Volumes (without interactive voice response)				
Month	Calls Received	Calls Answered	Calls Answered ≤ 30 sec	Service Level
January	344,178	332,273	250,426	75.37%
February	300,174	295,431	246,951	83.59%
March	315,123	309,790	254,644	82.20%
April	303,082	298,682	256,319	85.82%
May	330,947	325,209	285,515	87.79%
June	311,789	305,775	264,663	86.55%
July	329,635	323,071	265,059	82.04%
August	370,454	363,459	293,827	80.84%
September	343,350	334,210	256,306	76.69%
October	380,155	366,819	286,119	78.00%
November	300,079	294,085	235,950	80.23%
December	294,259	287,843	233,799	81.22%
Total	3,923,225	3,836,647	3,129,577	81.57%

6. AffordAbility

AffordAbility is the Niagara Mohawk program that has historically provided integrated services to payment troubled income eligible customers. The program's components include deferred payment agreements with arrears forgiveness, energy education, and energy services or weatherization where

economically beneficial. The payment agreement aspect of AffordAbility is customer funded, while the education and energy services components have been supported by the system benefits charge.

During 2012, Niagara Mohawk enrolled 3,848 customers for AffordAbility, 102 percent of its annual goal of 3,780 customers. A variety of methods are used to contact customers who may be eligible for enrollment, including outbound calls to eligible customers with an 800 number to call for additional information; and an outbound mailing campaign to those who do not return a call based on the outbound call. Referrals may also be made by Niagara Mohawk's consumer advocates as well as local Department of Social Service agencies.

IV. OVERALL ASSESSMENT OF CUSTOMER SERVICE

For Niagara Mohawk, 2012 was a year of tremendous hard work and dedication aimed at exceeding customer expectations. For the fourth consecutive year, Niagara Mohawk met all of its customer service performance measures. The Company achieved one of its lowest charged PSC complaint rates and demonstrated improvement in the residential and commercial transaction satisfaction indexes compared to 2011 levels. In 2013, the Company will continue to work at improving customer satisfaction.

V. ELECTRIC RELIABILITY PERFORMANCE MEASURES

1. SAIFI and CAIDI

As shown in Table 5-1 and Figure 5-1 below, the Company met its performance goal for CAIDI, which measures the average time an affected customer is out of service, ending the year at 2.04 hours. This is below the target of 2.05 hours.

The Company also achieved its performance goal for SAIFI, which measures the average number of interruptions experienced by a customer. SAIFI performance was 0.90, compared to the annual target of 1.13.

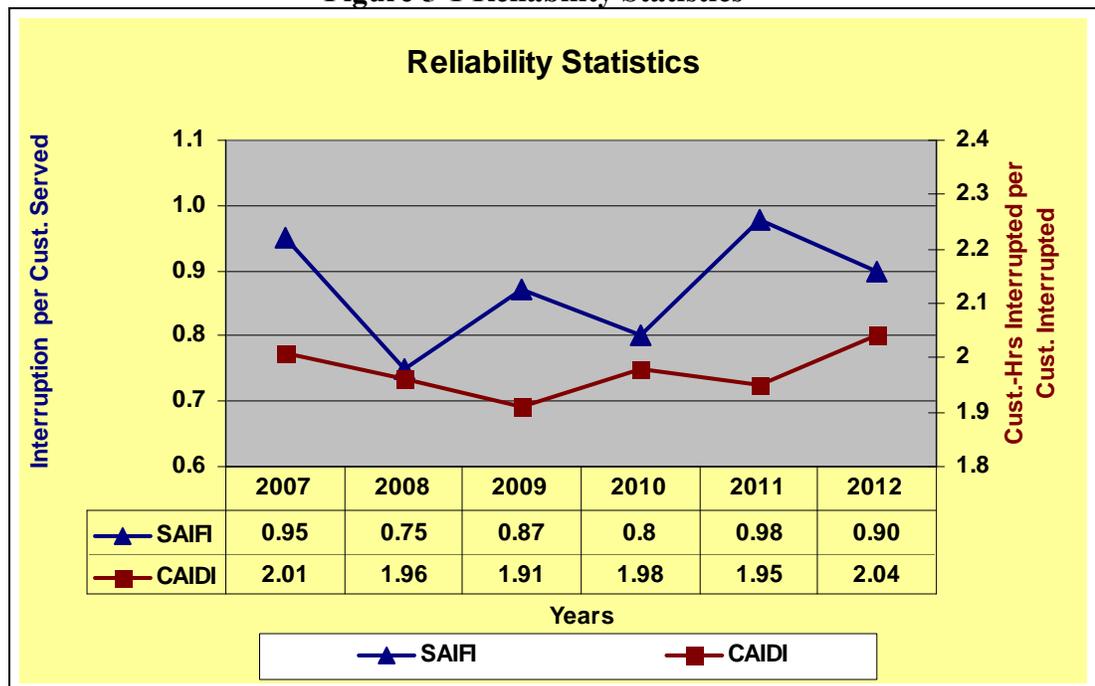
The number of interruptions excluding major storms was 5.85 percent below the five-year average. The number of customers interrupted was 3.34 percent above the five-year average. The duration of customers interrupted (Customer-Hours Interrupted) was 7.52 percent above the five-year average. The increase in customers interrupted and customer-hours interrupted can be attributed to the increase in weather related events that did not qualify as major storms.

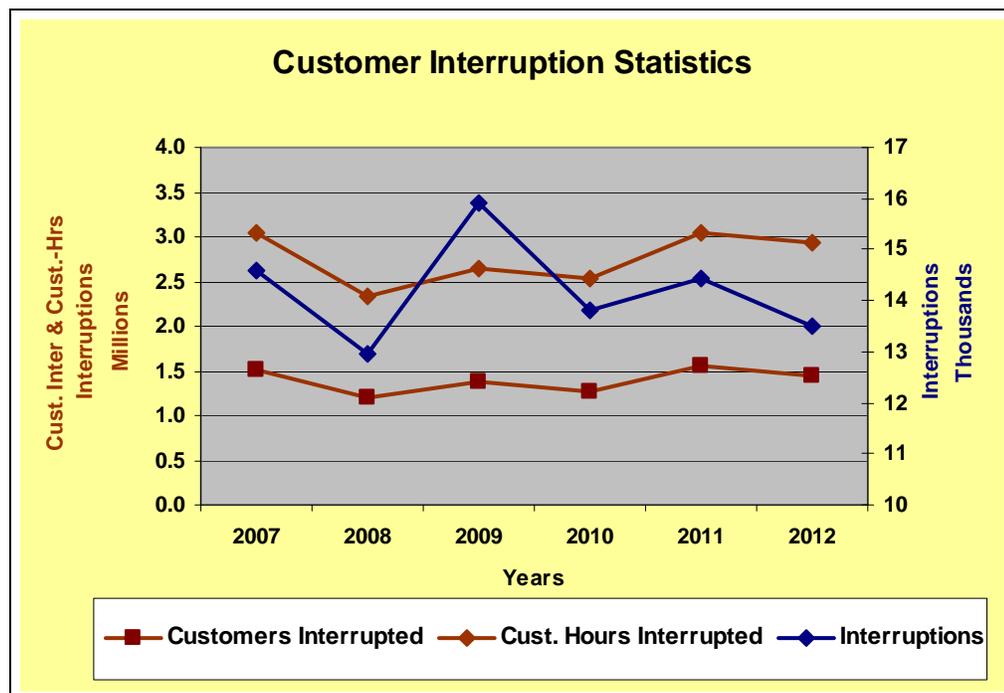
Table 5-1

	2012	2011	2010	2009	2008	2007
CAIDI (Target IDS: 2.05, SIR: 2.07)	2.04	1.95	1.98	1.91	1.96	2.01
SAIFI (Target IDS: 1.13, SIR: 0.93)	0.90	0.98	0.80	0.87	0.75	0.95
Interruptions	13,506	14,443	13,821	15,917	12,940	14,606
Customers Interrupted	1,434,256	1,564,208	1,277,722	1,388,132	1,190,293	1,518,634
Customer-Hours Interrupted	2,926,731	3,048,982	2,528,993	2,648,096	2,337,979	3,045,284
Customers Served	1,600,014	1,597,998	1,587,730	1,587,230	1,580,798	1,593,230
Customers Per Interruption	118.47	108.30	92.45	87.21	91.99	103.97
Availability Index	99.97	99.98	99.98	99.98	99.98	99.98
Interruptions/1000 Customers	8.44	9.04	8.70	10.03	8.19	9.17

*Data prior to 2011 is extracted from the System Interruption Reporting (“SIR”) system. SIR was a manually entered mainframe system based on paper tickets returned from the field. Data in 2011 and beyond is extracted from the Interruption and Disturbance System (“IDS”). IDS is an oracle database with an automatic feed from the Company’s PowerOn outage management system.

Figure 5-1 Reliability Statistics





2. ESTIMATING

This is the second year of the Estimating performance measure that applies to distribution or sub-transmission capital projects with individual projects costs over \$100,000. As shown in Table 5-2, there were 51 projects that met the metric criteria. Of those 51 projects, 41 projects were completed within a variance of +/- 10 percent. This result of 80.4 percent meets the goal of 80 percent attainment. Of the remaining 10 projects, five were over budget and five were under budget.

Table 5-2 Estimating Statistics

Total Projects	Variance ≤ 10%	Variance >10%	Result
51	41	10	80.4%

3. STANDARDIZED INTERCONNECTION REQUIREMENTS

First introduced in 2011, two mechanisms exist to measure the Company's performance with respect to certain aspects of the "New York State Standardized Interconnection Requirements and Application Process for New Distributed Generators 2MW or Less Connected in Parallel with Utility Distribution Systems," dated July 2010.

The first mechanism measures the timely processing of applications. The Company must process completed applications received in accordance with the Standardized Interconnection Requirements within the following timeframes: (a) ten (10) business days for systems $\leq 25\text{kW}$; (b) fifteen (15) business days for inverter based systems $> 25\text{kW}$ and $\leq 200\text{kW}$ that qualify for the expedited application process; and (c) fifteen (15) business days for systems $\leq 200\text{kW}$ that do not qualify for the expedited application process. Failure to process \geq ninety (90) percent of the aggregate of completed applications received within the timeframes set forth above subjects the Company to a negative revenue adjustment of \$2 million. In calendar year 2012, the Company processed 92.5 percent of its applications within the required timeframes.

The second mechanism measures the timely installation of net meters. For systems that qualify for the expedited application process, the Company must install net meters within ten (10) business days. Failure to install \geq ninety (90) percent of net meters within the ten (10) business day timeframe set forth above subjects the Company to a negative revenue adjustment of \$2 million. In calendar year 2012, Niagara Mohawk installed 95.3% percent of the net meters within the required timeframe.

Achieving the application process and meter installation requirements was challenging in light of the fact that the number of applications received in calendar year 2012 increased 18 percent compared to calendar year 2011 and 43 percent compared to calendar year 2010. The Company anticipates that applications for small generator interconnections and net metering installations will continue to accelerate in 2013 as the technology becomes more accessible and incentives to install such equipment continue.



Patric R. O'Brien
Senior Counsel

March 31, 2014

Honorable Kathleen H. Burgess
Secretary
New York State Public Service Commission
Three Empire State Plaza
Albany, New York 12223

Re: Case 12-E-0201 – Proceeding on Motion of the Commission as to the Rates, Charges, Rules and Regulations of Niagara Mohawk Power Corporation d/b/a National Grid for Electric Service

Case 12-G-0202 – Proceeding on Motion of the Commission as to the Rates, Charges, Rules and Regulations of Niagara Mohawk Power Corporation d/b/a National Grid for Gas Service

Dear Secretary Burgess:

Pursuant to Attachment 1 to Appendix 7 of the Joint Proposal adopted by the Commission in its *Order Approving Electric and Gas Rate Plans in Accord with Joint Proposal* (issued and effective March 15, 2013) in the above-captioned matters, Niagara Mohawk Power Corporation d/b/a National Grid submits its Annual Service Quality Assurance Program Report for the year ended December 31, 2013.

Should you have any questions, please do not hesitate to contact me. Thank you for your time and attention.

Respectfully submitted,

/s/ Patric R. O'Brien

Patric R. O'Brien

Attachments

cc: Rajendra Addepalli
Luann Scherer
Leonard Silverstein
Michael Worden
Christian Bonvin
Denise Gerbsch
Allison Esposito



PSC Cases 12-E-0201/12-G-0202
Niagara Mohawk Power Corporation d/b/a National Grid
Service Quality Assurance Program Report
For Calendar Year 2013

Summary
Sheet 1

Customer Service Measures:	TARGET	POTENTIAL 2013	ACTUAL 2013	
		ANNUAL NEGATIVE REVENUE ADJUSTMENT	YE RESULTS	Penalty Incurred
			31-Dec-2013	
1a. Annual PSC Complaint Rate - Electric Rate Interval (per 100K customers)	< 1.5	\$0	0.6	(a) \$0
	=1.5	\$848,594		
	>1.5 - 2.5	\$848,594 to \$5,924,375		
	>2.5	\$5,924,375		
1b. Annual PSC Complaint Rate - Gas Rate Interval (per 100K customers)	< 1.5	\$0	0.6	(a) \$0
	=1.5	\$209,531		
	>1.5 - 2.5	\$209,531 to \$1,468,125		
	= 2.5 - 2.9	\$1,468,125		
	>2.9 - 5.0	\$1,468,125 - \$1,868,125		
2. Residential Transaction Satisfaction Index Residential Transaction Satisfaction Index Interval	>82.0	\$0	83.6%	\$0
	=82.0	\$568,125		
	<82.0 - 78.0	\$568,125 to \$3,952,500		
	<78.0	\$3,952,500		
3. Small/Medium Commercial & Industrial(C&I) Transaction Satisfaction Index C&I Transaction Satisfaction Index Interval	>75.1	\$0	81.4%	\$0
	=75.1	\$568,125		
	<75.1 - 71.1	\$568,125 to \$3,952,500		
	<71.1	\$3,952,500		
4. Percentage of Meters Read Percent Meters Read (Eliminated as of April 1, 2013)	>96.0	\$0	98.86%	(b) \$0
	=96.0	\$12,500		
	<96.0 - 95.0	\$12,500 to \$100,000		
	<95.0	\$100,000		
5. Percentage of Calls Answered within 30 Seconds Percent Calls Answered within 30 Seconds	>78.0	\$0	80.92%	\$0
	=78.0	\$568,125		
	<78.0 - 72.0	\$568,125 to \$3,952,500		
	<72.0	\$3,952,500		
6. AffordAbility (Eliminated as of April 1, 2013)	Annual Enrollment (No. of Customers)	Performance Against Goal		
	>898	>95.0%	\$0	
	=898	=95.0%	\$25,000	
	<851 - 898	<95.0% - 90.0%	\$25,000 to \$50,000	
	<851	<90.0%	\$50,000	687 (c) \$50,000

PSC Cases 12-E-0201/12-G-0202
Niagara Mohawk Power Corporation d/b/a National Grid
Service Quality Assurance Program Report
For Calendar Year 2013

Summary
Sheet 2

<u>Electric Reliability Measures:</u>	<u>TARGET</u>	<u>POTENTIAL 2013</u> <u>ANNUAL NEGATIVE</u> <u>REVENUE</u> <u>ADJUSTMENT</u>	<u>ACTUAL YTD</u> <u>RESULTS</u> <u>THROUGH</u> <u>31-Dec-2013</u>	<u>Penalty Incurred</u>
7. System Average Interruption Frequency Index(SAIFI)				
<u>SAIFI Interval (Number of outages per customer per year)</u>				
	1.13 or below	\$0	0.99	\$0
	Greater than 1.13 but less than or equal to 1.19	\$3,000,000		
	Greater than 1.19	\$6,000,000		
8. Customer Average Interruption Duration Index(CAIDI)				
<u>CAIDI Interval (Average hours per interruption)</u>				
	2.05 or below	\$0	1.96	\$0
	Greater than 2.05 but less than or equal to 2.15	\$3,000,000		
	Greater than 2.15	\$6,000,000		
9. Estimating				
<u>Distribution and sub-Transmission projects</u>				
	>= 80%	\$0		
	Between 70% and 80%	\$1,000,000		
	< 70%	\$2,000,000	45.5%	(d) \$2,000,000
10. Standardized Interconnection Requirements				
a) Application processing				
	Percent of applications completed within specified timeframe	\$2,000,000	92.3%	\$0
	Failure to process >=90 % of the aggregate of completed application received within the set timeframe			
b) Installation of net meters				
	Percent of meters installed within 10 days	\$2,000,000	95.2%	\$0
	Failure to install >= 90% of net meters within 10 day timeframe			
11. Inspection & Maintenance ("I&M") Program				
a) Repair >=85% of Level II deficiencies				
	Failure to repair at least 85% of Level II deficiencies (as defined in the Safety Orders)	\$750,000	90.4%	(e) \$0
b) Repair >=75% of Level II deficiencies				
	Failure to repair at least 75% of Level III deficiencies (as defined in the Safety Orders)	\$750,000	98.1%	\$0
Total				\$ 2,050,000.00

*NOTE:

(a) Niagara Mohawk's electric and gas businesses have different performance targets. The performance target for the electric business was modified in Case 10-E-0050. The performance target for the gas business was modified in Case 08-G-0609. Effective April 1, 2013, the performance target for PSC Complaint Rate has been modified in Cases 12-E-0201 & 12-G-0202.

(b) The Percentage of Meters Read metric was eliminated effective April 1, 2013.

(c) The Joint Proposal in Cases 12-E-0201 and 12-G-0202 eliminates the AffordAbility metric effective April 1, 2013. For the interim period from January 1 to March 31, 2013, the parties agreed to calculate the metric using a three month average of the target number of customers to be enrolled during the calendar year. This calculation, however, did not factor in that enrollment numbers are typically down during the first quarter because customers are encouraged to first exhaust their emergency and regular HEAP benefits before enrolling the AffordAbility program. As a result, the Company did not make the metric during this stub period.

(d) The performance target for Estimating was modified in Cases 12-E-0201 & 12-G-0202 effective January 1, 2013.

(e) Effective April 1, 2013, the I&M service quality metric has been added.

nationalgrid

PSC Cases 12-E-0201/12-G-0202
Niagara Mohawk Power Corporation d/b/a National Grid
Service Quality Assurance Program Report
Calendar Year 2013 - Monthly Results

Summary
Sheet 3

<u>Customer Service Measures:</u>	<u>Reference</u>	<u>January</u>	<u>February</u>	<u>March</u>	<u>April</u>	<u>May</u>	<u>June</u>	<u>July</u>	<u>August</u>	<u>September</u>	<u>October</u>	<u>November</u>	<u>December</u>	<u>YTD</u>
1. Annual PSC Complaint Rate	(a)	0.47	0.29	0.52	0.64	0.64	0.99	0.58	0.87	0.52	0.47	0.29	0.58	0.57
2. Residential Transaction Satisfaction Index		84.7%	85.2%	78.6%	86.8%	83.0%	83.3%	83.0%	83.7%	84.4%	79.7%	84.1%	86.2%	83.6%
3. Small/Medium Commercial & Industrial(C&I) Transaction Satisfaction Index		89.7%	83.1%	73.8%	81.1%	81.0%	79.4%	71.7%	81.1%	86.9%	78.6%	79.5%	91.1%	81.4%
4. Percentage of Meters Read (Eliminated as of April 1, 2013)	(b)	98.88%	98.85%	98.83%	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	98.86%
5. Percent Calls Answered within 30 Seconds		81.8%	82.2%	78.5%	71.1%	67.7%	70.5%	87.5%	88.2%	86.8%	86.4%	86.6%	82.6%	80.92%
6. AffordAbility (Eliminated as of April 1, 2013) Enrollment	(c)	118	236	333	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	687
<u>Electric Reliability Measures:</u>														
7. System Average Interruption Frequency Index(SAIFI)		0.12	0.05	0.04	0.08	0.09	0.13	0.10	0.08	0.09	0.07	0.11	0.05	0.99
8. Customer Average Interruption Duration Index(CAIDI)		2.09	1.47	1.18	1.71	2.44	2.18	2.06	1.59	2.17	1.65	2.09	1.82	1.96
9. Estimating (YTD)	(d)			80.0%			82.1%			72.5%			45.5%	45.5%
10. Standardized Interconnection Requirements (SIR)	(e)													
a) Application processing (YTD)				87.7%			90.3%			92.2%			92.3%	92.3%
b) Installation of net meters (YTD)				99.3%			97.4%			96.1%			95.2%	95.2%
11. Inspection & Maintenance ("I&M") Program	(f)													
a) Repair >=85% of Level II deficiencies (YTD)							92.7%			91.0%			90.4%	90.4%
b) Repair >=75% of Level III deficiencies (YTD)							99.0%			98.3%			98.1%	98.1%

*NOTE:

(a) Niagara Mohawk's electric and gas businesses have different performance targets. The performance target for the electric business was modified in Case 10-E-0050. The performance target for the gas business was modified in Case 08-G-0609. Effective April 1, 2013, the performance target for PSC Complaint Rate has been modified in Cases 12-E-0201 & 12-G-0202.

(b) The Percentage of Meters Read metric was eliminated effective April 1, 2013.

(c) The Joint Proposal in Cases 12-E-0201 and 12-G-0202 eliminates the AffordAbility metric effective April 1, 2013. For the interim period from January 1 to March 31, 2013, the parties agreed to calculate the metric using a three month average of the target number of customers to be enrolled during the calendar year. This calculation, however, did not factor in that enrollment numbers are typically down during the first quarter because customers are encouraged to first exhaust their emergency and regular HEAP benefits before enrolling the AffordAbility program. As a result, the Company did not make the metric during this stub period.

(d) The performance target for Estimating was modified in Cases 12-E-0201 & 12-G-0202 effective January 1, 2013.

(e) Percentages in Q1-Q3 have been updated.

(f) Effective April 1, 2013, the I&M service quality metric has been added.

Cases 12-E-0201 and 12-G-0202

**Niagara Mohawk Power Corporation d/b/a
National Grid
Service Quality Assurance Program Report
For the Year Ended December 31, 2013**

Cases 12-E-0201 and 12-G-0202
Niagara Mohawk Power Corporation d/b/a National Grid
Service Quality Assurance Program Report
For the Year Ended December 31, 2013

I. INTRODUCTION

Pursuant to Appendix 7 of the Joint Proposal adopted by the Commission in its *Order Approving Electric and Gas Rate Plans in Accord with Joint Proposal* (issued and effective March 15, 2013) in Cases 12-E-0201 and 12-G-0202, Niagara Mohawk Power Corporation d/b/a National Grid (“Niagara Mohawk” or “Company”) submits this report on its Service Quality Assurance Program (“SQA Program”) for the year ended December 31, 2013.

For calendar year 2013, Niagara Mohawk met all but one of the customer service performance measures and four out of the five electric reliability performance measures. The Company missed the AffordAbility customer service performance measure and the Estimating electric reliability performance measure. As a result, the Company incurred a total negative revenue adjustment of \$2.05 million in calendar year 2013. This amount will be included in the deferral account pursuant to Section 1.2.4 of Appendix 7 of the Joint Proposal.

This report includes an overview of the Company’s customer service performance during 2013, details on performance results for the six customer service performance measures and the five electric reliability performance measures, and an overall assessment of customer service for the year.

II. CUSTOMER SERVICE 2013 OVERVIEW

Throughout 2013, Niagara Mohawk’s Customer Service organization continued to implement best practices and process improvements to deliver the service that the Company’s customers deserve. The centerpiece of Niagara Mohawk’s customer service efforts is the Customer Call Center in Syracuse, New York. The Call Center is open for full service Monday through Friday with limited services on Saturday. For emergency and outage calls, the Call Center is open 24 hours a day, 365 days a year. The Call Center management team works to promote Niagara Mohawk’s values, vision, and mission statement through coaching, evaluating, and measuring performance. Another organization that contributes to customer service efforts is the Company’s Accounts Processing organization. This organization, which is located in Syracuse and Niagara Falls, is responsible for ensuring bill accuracy, revenue integrity, and timely cash flow. To ensure the best customer experience possible, both the Customer Call Center and the Accounts Processing organization receive extensive training throughout the year specific to meeting both the needs of customers and the Company’s regulatory

obligations. In addition, Niagara Mohawk has a group, the Escalated Complaint Management UNY, located in Syracuse dedicated to handling escalated complaints received by the Company directly as well as from the Commission. The Escalated Complaint Management UNY is dedicated to resolving escalated customer issues, ensuring that the Company's regulatory customer policies are followed consistently, and managing the Commission's Quick Resolution Process for the Company. Every employee within the Customer Service organization at Niagara Mohawk is committed to providing the highest quality service to customers in Upstate New York.

III. CUSTOMER SERVICE MEASURES

1. Annual PSC Complaint Rate

A PSC complaint is initiated with a dispute being filed by, or on behalf of, a customer with the Staff of the DPS Office of Consumer Services. The issue of concern forming the basis for the complaint must be one within the Company's control. Matters within the responsibility or control of an alternative service provider are not counted as a PSC complaint against the Company under this measure. Only charged complaints are included in the PSC Complaint Rate measure.

Effective April 1, 2013, the Joint Proposal modified the performance target for the gas business to align with the electric business's target of 1.5 complaints per 100,000 customers. The calculation of complaints per 100,000 customers is based on the total sum of all charged complaints received regardless of whether an electric or gas complaint.

Table 3-1

<u>Year</u>	<u>PSC Complaint Volume</u>	<u>PSC Complaint Rate</u>
2013	118	0.57
2012	87	0.42
2011	135	0.66
2010	155	0.76
2009	210	1.03
2008	179	0.88
2007	195	0.96

As Table 3-1 indicates, Niagara Mohawk achieved a PSC Complaint Rate of 0.57 per 100,000 customers in 2013. Complaint volumes for both QRS (non-charged) and SRS (charged complaints) were up from 2012 levels. QRS complaints were up 13% and SRS complaints were up 26%. Billing issues and credit and collections continue to account for the majority of charged complaints. The

Company's administration of credit and collections policies and programs attempts to minimize total arrears by working with customers on an individual basis. Niagara Mohawk continues to focus on improving credit and collections performance while maintaining customer satisfaction and holding the complaint rate at an absolute minimum. The Company continues to resolve the vast majority of initial contacts, thereby minimizing the total number of charged complaints.

The top 14 complaint types, as illustrated in Table 3-2, account for 74.6% of Niagara Mohawk's charged complaints in 2013. "Final termination notice received" was the most frequent complaint received in 2013 followed by "High Bill."

Table 3-2

Complaint Type	2005	2006	2007	2008	2009	2010	2011	2012	2013
<u>Electric outage related</u>	<u>13 (5)</u>	<u>26 (1)</u>	<u>19 (2)</u>	<u>8 (5)</u>	<u>10 (7)</u>	<u>4 (9)</u>	<u>6 (6)</u>	<u>2 (6)</u>	<u>3 (8)</u>
<u>High bill</u>	<u>21 (2)</u>	<u>22 (2)</u>	<u>38 (1)</u>	<u>33 (1)</u>	<u>28 (1)</u>	<u>27 (1)</u>	<u>15 (3)</u>	<u>2 (6)</u>	<u>13 (2)</u>
<u>Back billing</u>	<u>8 (7)</u>	<u>17 (3)</u>	<u>11 (5)</u>	<u>11 (4)</u>	<u>16 (5)</u>	<u>9 (5)</u>	<u>10 (4)</u>	<u>10 (2)</u>	<u>5 (6)</u>
<u>Final termination notice received</u>	<u>14 (4)</u>	<u>9 (4)</u>	<u>19 (2)</u>	<u>22 (2)</u>	<u>22 (2)</u>	<u>25 (2)</u>	<u>22 (1)</u>	<u>16 (1)</u>	<u>20 (1)</u>
<u>Responsibility for bill</u>	<u>16 (3)</u>	<u>8 (5)</u>	<u>19 (2)</u>	<u>15 (3)</u>	<u>22 (2)</u>	<u>22 (3)</u>	<u>15 (3)</u>	<u>6 (3)</u>	<u>11 (4)</u>
<u>Acct Init – UCB</u>	<u>11 (6)</u>	<u>8 (5)</u>	<u>4 (8)</u>	<u>6 (6)</u>	<u>11 (6)</u>	<u>-</u>	<u>2 (9)</u>	<u>4 (5)</u>	<u>4 (7)</u>
<u>Service delay – New</u>	<u>14 (4)</u>	<u>6 (7)</u>	<u>8 (6)</u>	<u>6 (6)</u>	<u>4 (8)</u>	<u>10 (4)</u>	<u>16 (2)</u>	<u>2 (6)</u>	<u>1 (9)</u>
<u>Initial/final bill</u>	<u>11 (5)</u>	<u>6 (7)</u>	<u>3 (10)</u>	<u>0 (11)</u>	<u>0 (11)</u>	<u>-</u>	<u>2 (9)</u>	<u>6 (3)</u>	<u>1 (9)</u>
<u>Transfer</u>	<u>8 (6)</u>	<u>6 (7)</u>	<u>2 (11)</u>	<u>2 (9)</u>	<u>4 (8)</u>	<u>7 (6)</u>	<u>5 (7)</u>	<u>2 (6)</u>	<u>3 (8)</u>
<u>Line extension charges</u>	<u>6 (8)</u>	<u>6 (7)</u>	<u>4 (8)</u>	<u>1 (10)</u>	<u>3 (10)</u>	<u>3 (11)</u>	<u>2 (9)</u>	<u>5 (4)</u>	<u>6 (5)</u>
<u>CONP</u>	<u>24 (1)</u>	<u>5 (11)</u>	<u>6 (7)</u>	<u>6 (6)</u>	<u>20 (4)</u>	<u>6 (7)</u>	<u>9 (5)</u>	<u>6 (3)</u>	<u>12 (3)</u>

<u>Right of way</u>	=	=	=	=	=	<u>6 (7)</u>	=	<u>1 (7)</u>	<u>3 (8)</u>
<u>Relocation</u>	=	=	=	=	=	<u>4 (9)</u>	<u>3 (8)</u>	<u>2 (6)</u>	<u>3 (8)</u>
<u>Switched Meters</u>	=	=	=	=	=	<u>3 (11)</u>	<u>1 (10)</u>	<u>1 (7)</u>	<u>3 (8)</u>
<u>Estimated Read</u>	=	=	=	=	=	<u>3 (11)</u>	<u>1 (10)</u>	=	=

2. Residential Transaction Satisfaction Index

The Residential Transaction Satisfaction Index performance measure is calculated from monthly telephone survey results of a sample of residential customer transactions with the Company occurring in each month of the calendar year.

The survey population includes a sample of customers of the Company who in that month had any one of the following transactions with the Company:

1. Connect
2. Disconnect
3. Electric Service Orders/Gas Service Orders
4. Service Orders
5. Budget
6. High Bill
7. Collections
8. Direct Debit

The telephone survey includes a customer satisfaction question (Question No. 28) that is used to measure the Company's performance. Only surveys where the respondent answered question No. 28 will be considered complete. The question asks the customer: "Overall, on a scale from 1 to 10, where 1 means dissatisfied and 10 mean satisfied, how satisfied are you with the services provided by National Grid?" Monthly satisfaction scores represent the percentage of customers who gave a Top 3 rating (8, 9, or 10). The annual index score is a year-to-date measure of customers who provided a score of 8 or higher on the question. Table 3-3 depicts the monthly performance scores for 2012 and 2013.

Table 3-3

UNY Residential Scores					
2013	Satisfaction with Services (Q.28)	Base	2012	Satisfaction with Services (Q.28)	Base
13-Jan	84.7%	595	Jan-12	83.2%	600

13-Feb	85.2%	595	Feb-12	85.2%	603
13-Mar	78.6%	598	Mar-12	84.7%	594
13-Apr	86.8%	597	Apr-12	82.7%	596
13-May	83.0%	594	May-12	85.5%	593
13-Jun	83.3%	598	Jun-12	85.6%	591
13-Jul	83.0%	588	Jul-12	87.5%	598
13-Aug	83.7%	601	Aug-12	87.4%	594
13-Sep	84.4%	595	Sep-12	85.5%	595
13-Oct	79.7%	596	Oct-12	85.3%	600
13-Nov	84.1%	590	Nov-12	85.7%	593
13-Dec	86.2%	594	Dec-12	84.5%	599
YTD	83.6%	7141	YTD	85.2%	7156

Compared with 2012, Niagara Mohawk's overall performance decreased (-) 1.6 percentage points.

3. Small/Medium Commercial and Industrial ("C&I") Transaction Satisfaction Index

The Small/Medium C&I Transaction Satisfaction Index performance measure is calculated from monthly telephone survey results of a sample of SC2 customer transactions with the Company occurring in each month of the calendar year. The survey population includes a sample of customers of the Company who in that month had any one of the following transactions with the Company:

1. Connect
2. Disconnect
3. Electric Service Orders/ Gas Service Orders
4. Service Orders
5. Budget
6. High Bill
7. Collections
8. Direct Debit

The telephone survey includes a customer satisfaction question (Question No. 28) that is used to measure the Company's performance. Only surveys where the respondent answered question No. 28 will be considered complete. The question asks the customer: "Overall, on a scale from 1 to 10, where 1 means dissatisfied and 10 mean satisfied, how satisfied are you with the services provided by National Grid?" Monthly satisfaction scores represent the percentage of customers who gave a Top 3 rating (8, 9, or 10). The annual index score is a year-to-date measure of customers who provided a score of 8 or higher on the question.

Small/Medium C&I customer contacts continue to be handled by a specialized group within the Customer Call Center. The Company continues to provide refresher training, quality monitoring, and individualized coaching for members of the small commercial customer team

Table 3-4 depicts the monthly performance scores for 2012 and 2013.

Table 3-4

UNY C&I Scores						
2013	Satisfaction with Services (Q.28)	Base		2012	Satisfaction with Services (Q.28)	Base
13-Jan	89.7%	126		Jan-12	71.2%	125
13-Feb	83.1%	130		Feb-12	79.8%	124
13-Mar	73.8%	126		Mar-12	76.8%	138
13-Apr	81.1%	127		Apr-12	88.1%	126
13-May	81.0%	126		May-12	82.1%	123
13-Jun	79.4%	126		Jun-12	82.5%	126
13-Jul	71.7%	127		Jul-12	75.4%	126
13-Aug	81.1%	127		Aug-12	82.3%	124
13-Sep	86.9%	130		Sep-12	84.0%	125
13-Oct	78.6%	126		Oct-12	84.8%	125
13-Nov	79.5%	127		Nov-12	77.6%	125
13-Dec	91.1%	124		Dec-12	78.6%	131
YTD	81.4%	1522		YTD	80.2%	1518

Compared with 2012, Niagara Mohawk's overall performance increased (+) 1.2 percentage points.

4. Percent of Meters Read

This measure is the percentage of meters actually read of the total meters scheduled to be read in the calendar year. The measure includes reads from all sources: AMR reads, meter readers, other Niagara Mohawk field personnel, as well as customers themselves.

Effective April 1, 2013, the Joint Proposal eliminated the Percent of Meters Read measure. For the interim period January 1 to March 31, 2013, Niagara Mohawk had a Percent Meters Read of 98.86 percent from all sources as shown in Table 3-5.

Table 3-5

2013 Month	Meters Scheduled	Meters Read During Window	Percent Meters Read
January	2,311,270	2,285,511	98.88%
February	2,313,277	2,286,878	98.85%
March	2,312,425	2,285,497	98.83%
Total	6,936,972	6,857,886	98.86%

5. Percent of Calls Answered within 30 Seconds

This measure is the percentage of all inbound customer service and collection calls to Niagara Mohawk or its agents, regardless of location, that are answered within 30 seconds. The measure excludes calls answered by any current or future Integrated Voice Response (“IVR”) applications such as Customer Connection or OnCall applications. Table 3-6 displays the annual service level comparing the past five years, including calls answered by outsource contact centers.

Table 3-6

ANNUAL CALL VOLUMES				
Year	Calls Received	Calls Answered	Calls Answered ≤ 30 Seconds	Service Level % Calls Ans. Within 30 sec.
2013	4,182,668	4,070,938	3,294,260	80.92%
2012	3,923,225	3,836,647	3,129,577	81.57%
2011	4,035,183	3,927,437	3,109,781	79.18%
2010	3,901,479	3,803,619	2,996,287	78.77%
2009	3,999,550	3,903,845	3,192,267	81.77%

Table 3-7 displays monthly service levels for 2013, excluding IVR calls.

Table 3-7

2013 Monthly Call Volumes (without interactive voice response)				
Month	Calls Received	Calls Answered	Calls Answered ≤ 30 sec	Service Level
January	339,856	333,135	272,597	81.83%

February	293,252	288,207	236,785	82.16%
March	320,965	313,088	245,795	78.51%
April	363,991	348,721	247,907	71.09%
May	375,168	357,354	242,041	67.73%
June	342,743	322,866	227,529	70.47%
July	384,958	377,739	330,642	87.53%
August	370,444	365,568	322,534	88.23%
September	366,332	360,030	312,315	86.75%
October	378,975	370,840	320,501	86.43%
November	316,120	311,290	269,482	86.57%
December	329,864	322,100	266,132	82.62%
Total	4,182,668	4,070,938	3,294,260	80.92%

6. AffordAbility

The AffordAbility metric measures the number of customers enrolled annually in the Company's low income AffordAbility program. The Joint Proposal eliminated the AffordAbility metric effective April 1, 2013. For the interim period January 1 to March 31, 2013, the parties to the Joint Proposal agreed to calculate the metric using a three month average of the target annual number of customers to be enrolled during the calendar year. This calculation, however, did not factor in that the enrollment numbers in the AffordAbility program are typically lower in the first quarter of the calendar year because customers are encouraged to first exhaust their emergency and regular HEAP benefits before enrolling in the AffordAbility program. As a result, the Company did not meet this metric during the interim three month period.

IV. OVERALL ASSESSMENT OF CUSTOMER SERVICE

For Niagara Mohawk, 2013 was a year of tremendous hard work and dedication aimed at exceeding customer expectations. The Company met all of its customer service performance measures in 2013, with the exception of the AffordAbility metric during the interim three month period. The PSC Complaint of 0.57 was the second lowest rate achieved by the Company in the last seven years and the Company's C&I Transaction Satisfaction performance improved from the 2012 score. The Company's performance remained above target for the Residential Customer Satisfaction and Percent of Calls Answered within 30 Seconds performance measures. In 2014, the Company will continue to work at improving customer satisfaction.

V. ELECTRIC RELIABILITY PERFORMANCE MEASURES

1. SAIFI and CAIDI

As shown in Table 5-1 and Figure 5-1 below, the Company met its performance goal for CAIDI, which measures the average time an affected customer is out of service, ending the year at 1.96 hours. This is below the target of 2.05 hours.

The Company also achieved its performance goal for SAIFI, which measures the average number of interruptions experienced by a customer. SAIFI performance was 0.99, compared to the annual target of 1.13.

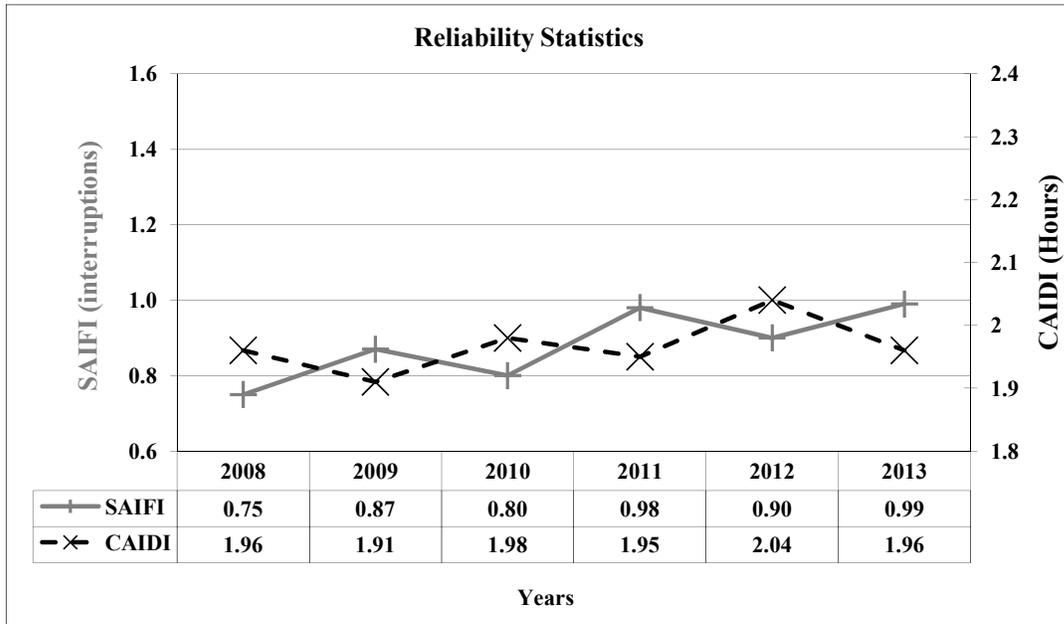
The number of interruptions excluding major storms was 0.3% above the five-year average. The number of customers interrupted was 16% above the five-year average. The duration of customers interrupted (Customer-Hours Interrupted) was 15% above the five-year average. The increase in customers interrupted and customer-hours interrupted can be attributed to the increase in weather related events that did not qualify as major storms and large transmission outages experienced in 2013.

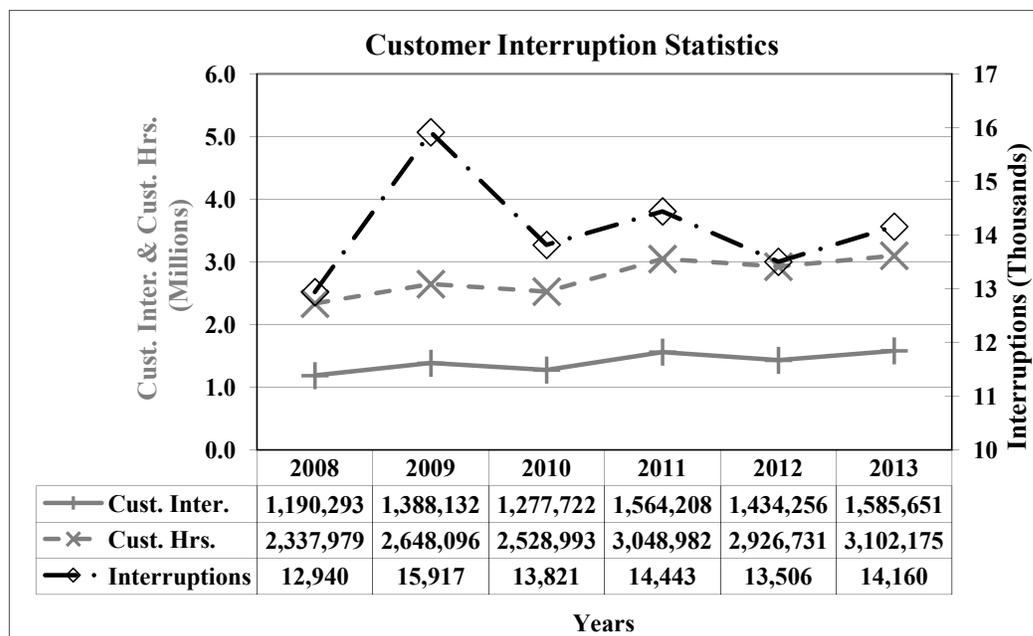
Table 5-1

	2013	2012	2011	2010	2009	2008
CAIDI (Target IDS: 2.05, SIR: 2.07)	1.96	2.04	1.95	1.98	1.91	1.96
SAIFI (Target IDS: 1.13, SIR: 0.93)	0.99	0.90	0.98	0.80	0.87	0.75
Interruptions	14,160	13,506	14,443	13,821	15,917	12,940
Customers Interrupted	1,585,651	1,434,256	1,564,208	1,277,722	1,388,132	1,190,293
Customer-Hours Interrupted	3,102,175	2,926,731	3,048,982	2,528,993	2,648,096	2,337,979
Customers Served	1,605,502	1,600,014	1,597,998	1,587,730	1,587,230	1,580,798
Customers Per Interruption	111.98	118.47	108.30	92.45	87.21	91.99
Availability Index	99.9779	99.97	99.98	99.98	99.98	99.98
Interruptions/1000 Customers	12.15	8.44	9.04	8.70	10.03	8.19

*Data prior to 2011 is extracted from the System Interruption Reporting (“SIR”) system. SIR was a manually entered mainframe system based on paper tickets returned from the field. Data in 2011 and beyond is extracted from the Interruption and Disturbance System (“IDS”). IDS is an oracle database with an automatic feed from the Company’s PowerOn outage management system.

Figure 5-1 Reliability Statistics





2. ESTIMATING

The Estimating performance measure applies to distribution or sub-transmission capital projects completed between January 1 and December 31 with individual total projects costs over \$100,000. As shown in Table 5-2, there were 121 projects that met the metric criteria, more than double the amount in 2012. Of those 121 projects, 55 projects were completed within a variance of +/- 10 percent. This result of 45.5 percent did not meet the goal of 80 percent attainment. There were challenges associated with a major change in system applications that affected the ability to meet this goal in 2013.

Table 5-2 Estimating Statistics

Total Projects	Variance ≤ 10%	Variance >10%	Result
121	55	66	45.5%

3. STANDARDIZED INTERCONNECTION REQUIREMENTS

First introduced in 2011, two mechanisms exist in the Joint Proposal to measure the Company's performance with respect to certain aspects of the "New York State Standardized Interconnection Requirements and Application Process for

New Distributed Generators 2MW or Less Connected in Parallel with Utility Distribution Systems,” dated July 2010 (“SIR”).

The first mechanism measures the timely processing of applications. The Company must process completed applications received in accordance with the SIR within the following timeframes: (a) ten (10) business days for systems \leq 25kW; (b) fifteen (15) business days for inverter based systems $>$ 25kW and \leq 200kW that qualify for the expedited application process; and (c) fifteen (15) business days for systems \leq 200kW that do not qualify for the expedited application process. Failure to process \geq ninety (90) percent of the aggregate of completed applications received within the timeframes set forth above subjects the Company to a negative revenue adjustment of \$2 million. In calendar year 2013, the Company processed 92.3 percent of its applications within the required timeframes.

The second mechanism measures the timely installation of net meters. For systems that qualify for the expedited application process, the Company must install net meters within ten (10) business days. Failure to install \geq ninety (90) percent of net meters within the ten (10) business day timeframe set forth above subjects the Company to a negative revenue adjustment of \$2 million. In calendar year 2013, Niagara Mohawk installed 95.2 percent of net meters within the required timeframe.

Achieving the application processing and meter installation requirements was again very challenging in light of the fact that the number of applications received in calendar year 2013 increased 46 percent compared to calendar year 2012 and 79 percent compared to calendar year 2011. The Company anticipates that applications for small generator interconnections and net metering installations will continue to accelerate in 2014 as the technology becomes more accessible and incentives to install such equipment continue.

4. INSPECTION AND MAINTENANCE (“I&M”) PROGRAM

The I&M Program measure is a new metric that was introduced in the Joint Proposal, beginning April 1, 2013. Under the measure, the Company is subject to a negative revenue adjustment of \$1 million if it fails to repair at least 85 percent of Level II deficiencies (as defined in the Safety Orders in Case 04-M-0159 (“Safety Orders”)) that have a repair due date within the respective calendar year within the time period allowed for such repairs under the Safety Orders (*i.e.*, one year). The Company is subject to an additional negative revenue adjustment of \$1 million if it fails to repair at least 75 percent of Level III deficiencies (as defined in the Safety Orders) that have a repair due date within the respective calendar year within the time period allowed for such repairs under the Safety Orders (*i.e.*, three years).

As shown in Table 5-3, the Company achieved its I&M Program performance goal in 2013. The Company's annual performance in 2013 was 90.4% for Level II deficiencies and 98.1% for Level III deficiencies.

Table 5-3 I&M Program Statistics

<i>Priority Levels</i>	TARGETS		ACTUALS	
	<i># Deficiencies Found</i>		<i># Deficiencies Repaired in Timeframe</i>	<i>% Complete</i>
II (<i>identified in CY2012</i>)	35,256		31,857	90.359%
III (<i>identified in CY2010</i>)	38,074		37,363	98.132%



Patric R. O'Brien
Assistant General Counsel

March 31, 2015

VIA ELECTRONIC FILING

Honorable Kathleen H. Burgess
Secretary
New York State Public Service Commission
Three Empire State Plaza
Albany, New York 12223

Re: Case 12-E-0201 – Proceeding on Motion of the Commission as to the Rates, Charges, Rules and Regulations of Niagara Mohawk Power Corporation d/b/a National Grid for Electric Service

Case 12-G-0202 – Proceeding on Motion of the Commission as to the Rates, Charges, Rules and Regulations of Niagara Mohawk Power Corporation d/b/a National Grid for Gas Service

Dear Secretary Burgess:

Pursuant to Attachment 1 to Appendix 7 of the Joint Proposal adopted by the Commission in its *Order Approving Electric and Gas Rate Plans in Accord with Joint Proposal* (issued and effective March 15, 2013) in the above-captioned matters, Niagara Mohawk Power Corporation d/b/a National Grid respectfully submits its Annual Service Quality Assurance Program Report for the year ended December 31, 2014.

Should you have any questions, please do not hesitate to contact me. Thank you for your time and attention.

Respectfully submitted,

/s/Patric R. O'Brien
Patric R. O'Brien

Attachments

cc: Rajendra Addepalli
Luann Scherer
Leonard Silverstein
Michael Worden
Christian Bonvin
Denise Gerbsch
Allison Esposito

nationalgrid

PSC Cases 12-E-0201/12-G-0202
Niagara Mohawk Power Corporation d/b/a National Grid
Service Quality Assurance Program Report
For Calendar Year 2014

Summary
Sheet 1

	<u>TARGET</u>	<u>2014</u> <u>ANNUAL NEGATIVE</u> <u>REVENUE</u> <u>ADJUSTMENT</u>	<u>ACTUAL 2014</u> <u>YE RESULTS</u>	<u>Penalty Incurred</u>
			<u>31-Dec-2014</u>	
<u>Customer Service Measures:</u>				
<u>1. Annual PSC Complaint Rate</u>				
<u>Rate Interval (per 100K customers)</u>				
	< 1.5	\$0	0.54	\$0
	=1.5	\$1,117,500		
	>1.5 - 2.5	\$1,117,500 to \$7,830,000		
	>2.5	\$7,830,000		
<u>2. Residential Transaction Satisfaction Index</u>				
<u>Residential Transaction Satisfaction Index Interval</u>				
	>82.0	\$0		
	=82.0	\$577,500		
	<82.0 - 78.0	\$577,500 to \$3,990,000	79.7%	\$2,539,688
	<78.0	\$3,990,000		
<u>3. Small/Medium Commercial & Industrial(C&I) Transaction Satisfaction Index</u>				
<u>C&I Transaction Satisfaction Index Interval</u>				
	>75.1	\$0	76.0%	\$0
	=75.1	\$577,500		
	<75.1 - 71.1	\$577,500 to \$3,990,000		
	<71.1	\$3,990,000		
<u>4. Percentage of Calls Answered within 30 Seconds</u>				
<u>Percent Calls Answered within 30 Seconds</u>				
	>78.0	\$0	80.0%	\$0
	=78.0	\$577,500		
	<78.0 - 72.0	\$577,500 to \$3,990,000		
	<72.0	\$3,990,000		

PSC Cases 12-E-0201/12-G-0202
Niagara Mohawk Power Corporation d/b/a National Grid
Service Quality Assurance Program Report
For Calendar Year 2014

Summary
Sheet 2

<u>Electric Reliability Measures:</u>	<u>TARGET</u>	<u>2014</u> <u>ANNUAL NEGATIVE</u> <u>REVENUE</u> <u>ADJUSTMENT</u>	<u>ACTUAL YTD</u> <u>RESULTS</u> <u>THROUGH</u> <u>31-Dec-2014</u>	<u>Penalty Incurred</u>
<u>5. System Average Interruption Frequency Index(SAIFI)</u>				
<u>SAIFI Interval (Number of outages per customer per year)</u>				
	1.13 or below	\$0	0.96	\$0
	Greater than 1.13 but less than or equal to 1.19	\$3,000,000		
	Greater than 1.19	\$6,000,000		
<u>6. Customer Average Interruption Duration Index(CAIDI)</u>				
<u>CAIDI Interval (Average hours per interruption)</u>				
	2.05 or below	\$0	1.94	\$0
	Greater than 2.05 but less than or equal to 2.15	\$3,000,000		
	Greater than 2.15	\$6,000,000		
<u>7. Estimating</u>				
<u>Distribution and sub-Transmission projects</u>				
	>= 80%	\$0		
	Between 70% and 80%	\$1,000,000		
	< 70%	\$2,000,000	30.7%	\$2,000,000
<u>8. Standardized Interconnection Requirements</u>				
a) Application processing				
	Percent of applications completed within specified timeframe	\$0	95.9%	\$0
	Failure to process >=90 % of the aggregate of completed application received within the set timeframe	\$2,000,000		
b) Installation of net meters				
	Percent of meters installed within 10 days	\$0	93.1%	\$0
	Failure to install > = 90% of net meters within 10 day timeframe	\$2,000,000		
<u>9. Inspection & Maintenance ("I&M") Program</u>				
a) Repair >=85% of Level II deficiencies				
	Failure to repair at least 85% of Level II deficiencies (as defined in the Safety Orders)	\$0	92.0%	\$0
	Failure to repair at least 85% of Level II deficiencies (as defined in the Safety Orders)	\$1,000,000		
b) Repair >=75% of Level III deficiencies				
	Failure to repair at least 75% of Level III deficiencies (as defined in the Safety Orders)	\$0	95.6%	\$0
	Failure to repair at least 75% of Level III deficiencies (as defined in the Safety Orders)	\$1,000,000		
Total				\$ 4,539,688.00



PSC Cases 12-E-0201/12-G-0202
 Niagara Mohawk Power Corporation d/b/a National Grid
 Service Quality Assurance Program Report
 Calendar Year 2014 - Monthly Results

Summary
 Sheet 3

<u>Customer Service Measures:</u>	<u>Reference</u>	<u>January</u>	<u>February</u>	<u>March</u>	<u>April</u>	<u>May</u>	<u>June</u>	<u>July</u>	<u>August</u>	<u>September</u>	<u>October</u>	<u>November</u>	<u>December</u>	<u>YTD</u>
1. Annual PSC Complaint Rate		0.46	0.35	0.69	0.93	0.87	0.17	0.58	0.75	0.52	0.35	0.64	0.17	0.54
2. Residential Transaction Satisfaction Index		82.7%	77.7%	69.1%	73.6%	79.6%	81.2%	81.8%	79.1%	83.2%	82.9%	81.6%	84.0%	79.7%
3. Small/Medium Commercial & Industrial(C&I) Transaction Satisfaction Index		81.9%	74.0%	68.9%	70.9%	84.8%	68.3%	75.8%	71.9%	73.2%	80.3%	81.7%	80.3%	76.0%
4. Percent Calls Answered within 30 Seconds		68.7%	70.7%	59.0%	74.5%	78.5%	83.3%	86.9%	89.6%	86.3%	86.9%	86.0%	84.3%	80.0%
<u>Electric Reliability Measures:</u>														
5. System Average Interruption Frequency Index(SAIFI)		0.06	0.05	0.07	0.07	0.09	0.10	0.12	0.10	0.08	0.08	0.08	0.07	0.96
6. Customer Average Interruption Duration Index(CAIDI)	(a)	2.20	1.59	1.47	1.80	1.78	2.38	2.32	1.96	1.87	1.27	1.84	2.30	1.94
7. Estimating (YTD)				50.0%			64.3%			54.6%			30.7%	30.7%
8. Standardized Interconnection Requirements (SIR)	(a)													
a) Application processing (YTD)				100.0%			95.2%			95.1%			95.9%	95.9%
b) Installation of net meters (YTD)				95.6%			96.9%			94.4%			93.1%	93.1%
9. Inspection & Maintenance ("I&M") Program														
a) Repair >=85% of Level II deficiencies (YTD)				96.4%			93.8%			92.1%			92.0%	92.0%
b) Repair >=75% of Level III deficiencies (YTD)				99.1%			98.3%			96.3%			95.6%	95.6%

*NOTE:

(a) Percentages in Q1-Q3 have been updated.

Cases 12-E-0201 and 12-G-0202

**Niagara Mohawk Power Corporation d/b/a
National Grid
Service Quality Assurance Program Report
For the Year Ended December 31, 2014**

Cases 12-E-0201 and 12-G-0202
Niagara Mohawk Power Corporation d/b/a National Grid
Service Quality Assurance Program Report
For the Year Ended December 31, 2014

I. INTRODUCTION

Pursuant to Appendix 7 of the Joint Proposal adopted by the Commission in its *Order Approving Electric and Gas Rate Plans in Accord with Joint Proposal* (issued and effective March 15, 2013) in Cases 12-E-0201 and 12-G-0202, Niagara Mohawk Power Corporation d/b/a National Grid (“Niagara Mohawk” or “Company”) submits this report on its Service Quality Assurance Program (“SQA Program”) for the year ended December 31, 2014.

For calendar year 2014, Niagara Mohawk met all but one of the customer service performance measures and four out of the five electric reliability performance measures. The Company missed the Residential Transaction Satisfaction Index customer service performance measure and the Estimating electric reliability performance measure. As a result, the Company incurred a total negative revenue adjustment of \$4.54 million in calendar year 2014. The negative revenue adjustment will be included in the deferral account pursuant to Section 1.2.4 of Appendix 7 of the Joint Proposal.

This report includes an overview of the Company’s customer service performance during 2014, details on performance results for the four customer service performance measures and the five electric reliability performance measures, and an overall assessment of customer service for the year.

II. CUSTOMER SERVICE 2014 OVERVIEW

The combination of unusually cold weather and high electric commodity prices, which, in turn, increased customer bills, made 2014 a challenging year for customer service. To help assist customers, the Company filed an emergency petition in January 2014 to allow a one-time adjustment to the tariff mechanism used to calculate commodity prices for residential and small commercial customers. The Commission approved the Company’s petition in late January, which resulted in a temporary \$33 million credit to these customers to help mitigate bill impacts. Additionally, the Company filed a petition in April 2014 to implement two new emergency low income programs, which the Commission approved in late April. These programs provided a \$250 credit to AffordAbility program participants and a \$20 bill credit to customers enrolled in the Low Income Discount Program. To further help alleviate the financial burdens of low income customers, the Company made a corporate contribution of \$1 million to fund the Care and Share Program. The Company also held customer assistance

expos across Upstate New York and launched an aggressive outreach plan in 2014 to help explain bills and provide solutions to customers. Going forward, the Company will continue to implement best practices and lessons learned to deliver the service that the Company's customers deserve.

III. CUSTOMER SERVICE MEASURES

1. Annual PSC Complaint Rate

A PSC complaint is initiated with a dispute being filed by, or on behalf of, a customer with the Staff of the DPS Office of Consumer Services. The issue of concern forming the basis for the complaint must be one within the Company's control. Matters within the responsibility or control of an alternative service provider are not counted as a PSC complaint against the Company under this measure. Only charged complaints are included in the PSC Complaint Rate measure.

The calculation of complaints per 100,000 customers is based on the total sum of all charged complaints received regardless of whether an electric or gas complaint.

Table 3-1

<u>Year</u>	<u>PSC Complaint Volume</u>	<u>PSC Complaint Rate</u>
2014	112	0.54
2013	118	0.57
2012	87	0.42
2011	135	0.66
2010	155	0.76
2009	210	1.03
2008	179	0.88

As Table 3-1 indicates, Niagara Mohawk achieved a PSC Complaint Rate of 0.54 per 100,000 customers in 2014. Complaint volumes for QRS (non-charged complaints) were up from 2013 levels; however, complaint volumes for SRS (charged complaints) decreased in comparison to 2013. QRS complaints were up 37% and SRS complaints fell by 5%. Billing issues and credit and collections continue to account for the majority of charged complaints. The Company's administration of credit and collections policies and programs attempts to minimize total arrears by working with customers on an individual basis. Niagara Mohawk continues to focus on improving credit and collections performance while maintaining customer satisfaction and holding the complaint rate at an absolute minimum. The Company continues to resolve the vast majority of initial contacts, thereby minimizing the total number of charged complaints.

The 13 complaint types illustrated in Table 3-2 account for 75.0% of Niagara Mohawk's charged complaints in 2014. "Final termination notice received" was the most frequent complaint received in 2014 followed by "High Bill."

Table 3-2

<u>Complaint Type</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
<u>Electric outage related</u>	<u>26 (1)</u>	<u>19 (2)</u>	<u>8 (5)</u>	<u>10 (7)</u>	<u>4 (9)</u>	<u>6 (6)</u>	<u>2 (6)</u>	<u>3 (8)</u>	<u>1 (8)</u>
<u>High bill</u>	<u>22 (2)</u>	<u>38 (1)</u>	<u>33 (1)</u>	<u>28 (1)</u>	<u>27 (1)</u>	<u>15 (3)</u>	<u>2 (6)</u>	<u>13 (2)</u>	<u>18 (2)</u>
<u>Back billing</u>	<u>17 (3)</u>	<u>11 (5)</u>	<u>11 (4)</u>	<u>16 (5)</u>	<u>9 (5)</u>	<u>10 (4)</u>	<u>10 (2)</u>	<u>5 (6)</u>	<u>2 (7)</u>
<u>Final termination notice received</u>	<u>9 (4)</u>	<u>19 (2)</u>	<u>22 (2)</u>	<u>22 (2)</u>	<u>25 (2)</u>	<u>22 (1)</u>	<u>16 (1)</u>	<u>20 (1)</u>	<u>23 (1)</u>
<u>Responsibility for bill</u>	<u>8 (5)</u>	<u>19 (2)</u>	<u>15 (3)</u>	<u>22 (2)</u>	<u>22 (3)</u>	<u>15 (3)</u>	<u>6 (3)</u>	<u>11 (4)</u>	<u>9 (3)</u>
<u>Acct Init – UCB</u>	<u>8 (5)</u>	<u>4 (8)</u>	<u>6 (6)</u>	<u>11 (6)</u>	<u>-</u>	<u>2 (9)</u>	<u>4 (5)</u>	<u>4 (7)</u>	<u>6 (5)</u>
<u>Service delay – New</u>	<u>6 (7)</u>	<u>8 (6)</u>	<u>6 (6)</u>	<u>4 (8)</u>	<u>10 (4)</u>	<u>16 (2)</u>	<u>2 (6)</u>	<u>1 (9)</u>	<u>1 (8)</u>
<u>Initial/final bill</u>	<u>6 (7)</u>	<u>3 (10)</u>	<u>0 (11)</u>	<u>0 (11)</u>	<u>-</u>	<u>2 (9)</u>	<u>6 (3)</u>	<u>1 (9)</u>	<u>1 (8)</u>
<u>Transfer</u>	<u>6 (7)</u>	<u>2 (11)</u>	<u>2 (9)</u>	<u>4 (8)</u>	<u>7 (6)</u>	<u>5 (7)</u>	<u>2 (6)</u>	<u>3 (8)</u>	<u>6 (5)</u>
<u>Line extension charges</u>	<u>6 (7)</u>	<u>4 (8)</u>	<u>1 (10)</u>	<u>3 (10)</u>	<u>3 (11)</u>	<u>2 (9)</u>	<u>5 (4)</u>	<u>6 (5)</u>	<u>6 (5)</u>
<u>CONP</u>	<u>5 (11)</u>	<u>6 (7)</u>	<u>6 (6)</u>	<u>20 (4)</u>	<u>6 (7)</u>	<u>9 (5)</u>	<u>6 (3)</u>	<u>12 (3)</u>	<u>8 (4)</u>
<u>Right of way</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6 (7)</u>	<u>-</u>	<u>1 (7)</u>	<u>3 (8)</u>	<u>-</u>
<u>Relocation</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4 (9)</u>	<u>3 (8)</u>	<u>2 (6)</u>	<u>3 (8)</u>	<u>1 (8)</u>
<u>Switched Meters</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3 (11)</u>	<u>1 (10)</u>	<u>1 (7)</u>	<u>3 (8)</u>	<u>-</u>

<u>Estimated</u>	=	=	=	=	<u>3 (11)</u>	<u>1 (10)</u>	=	=	<u>2 (7)</u>
<u>Read</u>									

2. Residential Transaction Satisfaction Index

The Residential Transaction Satisfaction Index performance measure is calculated from monthly telephone survey results of a sample of residential customer transactions with the Company occurring in each month of the calendar year.

The survey population includes a sample of customers of the Company who in that month had any one of the following transactions with the Company:

1. Connect
2. Disconnect
3. Electric Service Orders/Gas Service Orders
4. Service Orders
5. Budget
6. High Bill
7. Collections
8. Direct Debit

The telephone survey includes a customer satisfaction question (Question No. 28) that is used to measure the Company's performance. Only surveys where the respondent answered question No. 28 will be considered complete. The question asks the customer: "Overall, on a scale from 1 to 10, where 1 means dissatisfied and 10 mean satisfied, how satisfied are you with the services provided by National Grid?" Monthly satisfaction scores represent the percentage of customers who gave a Top 3 rating (8, 9, or 10). The annual index score is a year-to-date measure of customers who provided a score of 8 or higher on the question. Table 3-3 depicts the monthly performance scores for 2013 and 2014.

Table 3-3

UNY Residential Scores						
2014	Satisfaction with Services (Q.28)	Base		2013	Satisfaction with Services (Q.28)	Base
14-Jan	82.7%	594		13-Jan	84.7%	595
14-Feb	77.7%	591		13-Feb	85.2%	595
14-Mar	69.1%	585		13-Mar	78.6%	598
14-Apr	73.6%	591		13-Apr	86.8%	597
14-May	79.6%	587		13-May	83.0%	594
14-Jun	81.2%	586		13-Jun	83.3%	598
14-Jul	81.8%	595		13-Jul	83.0%	588
14-Aug	79.1%	588		13-Aug	83.7%	601

14-Sep	83.2%	594	13-Sep	84.4%	595
14-Oct	82.9%	589	13-Oct	79.7%	596
14-Nov	81.6%	598	13-Nov	84.1%	590
14-Dec	84.0%	599	13-Dec	86.2%	594
YTD	79.7%	7097	YTD	83.6%	7141

Compared with 2013, Niagara Mohawk's overall performance decreased (-) 3.9 percentage points. The combination of unusually cold weather and high electric commodity prices, which, in turn, increased customer bills, negatively impacted the Company's residential customer satisfaction scores in 2014. This resulted in the Company missing its target for the first time since 2008, notwithstanding steps taken, which included:

- Establishment of a high bill task force to explain bills and offer solutions to customers;
- Aggressive outreach campaign that leveraged every major customer messaging touch point, including
 - Direct messaging on the bill
 - Communications in the WeConnect newsletter sent with the bill
 - New website content and links to billing solutions
 - IVR on hold messaging
 - Email blasts (electric only);
- Increased promotion of budget billing programs at summer fairs;
- Webinars targeted to government and jurisdictional stakeholders;
- Customer outreach and education campaign to provide tips and solutions to help customer potentially offset higher usage and manage costs;
- Establishment of a dedicated CSS Helpline to provide support on complex billing issues;
- Increased call center staffing and hours; and
- Additional training, quality monitoring, and individualized coaching to call center representatives.

The Company looks forward to discussing with Staff refining the metric to eliminate factors over which the Company has little or no control, such as high commodity costs.

3. Small/Medium Commercial and Industrial ("C&I") Transaction Satisfaction Index

The Small/Medium C&I Transaction Satisfaction Index performance measure is calculated from monthly telephone survey results of a sample of SC2 customer transactions with the Company occurring in each month of the calendar year. The survey population includes a sample of customers of the Company who in that month had any one of the following transactions with the Company:

1. Connect
2. Disconnect
3. Electric Service Orders/ Gas Service Orders
4. Service Orders
5. Budget
6. High Bill
7. Collections
8. Direct Debit

The telephone survey includes a customer satisfaction question (Question No. 28) that is used to measure the Company's performance. Only surveys where the respondent answered question No. 28 will be considered complete. The question asks the customer: "Overall, on a scale from 1 to 10, where 1 means dissatisfied and 10 mean satisfied, how satisfied are you with the services provided by National Grid?" Monthly satisfaction scores represent the percentage of customers who gave a Top 3 rating (8, 9, or 10). The annual index score is a year-to-date measure of customers who provided a score of 8 or higher on the question.

Small/Medium C&I customer contacts continue to be handled by a specialized group within the Customer Call Center. The Company continues to provide refresher training, quality monitoring, and individualized coaching for members of the small commercial customer team

Table 3-4 depicts the monthly performance scores for 2013 and 2014.

Table 3-4

UNY C&I Scores						
2014	Satisfaction with Services (Q.28)	Base		2013	Satisfaction with Services (Q.28)	Base
14-Jan	81.9%	127		13-Jan	89.7%	126
14-Feb	74.0%	127		13-Feb	83.1%	130
14-Mar	68.9%	122		13-Mar	73.8%	126
14-Apr	70.9%	127		13-Apr	81.1%	127
14-May	84.8%	125		13-May	81.0%	126
14-Jun	68.3%	126		13-Jun	79.4%	126
14-Jul	75.8%	124		13-Jul	71.7%	127
14-Aug	71.9%	128		13-Aug	81.1%	127
14-Sep	73.2%	127		13-Sep	86.9%	130
14-Oct	80.3%	127		13-Oct	78.6%	126
14-Nov	81.7%	126		13-Nov	79.5%	127
14-Dec	80.3%	127		13-Dec	91.1%	124
YTD	76.0%	1513		YTD	81.4%	1522

Compared with 2013, Niagara Mohawk's overall performance decreased (-) 5.4 percentage points. This decrease can be attributed to a number of factors, most notably the increase in energy prices throughout Upstate NY, resulting in higher bills for many customers. High bills, budget plans, collections and service orders were the driving transactions behind the unsatisfied responses.

4. Percent of Calls Answered within 30 Seconds

This measure is the percentage of all inbound customer service and collection calls to Niagara Mohawk or its agents, regardless of location, that are answered within 30 seconds. The measure excludes calls answered by any current or future Integrated Voice Response ("IVR") applications such as Customer Connection or OnCall applications. Table 3-5 displays the annual service level comparing the past five years, including calls answered by outsource contact centers.

Table 3-5

ANNUAL CALL VOLUMES				
Year	Calls Received	Calls Answered	Calls Answered ≤ 30 Seconds	Service Level % Calls Ans. Within 30 sec.
2014	4,927,391	4,758,520	3,809,026	80.05%
2013	4,182,668	4,070,938	3,294,260	80.92%
2012	3,923,225	3,836,647	3,129,577	81.57%
2011	4,035,183	3,927,437	3,109,781	79.18%
2010	3,901,479	3,803,619	2,996,287	78.77%

Table 3-6 displays monthly service levels for 2014, excluding IVR calls.

Table 3-6

2014 Monthly Call Volumes (without interactive voice response)				
Month	Calls Received	Calls Answered	Calls Answered ≤ 30 sec	Service Level
January	359,629	342,616	235,336	68.69%
February	339,020	323,359	228,685	70.72%
March	411,698	381,245	224,830	58.97%
April	426,806	411,391	306,588	74.52%
May	447,631	425,268	333,943	78.53%
June	440,906	427,013	355,736	83.31%

July	476,576	458,733	398,415	86.85%
August	448,721	441,509	395,705	89.63%
September	436,897	429,476	370,479	86.26%
October	431,390	424,570	369,013	86.91%
November	338,525	330,878	284,649	86.03%
December	369,592	362,462	305,647	84.33%
Total	4,927,391	4,758,520	3,809,026	80.05%

IV. OVERALL ASSESSMENT OF CUSTOMER SERVICE

For Niagara Mohawk, 2014 was a year of tremendous hard work and dedication aimed at exceeding customer expectations. The PSC Complaint Rate of 0.54 was the second lowest rate achieved by the Company in the last seven years. The Company's performance remained above target for the Commercial & Industrial (C&I) Customer Satisfaction and Percentage of Calls Answered within 30 Seconds performance measures. In 2015, the Company will continue to work at improving customer satisfaction.

V. ELECTRIC RELIABILITY PERFORMANCE MEASURES

1. SAIFI and CAIDI

As shown in Table 5-1 and Figure 5-1 below, the Company met its performance goal for CAIDI, which measures the average time an affected customer is out of service, ending the year at 1.94 hours. This is below the target of 2.05 hours.

The Company also achieved its performance goal for SAIFI, which measures the average number of interruptions experienced by a customer. SAIFI performance was 0.96, compared to the annual target of 1.13.

The number of interruptions excluding major storms was 6% below the 2013 result and was 7.6% below the 5-year average. The number of customers interrupted was 3% below the 2013 result and 6% above the 5-year average. The duration of customers interrupted (Customer-Hours Interrupted) was 4% below the 2013 result and was 5% above the 5-year average.

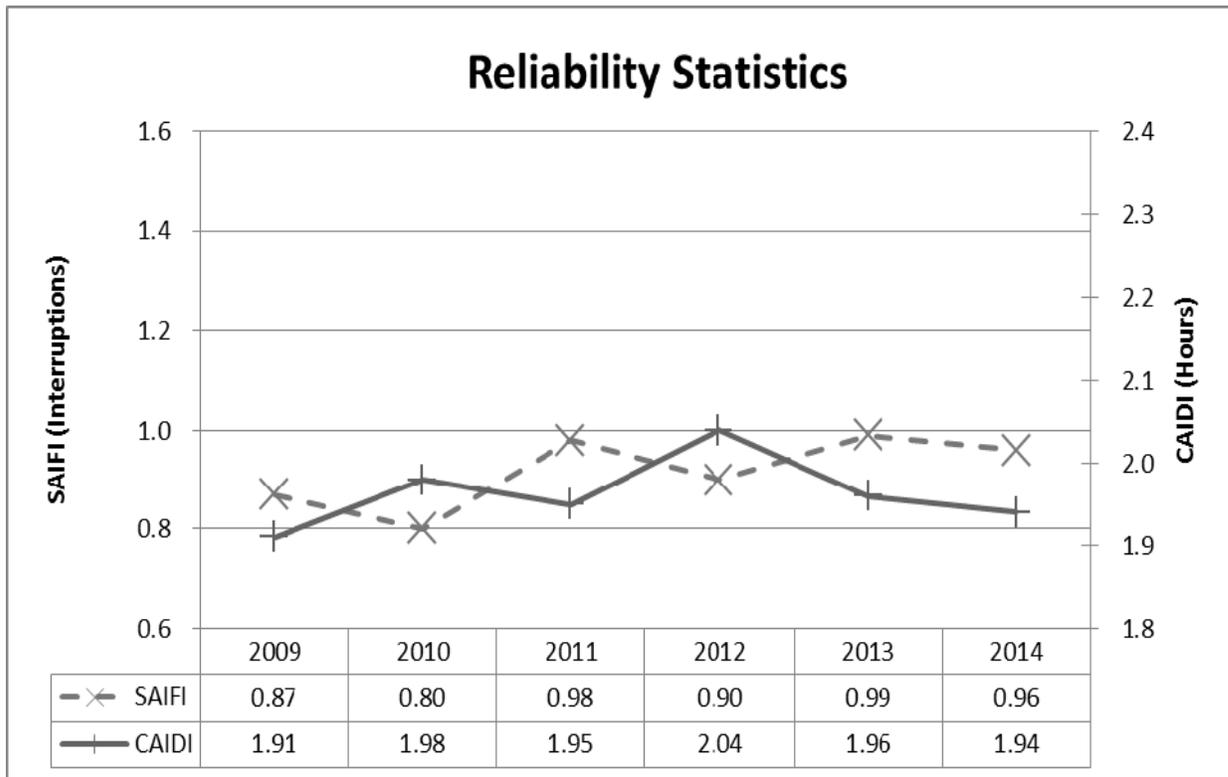
Table 5-1

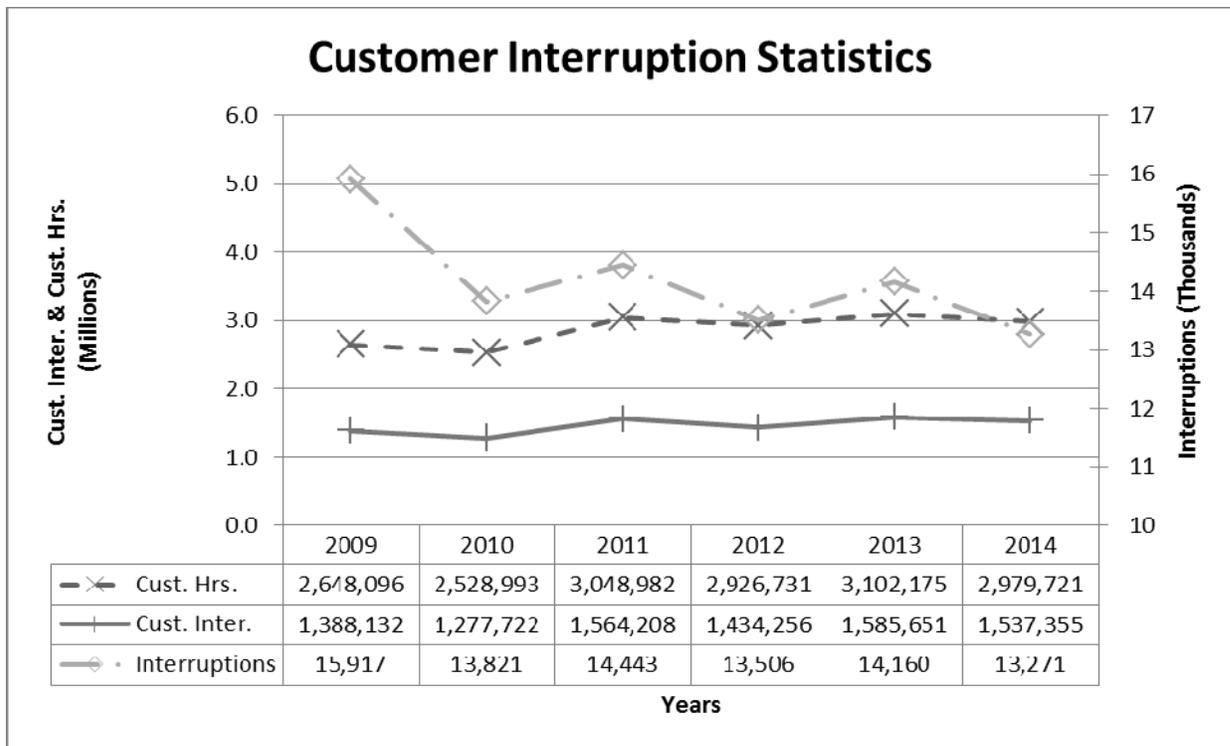
	2014	2013	2012	2011	2010	2009
CAIDI (Target IDS: 2.05, SIR: 2.07)	1.94	1.96	2.04	1.95	1.98	1.91
SAIFI	0.96	0.99	0.90	0.98	0.80	0.87

(Target IDS: 1.13, SIR: 0.93)						
Interruptions	13,271	14,160	13,506	14,443	13,821	15,917
Customers Interrupted	1,537,355	1,585,651	1,434,256	1,564,208	1,277,722	1,388,132
Customer-Hours Interrupted	2,979,721	3,102,175	2,926,731	3,048,982	2,528,993	2,648,096
Customers Served	1,604,865	1,605,502	1,600,014	1,597,998	1,587,730	1,587,230
Customers Per Interruption	115.84	111.98	118.47	108.30	92.45	87.21
Availability Index	99.9788	99.9779	99.97	99.98	99.98	99.98
Interruptions/1000 Customers	8.27	12.15	8.44	9.04	8.70	10.03

*Data prior to 2011 is extracted from the System Interruption Reporting (“SIR”) system. SIR was a manually entered mainframe system based on paper tickets returned from the field. Data in 2011 and beyond is extracted from the Interruption and Disturbance System (“IDS”). IDS is an Oracle database with an automatic feed from the Company’s PowerOn outage management system.

Figure 5-1 Reliability Statistics





2. ESTIMATING

The Estimating performance measure applies to distribution or sub-transmission capital projects completed between January 1 and December 31 with individual total projects costs over \$100,000. As shown in Table 5-2, there were 189 projects that met the metric criteria, representing a 56% increase over the 2013 amount. Of those 189 projects, 58 projects were completed within a variance of +/- 10 percent. This result of 30.7 percent did not meet the goal of 80 percent attainment.

Table 5-2 Estimating Statistics

Total Projects	Variance ≤ 10%	Variance >10%	Result
189	58	131	30.7%

The Company has continued to experience challenges due to a major change in system applications that has affected its ability to meet this metric. Work on addressing these challenges continues.

3. STANDARDIZED INTERCONNECTION REQUIREMENTS

First introduced in 2011, two mechanisms exist in the Joint Proposal to measure the Company's performance with respect to certain aspects of the "New York State Standardized Interconnection Requirements and Application Process for New Distributed Generators 2MW or Less Connected in Parallel with Utility Distribution Systems," dated July 2010 ("SIR").

The first mechanism measures the timely processing of applications. The Company must process completed applications received in accordance with the SIR within the following timeframes: (a) ten (10) business days for systems \leq 25kW; (b) fifteen (15) business days for inverter based systems $>$ 25kW and \leq 200kW that qualify for the expedited application process; and (c) fifteen (15) business days for systems \leq 200kW that do not qualify for the expedited application process. Failure to process \geq ninety (90) percent of the aggregate of completed applications received within the timeframes set forth above subjects the Company to a negative revenue adjustment of \$2 million. In calendar year 2014, the Company processed 95.9 percent of its applications within the required timeframes.

The second mechanism measures the timely installation of net meters. For systems that qualify for the expedited application process, the Company must install net meters within ten (10) business days. Failure to install \geq ninety (90) percent of net meters within the ten (10) business day timeframe set forth above subjects the Company to a negative revenue adjustment of \$2 million. In calendar year 2014, Niagara Mohawk installed 93.1 percent of net meters within the required timeframe.

Achieving the application process and meter installation requirements was again very challenging in light of the fact that the number of applications received in calendar year 2014 increased 203 percent compared to calendar year 2013 and 341 percent compared to calendar year 2012. The Company anticipates that applications for small generator interconnections and net metering installations will continue to accelerate in 2015 as the technology becomes more accessible and incentives to install such equipment continue.

4. INSPECTION AND MAINTENANCE ("I&M") PROGRAM

The I&M Program measure is a new metric that was introduced in the Joint Proposal, beginning April 1, 2013. Under the measure, the Company is subject to a negative revenue adjustment of \$1 million if it fails to repair at least 85 percent of Level II deficiencies (as defined in the Safety Orders in Case 04-M-0159 ("Safety Orders")) that have a repair due date within the respective calendar year within the time period allowed for such repairs under the Safety Orders (*i.e.*, one year). The Company is subject to an additional negative revenue adjustment of \$1 million if it fails to repair at least 75 percent of Level III deficiencies (as defined

in the Safety Orders) that have a repair due date within the respective calendar year within the time period allowed for such repairs under the Safety Orders (*i.e.*, three years).

As shown in Table 5-3, the Company achieved its I&M Program performance goal in 2014. The Company's annual performance in 2014 was 92.0% for Level II deficiencies and 95.6% for Level III deficiencies.

Table 5-3 I&M Program Statistics

<i>Priority Levels</i>	TARGETS		ACTUALS	
	<i># Deficiencies Found</i>	<i># Deficiencies Repaired in Timeframe</i>	<i># Deficiencies Repaired in Timeframe</i>	<i>% Complete</i>
II (<i>identified in CY2013</i>)	21,284	19,576	19,576	91.975%
III (<i>identified in CY2011</i>)	19,280	18,432	18,432	95.601%



Patric R. O'Brien
Assistant General Counsel

March 31, 2016

VIA ELECTRONIC FILING

Honorable Kathleen H. Burgess
Secretary
New York State Public Service Commission
Three Empire State Plaza
Albany, New York 12223

Re: Case 12-E-0201 – Proceeding on Motion of the Commission as to the Rates, Charges, Rules and Regulations of Niagara Mohawk Power Corporation d/b/a National Grid for Electric Service

Case 12-G-0202 – Proceeding on Motion of the Commission as to the Rates, Charges, Rules and Regulations of Niagara Mohawk Power Corporation d/b/a National Grid for Gas Service

Dear Secretary Burgess:

Pursuant to Attachment 1 to Appendix 7 of the Joint Proposal adopted by the Commission in its *Order Approving Electric and Gas Rate Plans in Accord with Joint Proposal* (issued and effective March 15, 2013) in the above-captioned matters, Niagara Mohawk Power Corporation d/b/a National Grid respectfully submits its Annual Service Quality Assurance Program Report for the year ended December 31, 2015.

Should you have any questions, please do not hesitate to contact me. Thank you for your time and attention.

Respectfully submitted,

/s/Patric R. O'Brien
Patric R. O'Brien

Attachments

cc: Rajendra Addepalli
Luann Scherer
Leonard Silverstein
Michael Worden
Christian Bonvin
Denise Gerbsch
Allison Esposito

nationalgrid

PSC Cases 12-E-0201/12-G-0202
Niagara Mohawk Power Corporation d/b/a National Grid
Service Quality Assurance Program Report
For Calendar Year 2015

Summary
Sheet 1

<u>Customer Service Measures:</u>	<u>TARGET</u>	<u>2015</u> <u>ANNUAL NEGATIVE</u> <u>REVENUE</u> <u>ADJUSTMENT</u>	<u>ACTUAL YE</u> <u>RESULTS</u> <u>THROUGH</u> <u>31-Dec-2015</u>	<u>Penalty Incurred</u>
<u>1. Annual PSC Complaint Rate</u>				
<u>Rate Interval (per 100K customers)</u>				
	< 1.5	\$0	0.72	\$0
	=1.5	\$1,117,500		
	>1.5 - 2.5	\$1,117,500 to \$7,830,000		
	>2.5	\$7,830,000		
<u>2. Residential Transaction Satisfaction Index</u>				
<u>Residential Transaction Satisfaction Index Interval</u>				
	>82.0	\$0	83.0%	\$0
	=82.0	\$577,500		
	<82.0 - 78.0	\$577,500 to \$3,990,000		
	<78.0	\$3,990,000		
<u>3. Small/Medium Commercial & Industrial(C&I) Transaction Satisfaction Index</u>				
<u>C&I Transaction Satisfaction Index Interval</u>				
	>75.1	\$0	80.4%	\$0
	=75.1	\$577,500		
	<75.1 - 71.1	\$577,500 to \$3,990,000		
	<71.1	\$3,990,000		
<u>4. Percentage of Calls Answered within 30 Seconds</u>				
<u>Percent Calls Answered within 30 Seconds</u>				
	>78.0	\$0	80.4%	\$0
	=78.0	\$577,500		
	<78.0 - 72.0	\$577,500 to \$3,990,000		
	<72.0	\$3,990,000		

PSC Cases 12-E-0201/12-G-0202
Niagara Mohawk Power Corporation d/b/a National Grid
Service Quality Assurance Program Report
For Calendar Year 2015

Summary
Sheet 2

Electric Reliability Measures:	TARGET	2015 ANNUAL NEGATIVE REVENUE ADJUSTMENT	ACTUAL YTD RESULTS THROUGH 31-Dec-2015	Penalty Incurred
5. System Average Interruption Frequency Index(SAIFI)				
SAIFI Interval (Number of outages per customer per year)				
	1.13 or below	\$0	1.02	\$0
	Greater than 1.13 but less than or equal to 1.19	\$3,000,000		
	Greater than 1.19	\$6,000,000		
6. Customer Average Interruption Duration Index(CAIDI)				
CAIDI Interval (Average hours per interruption)				
	2.05 or below	\$0	2.04	\$0
	Greater than 2.05 but less than or equal to 2.15	\$3,000,000		
	Greater than 2.15	\$6,000,000		
7. Estimating				
Distribution and sub-Transmission projects				
	>= 80%	\$0		
	Between 70% and 80%	\$1,000,000		
	< 70%	\$2,000,000	49.0%	\$2,000,000
8. Standardized Interconnection Requirements				
a) Application processing				
Percent of applications completed within specified timeframe				
		\$0	97.5%	\$0
Failure to process >=90 % of the aggregate of completed application received within the set timeframe				
		\$2,000,000		
b) Installation of net meters				
Percent of meters installed within 10 days				
		\$0	96.1%	\$0
Failure to install > = 90% of net meters within 10 day timeframe				
		\$2,000,000		
9. Inspection & Maintenance ("I&M") Program				
a) Repair >=85% of Level II deficiencies				
		\$0	92.3%	\$0
Failure to repair at least 85% of Level II deficiencies (as defined in the Safety Orders)				
		\$1,000,000		
b) Repair >=75% of Level III deficiencies				
		\$0	90.8%	\$0
Failure to repair at least 75% of Level III deficiencies (as defined in the Safety Orders)				
		\$1,000,000		
Total				\$ 2,000,000.00



PSC Cases 12-E-0201/12-G-0202
Niagara Mohawk Power Corporation d/b/a National Grid
Service Quality Assurance Program Report
Calendar Year 2015 - Monthly Results

Summary
Sheet 3

<u>Customer Service Measures:</u>	<u>Reference</u>	<u>January</u>	<u>February</u>	<u>March</u>	<u>April</u>	<u>May</u>	<u>June</u>	<u>July</u>	<u>August</u>	<u>September</u>	<u>October</u>	<u>November</u>	<u>December</u>	<u>YTD</u>
1. Annual PSC Complaint Rate		0.41	0.18	0.65	1.36	1.00	1.06	0.53	0.77	0.59	0.71	0.88	0.53	0.72
2. Residential Transaction Satisfaction Index		84.4%	79.5%	83.6%	79.3%	84.8%	82.6%	81.8%	84.4%	81.6%	82.5%	85.7%	86.2%	83.0%
3. Small/Medium Commercial & Industrial(C&I) Transaction Satisfaction Index		83.5%	83.9%	78.4%	84.9%	75.0%	79.4%	80.3%	77.5%	80.3%	88.7%	71.1%	81.7%	80.4%
4. Percent Calls Answered within 30 Seconds		82.6%	82.0%	78.7%	80.0%	79.9%	74.3%	83.9%	83.7%	76.3%	80.2%	80.7%	83.4%	80.4%
<u>Electric Reliability Measures:</u>														
5. System Average Interruption Frequency Index(SAIFI)		0.06	0.03	0.06	0.08	0.10	0.13	0.13	0.09	0.09	0.09	0.10	0.06	1.02
6. Customer Average Interruption Duration Index(CAIDI)		1.84	2.87	2.09	1.93	1.84	2.11	2.10	2.20	2.20	1.66	1.90	2.26	2.04
7. Estimating (YTD)				61.9%			58.8%			50.9%			49.0%	49.0%
8. Standardized Interconnection Requirements (SIR)														
a) Application processing (YTD)				97.1%			96.8%			97.4%			97.5%	97.5%
b) Installation of net meters (YTD)				96.3%			96.1%			96.3%			96.1%	96.1%
9. Inspection & Maintenance ("I&M") Program														
a) Repair >=85% of Level II deficiencies (YTD)				96.9%			92.8%			92.8%			92.3%	92.3%
b) Repair >=75% of Level III deficiencies (YTD)				97.2%			94.0%			92.3%			90.8%	90.8%

Notes:

- Item 5. System Average Interruption Frequency Index (SAIFI) for July and August were updated.
- Item 6. Customer Average Interruption Duration Index (CAIDI) for June, July and August were updated.
- Item 8a. Percentages of application processing for March, June and September were updated.
- Item 8b. Percentages of installation of net meters for March and June were updated.

Cases 12-E-0201 and 12-G-0202

**Niagara Mohawk Power Corporation d/b/a
National Grid
Service Quality Assurance Program Report
For the Year Ended December 31, 2015**

Cases 12-E-0201 and 12-G-0202
Niagara Mohawk Power Corporation d/b/a National Grid
Service Quality Assurance Program Report
For the Year Ended December 31, 2015

I. INTRODUCTION

Pursuant to Appendix 7 of the Joint Proposal adopted by the Commission in its *Order Approving Electric and Gas Rate Plans in Accord with Joint Proposal* (issued and effective March 15, 2013) in Cases 12-E-0201 and 12-G-0202, Niagara Mohawk Power Corporation d/b/a National Grid (“Niagara Mohawk” or “Company”) submits this report on its Service Quality Assurance Program (“SQA Program”) for the year ended December 31, 2015.

For calendar year 2015, Niagara Mohawk met all of the customer service performance measures and four out of the five electric reliability performance measures. The Company missed the Estimating electric reliability performance measure. As a result, the Company incurred a negative revenue adjustment of \$2.00 million in calendar year 2015. The negative revenue adjustment will be included in the deferral account pursuant to Section 1.2.4 of Appendix 7 of the Joint Proposal.

This report includes an overview of the Company’s customer service performance during 2015, details on performance results for the four customer service performance measures and the five electric reliability performance measures, and an overall assessment of customer service for the year.

II. CUSTOMER SERVICE 2015 OVERVIEW

Throughout 2015, Niagara Mohawk’s Customer Service organization continued to implement best practices and process improvements to deliver the service that the Company’s customers deserve. The centerpiece of Niagara Mohawk’s customer service efforts is the Customer Call Center in Syracuse, New York. The Call Center is open for full service Monday through Friday with limited services on Saturday. For emergency and outage calls, the Call Center is open 24 hours a day, 365 days a year. The Call Center management team works to promote Niagara Mohawk’s values, vision, and mission statement through coaching, evaluating, and measuring performance. Another organization that contributes to customer service efforts is the Company’s Accounts Processing organization. This organization, which is located in Syracuse and Niagara Falls, is responsible for ensuring bill accuracy, revenue integrity, and timely cash flow. To ensure the best customer experience possible, both the Customer Call Center and the Accounts Processing organization receive extensive training throughout the year specific to meeting both the needs of customers and the Company’s regulatory

obligations. In addition, Niagara Mohawk has a group, the Escalated Complaint Management UNY, located in Syracuse dedicated to handling escalated complaints received by the Company directly as well as from the Commission. The Escalated Complaint Management UNY is dedicated to resolving escalated customer issues, ensuring that the Company's regulatory customer policies are followed consistently, and managing the Commission's Quick Resolution Process for the Company. Every employee within the Customer Service organization at Niagara Mohawk is committed to providing the highest quality service to customers in Upstate New York.

III. CUSTOMER SERVICE MEASURES

1. Annual PSC Complaint Rate

A PSC complaint is initiated with a dispute being filed by, or on behalf of, a customer with the Staff of the DPS Office of Consumer Services. The issue of concern forming the basis for the complaint must be one within the Company's control. Matters within the responsibility or control of an alternative service provider are not counted as a PSC complaint against the Company under this measure. Only charged complaints are included in the PSC Complaint Rate measure.

The calculation of complaints per 100,000 customers is based on the total sum of all charged complaints received regardless of whether an electric or gas complaint.

Table 3-1

<u>Year</u>	<u>PSC Complaint Volume</u>	<u>PSC Complaint Rate</u>
2015	147	0.72
2014	112	0.54
2013	118	0.57
2012	87	0.42
2011	135	0.66
2010	155	0.76
2009	210	1.03

As Table 3-1 indicates, Niagara Mohawk achieved a PSC Complaint Rate of 0.72 per 100,000 customers in 2015. Complaint volumes for QRS (non-charged complaints) were down from 2014 levels; however, complaint volumes for SRS (charged complaints) increased in comparison to 2014. QRS complaints were down by 14% and SRS complaints rose by 31%. Credit & Collections and Billing issues continue to account for the majority of charged complaints. The Company's administration of credit and collections policies and programs

attempts to minimize total arrears by working with customers on an individual basis. Niagara Mohawk continues to focus on improving credit and collections performance while maintaining customer satisfaction and holding the complaint rate at an absolute minimum. The Company continues to resolve the vast majority of initial contacts, thereby minimizing the total number of charged complaints.

The 13 complaint types illustrated in Table 3-2 account for 67.3% of Niagara Mohawk's charged complaints in 2015. "Final termination notice received" and "CONP" were the most frequent complaints received in 2015, followed by "Responsibility for Bill."

Table 3-2

<u>Complaint Type</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
<u>Electric outage related</u>	<u>19 (2)</u>	<u>8 (5)</u>	<u>10 (7)</u>	<u>4 (9)</u>	<u>6 (6)</u>	<u>2 (6)</u>	<u>3 (8)</u>	<u>1 (8)</u>	<u>3 (11)</u>
<u>High bill</u>	<u>38 (1)</u>	<u>33 (1)</u>	<u>28 (1)</u>	<u>27 (1)</u>	<u>15 (3)</u>	<u>2 (6)</u>	<u>13 (2)</u>	<u>18 (2)</u>	<u>6 (6)</u>
<u>Back billing</u>	<u>11 (5)</u>	<u>11 (4)</u>	<u>16 (5)</u>	<u>9 (5)</u>	<u>10 (4)</u>	<u>10 (2)</u>	<u>5 (6)</u>	<u>2 (7)</u>	<u>6 (6)</u>
<u>Final termination notice received</u>	<u>19 (2)</u>	<u>22 (2)</u>	<u>22 (2)</u>	<u>25 (2)</u>	<u>22 (1)</u>	<u>16 (1)</u>	<u>20 (1)</u>	<u>23 (1)</u>	<u>18 (1)</u>
<u>Responsibility for bill</u>	<u>19 (2)</u>	<u>15 (3)</u>	<u>22 (2)</u>	<u>22 (3)</u>	<u>15 (3)</u>	<u>6 (3)</u>	<u>11 (4)</u>	<u>9 (3)</u>	<u>9 (3)</u>
<u>Acct Init – UCB</u>	<u>4 (8)</u>	<u>6 (6)</u>	<u>11 (6)</u>	<u>-</u>	<u>2 (9)</u>	<u>4 (5)</u>	<u>4 (7)</u>	<u>6 (5)</u>	<u>6 (6)</u>
<u>Service delay – New</u>	<u>8 (6)</u>	<u>6 (6)</u>	<u>4 (8)</u>	<u>10 (4)</u>	<u>16 (2)</u>	<u>2 (6)</u>	<u>1 (9)</u>	<u>1 (8)</u>	<u>7 (5)</u>
<u>Initial/final bill</u>	<u>3 (10)</u>	<u>0 (11)</u>	<u>0 (11)</u>	<u>-</u>	<u>2 (9)</u>	<u>6 (3)</u>	<u>1 (9)</u>	<u>1 (8)</u>	<u>3 (11)</u>
<u>Transfer</u>	<u>2 (11)</u>	<u>2 (9)</u>	<u>4 (8)</u>	<u>7 (6)</u>	<u>5 (7)</u>	<u>2 (6)</u>	<u>3 (8)</u>	<u>6 (5)</u>	<u>5 (9)</u>
<u>Line extension charges</u>	<u>4 (8)</u>	<u>1 (10)</u>	<u>3 (10)</u>	<u>3 (11)</u>	<u>2 (9)</u>	<u>5 (4)</u>	<u>6 (5)</u>	<u>6 (5)</u>	<u>8 (4)</u>
<u>CONP</u>	<u>6 (7)</u>	<u>6 (6)</u>	<u>20 (4)</u>	<u>6 (7)</u>	<u>9 (5)</u>	<u>6 (3)</u>	<u>12 (3)</u>	<u>8 (4)</u>	<u>18 (1)</u>

<u>Right of way</u>	=	=	=	<u>6 (7)</u>	=	<u>1 (7)</u>	<u>3 (8)</u>	=	<u>4 (10)</u>
<u>Relocation</u>	=	=	=	<u>4 (9)</u>	<u>3 (8)</u>	<u>2 (6)</u>	<u>3 (8)</u>	<u>1 (8)</u>	<u>3 (11)</u>
<u>Switched Meters</u>	=	=	=	<u>3 (11)</u>	<u>1 (10)</u>	<u>1 (7)</u>	<u>3 (8)</u>	=	<u>3 (11)</u>
<u>Estimated Read</u>	=	=	=	<u>3 (11)</u>	<u>1 (10)</u>	=	=	<u>2 (7)</u>	=

2. Residential Transaction Satisfaction Index

The Residential Transaction Satisfaction Index performance measure is calculated from monthly telephone survey results of a sample of residential customer transactions with the Company occurring in each month of the calendar year.

The survey population includes a sample of customers of the Company who in that month had any one of the following transactions with the Company:

1. Connect
2. Disconnect
3. Electric Service Orders/Gas Service Orders
4. Service Orders
5. Budget
6. High Bill
7. Collections
8. Direct Debit

The telephone survey includes a customer satisfaction question (Question No. 28) that is used to measure the Company's performance. Only surveys where the respondent answered question No. 28 will be considered complete. The question asks the customer: "Overall, on a scale from 1 to 10, where 1 means dissatisfied and 10 mean satisfied, how satisfied are you with the services provided by National Grid?" Monthly satisfaction scores represent the percentage of customers who gave a Top 3 rating (8, 9, or 10). The annual index score is a year-to-date measure of customers who provided a score of 8 or higher on the question. Table 3-3 depicts the monthly performance scores for 2014 and 2015.

Table 3-3

UNY Residential Scores					
2015	Satisfaction with Services (Q.28)	Base	2014	Satisfaction with Services (Q.28)	Base
15-Jan	84.4%	584	14-Jan	82.7%	594

15-Feb	79.5%	584	14-Feb	77.7%	591
15-Mar	83.6%	590	14-Mar	69.1%	585
15-Apr	79.3%	585	14-Apr	73.6%	591
15-May	84.8%	591	14-May	79.6%	587
15-Jun	82.6%	592	14-Jun	81.2%	586
15-Jul	81.8%	593	14-Jul	81.8%	595
15-Aug	84.4%	591	14-Aug	79.1%	588
15-Sep	81.6%	591	14-Sep	83.2%	594
15-Oct	82.5%	587	14-Oct	82.9%	589
15-Nov	85.7%	589	14-Nov	81.6%	598
15-Dec	86.2%	587	14-Dec	84.0%	599
YTD	83.0%	7064	YTD	79.7%	7097

Compared with 2014, Niagara Mohawk's overall performance increased (+) 3.3 percentage points.

3. Small/Medium Commercial and Industrial (“C&I”) Transaction Satisfaction Index

The Small/Medium C&I Transaction Satisfaction Index performance measure is calculated from monthly telephone survey results of a sample of SC2 customer transactions with the Company occurring in each month of the calendar year. The survey population includes a sample of customers of the Company who in that month had any one of the following transactions with the Company:

1. Connect
2. Disconnect
3. Electric Service Orders/ Gas Service Orders
4. Service Orders
5. Budget
6. High Bill
7. Collections
8. Direct Debit

The telephone survey includes a customer satisfaction question (Question No. 28) that is used to measure the Company's performance. Only surveys where the respondent answered question No. 28 will be considered complete. The question asks the customer: “Overall, on a scale from 1 to 10, where 1 means dissatisfied and 10 mean satisfied, how satisfied are you with the services provided by National Grid?” Monthly satisfaction scores represent the percentage of customers who gave a Top 3 rating (8, 9, or 10). The annual index score is a year-to-date measure of customers who provided a score of 8 or higher on the question.

Small/Medium C&I customer contacts continue to be handled by a specialized group within the Customer Call Center. The Company continues to provide refresher training, quality monitoring, and individualized coaching for members of the small commercial customer team

Table 3-4 depicts the monthly performance scores for 2014 and 2015.

Table 3-4

UNY C&I Scores					
2015	Satisfaction with Services (Q.28)	Base	2014	Satisfaction with Services (Q.28)	Base
15-Jan	83.5%	127	14-Jan	81.9%	127
15-Feb	83.9%	124	14-Feb	74.0%	127
15-Mar	78.4%	125	14-Mar	68.9%	122
15-Apr	84.9%	126	14-Apr	70.9%	127
15-May	75.0%	128	14-May	84.8%	125
15-Jun	79.4%	126	14-Jun	68.3%	126
15-Jul	80.3%	127	14-Jul	75.8%	124
15-Aug	77.5%	129	14-Aug	71.9%	128
15-Sep	80.3%	127	14-Sep	73.2%	127
15-Oct	88.7%	124	14-Oct	80.3%	127
15-Nov	71.1%	128	14-Nov	81.7%	126
15-Dec	81.7%	126	14-Dec	80.3%	127
YTD	80.4%	1517	YTD	76.0%	1513

Compared with 2014, Niagara Mohawk's overall performance increased (+) 4.4 percentage points.

4. Percent of Calls Answered within 30 Seconds

This measure is the percentage of all inbound customer service and collection calls to Niagara Mohawk or its agents, regardless of location, that are answered within 30 seconds. The measure excludes calls answered by any current or future Integrated Voice Response ("IVR") applications such as Customer Connection or OnCall applications. Table 3-5 displays the annual service level comparing the past five years, including calls answered by outsource contact centers.

Table 3-5

ANNUAL CALL VOLUMES				
Year	Calls Received	Calls Answered	Calls Answered ≤ 30 Seconds	Service Level % Calls Ans. Within 30 sec.
2015	4,608,287	4,492,842	3,611,468	80.38%

2014	4,927,391	4,758,520	3,809,026	80.05%
2013	4,182,668	4,070,938	3,294,260	80.92%
2012	3,923,225	3,836,647	3,129,577	81.57%
2011	4,035,183	3,927,437	3,109,781	79.18%

Table 3-6 displays monthly service levels for 2015, excluding IVR calls.

Table 3-6

2015 Monthly Call Volumes (without interactive voice response)				
Month	Calls Received	Calls Answered	Calls Answered ≤ 30 sec	Service Level
January	366,210	360,084	297,501	82.62%
February	338,434	331,946	272,359	82.05%
March	402,876	391,072	307,765	78.70%
April	399,498	388,165	310,339	79.95%
May	385,875	376,432	300,903	79.94%
June	433,521	410,960	305,445	74.32%
July	401,239	393,839	330,537	83.93%
August	392,114	385,354	322,644	83.73%
September	400,520	390,214	297,861	76.33%
October	417,495	408,370	327,442	80.18%
November	335,100	326,267	263,261	80.69%
December	335,405	330,139	275,411	83.42%
Total	4,608,287	4,492,842	3,611,468	80.38%

IV. OVERALL ASSESSMENT OF CUSTOMER SERVICE

For Niagara Mohawk, 2015 was a year of tremendous hard work, consistent improvement and dedication aimed at exceeding customer expectations. The Company succeeded in surpassing target levels for all four of the Customer Service measures. In 2016, the Company will continue to work at improving customer satisfaction.

V. ELECTRIC RELIABILITY PERFORMANCE MEASURES

1. SAIFI and CAIDI

As shown in Table 5-1 and Figure 5-1 below, the Company met its performance goal for CAIDI, which measures the average time an affected customer is out of service, ending the year at 2.04 hours. This is below the target of 2.05 hours.

The Company also achieved its performance goal for SAIFI, which measures the average number of interruptions experienced by a customer. SAIFI performance was 1.02, compared to the annual target of 1.13.

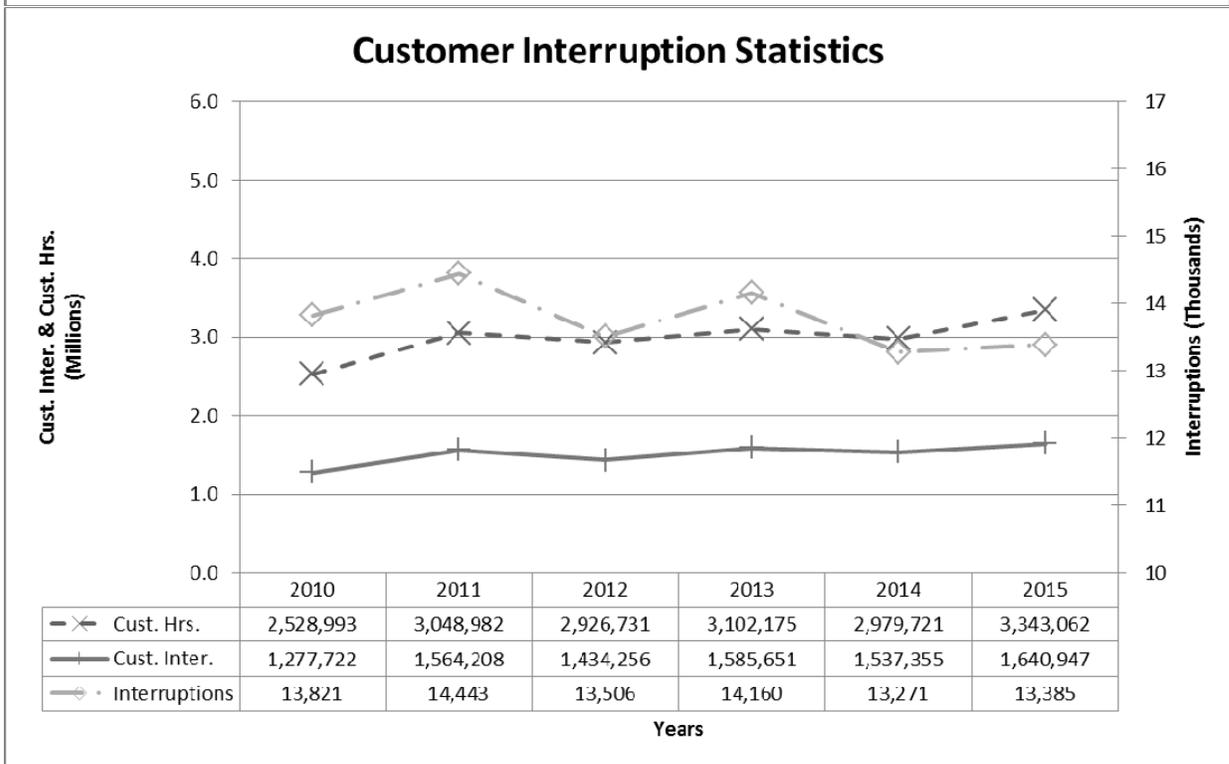
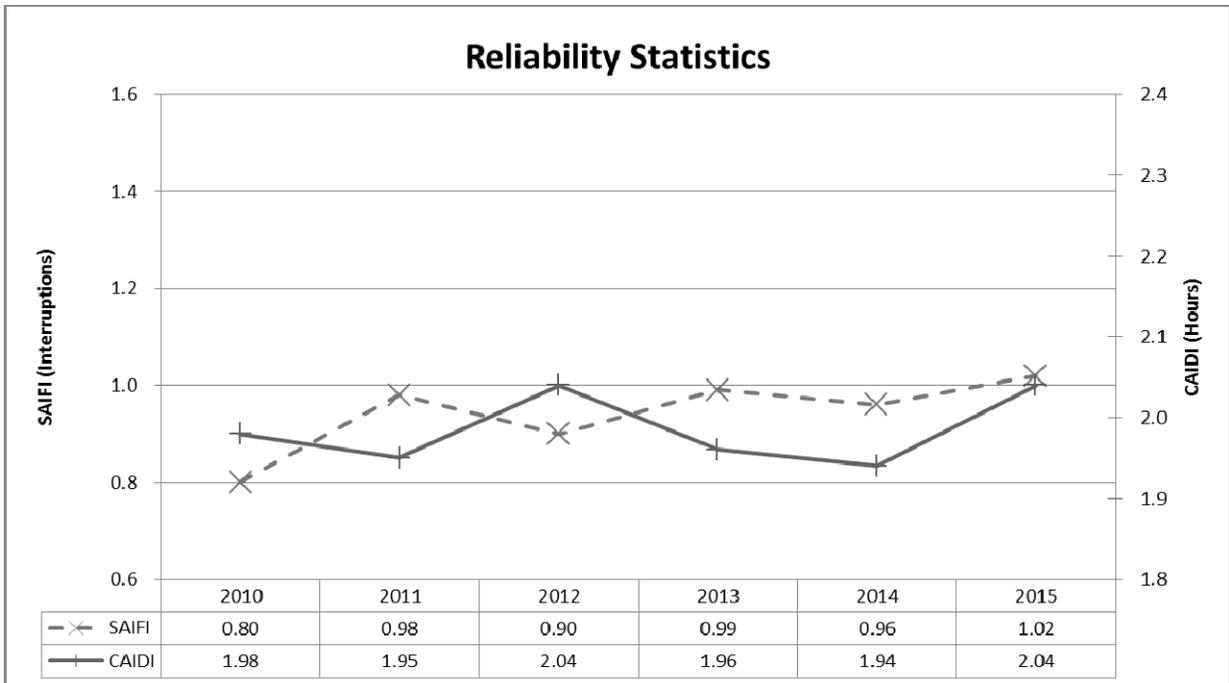
The number of interruptions excluding major storms was 1% above the 2014 result and was 3.3% below the 5-year average. The number of customers interrupted was 6.7% above the 2014 result and 11% above the 5-year average. The duration of customers interrupted (Customer-Hours Interrupted) was 12% below the 2014 result and was 15% above the 5-year average.

Table 5-1

	2015	2014	2013	2012	2011	2010
CAIDI (Target IDS: 2.05, SIR: 2.07)	2.04	1.94	1.96	2.04	1.95	1.98
SAIFI (Target IDS: 1.13, SIR: 0.93)	1.02	0.96	0.99	0.90	0.98	0.80
Interruptions	13,385	13,271	14,160	13,506	14,443	13,821
Customers Interrupted	1,640,947	1,537,355	1,585,651	1,434,256	1,564,208	1,277,722
Customer-Hours Interrupted	3,343,062	2,979,721	3,102,175	2,926,731	3,048,982	2,528,993
Customers Served	1,605,794	1,604,865	1,605,502	1,600,014	1,597,998	1,587,730
Customers Per Interruption	122.60	115.84	111.98	118.47	108.30	92.45
Availability Index	99.9762	99.9788	99.9779	99.97	99.98	99.98
Interruptions/1000 Customers	8.34	8.27	12.15	8.44	9.04	8.70

*Data prior to 2011 is extracted from the System Interruption Reporting (“SIR”) system. SIR was a manually entered mainframe system based on paper tickets returned from the field. Data in 2011 and beyond is extracted from the Interruption and Disturbance System (“IDS”). IDS is an Oracle database with an automatic feed from the Company’s PowerOn outage management system.

Figure 5-1 Reliability Statistics



2. ESTIMATING

The Estimating performance measure applies to distribution or sub-transmission capital projects completed between January 1 and December 31 with individual total projects costs over \$100,000. As shown in Table 5-2, there were 147

projects that met the metric criteria. Of those 147 projects, 72 projects were completed within a variance of +/- 10 percent. This result of 49.0 percent did not meet the goal of 80 percent attainment.

Table 5-2 Estimating Statistics

Total Projects	Variance ≤ 10%	Variance >10%	Result
147	72	75	49.0%

3. STANDARDIZED INTERCONNECTION REQUIREMENTS

First introduced in 2011, two mechanisms exist in the Joint Proposal to measure the Company's performance with respect to certain aspects of the "New York State Standardized Interconnection Requirements and Application Process for New Distributed Generators 2MW or Less Connected in Parallel with Utility Distribution Systems," dated July 2010 ("SIR").

The first mechanism measures the timely processing of applications. The Company must process completed applications received in accordance with the SIR within the following timeframes: (a) ten (10) business days for systems ≤ 25kW; (b) fifteen (15) business days for inverter based systems > 25kW and ≤ 200kW that qualify for the expedited application process; and (c) fifteen (15) business days for systems ≤ 200kW that do not qualify for the expedited application process. Failure to process ≥ ninety (90) percent of the aggregate of completed applications received within the timeframes set forth above subjects the Company to a negative revenue adjustment of \$2 million. In calendar year 2015, the Company processed 97.5 percent of its applications within the required timeframes.

The second mechanism measures the timely installation of net meters. For systems that qualify for the expedited application process, the Company must install net meters within ten (10) business days. Failure to install ≥ ninety (90) percent of net meters within the ten (10) business day timeframe set forth above subjects the Company to a negative revenue adjustment of \$2 million. In calendar year 2015, Niagara Mohawk installed 96.1 percent of net meters within the required timeframe.

Achieving the application process and meter installation requirements was again very challenging in light of the fact that the number of applications received in calendar year 2015 increased 53 percent compared to calendar year 2014, 364 percent compared to calendar year 2013 and 575 percent compared to calendar year 2012. The Company anticipates that applications for small generator interconnections and net metering installations will continue to accelerate in 2016

as the technology becomes more accessible and incentives to install such equipment continue.

4. INSPECTION AND MAINTENANCE (“I&M”) PROGRAM

The I&M Program measure is a metric that was introduced in the Joint Proposal, beginning April 1, 2013. Under the measure, the Company is subject to a negative revenue adjustment of \$1 million if it fails to repair at least 85 percent of Level II deficiencies (as defined in the Safety Orders in Case 04-M-0159 (“Safety Orders”)) that have a repair due date within the respective calendar year within the time period allowed for such repairs under the Safety Orders (*i.e.*, one year). The Company is subject to an additional negative revenue adjustment of \$1 million if it fails to repair at least 75 percent of Level III deficiencies (as defined in the Safety Orders) that have a repair due date within the respective calendar year within the time period allowed for such repairs under the Safety Orders (*i.e.*, three years).

As shown in Table 5-3, the Company achieved its I&M Program performance goal in 2015. The Company’s annual performance in 2015 was 92.3% for Level II deficiencies and 90.8% for Level III deficiencies.

Table 5-3 I&M Program Statistics

<i>Priority Levels</i>	TARGETS		ACTUALS	
	<i># Deficiencies Found</i>		<i># Deficiencies Repaired in Timeframe</i>	<i>% Complete</i>
II (<i>identified in CY2014</i>)	24,760		22,865	92.347%
III (<i>identified in CY2012</i>)	25,709		23,339	90.781%



Martin F. Heslin
Assistant General Counsel
Consolidated Edison Company of New York, Inc.
4 Irving Place, Room 1815-S, New York NY 10003
212-460-4705 Fax: 212-677-5850
Email: Heslinm@coned.com

May 21, 2010

By Overnight Delivery and E-Mail

Ms. Sandra S. Sloane
Director, Office of Consumer Services
State of New York Department of Public Service
Consumer Services Division
1 Delaware Avenue
Delmar, NY 12054

Re: Case 08-E-0539 – Con Edison Electric Rates:
Con Edison's Customer Service Performance
Mechanism for Year ended March 31, 2010

Dear Ms. Sloane:

The Public Service Commission's "Order Setting Electric Rates," issued April 24, 2009 in the referenced proceeding, continued the Customer Service Performance Mechanism (CSPM) that the Commission originally approved in its "Order Approving Three-Year Rate Plan," issued March 24, 2005 in Case 04-E-0572, and continued, with one modification, in its "Order Establishing Rates For Electric Service," issued March 25, 2008 in Case 07-E-0523.¹ The CSPM is applicable in the period April 1, 2009 through March 31, 2010.

The CSPM provides for the Company to file with the Director, Office of Consumer Services, Department of Public Service, an annual report on its performance. By this letter, Con Edison is reporting on its performance during the rate year ended March 31, 2010 ("the rate year").

The CSPM establishes "Threshold Performance Levels" that provide specified targets in eight performance areas that the Company must meet or do better than if it is to avoid a negative revenue adjustment of up to \$40 million. The eight performance areas are: Commission Complaints, Customer Satisfaction Surveys, Outage Notification, New and Additional Service Jobs, Calls Answered, Meters Read on Cycle, Billing Accuracy, and Routine Investigations Completed within 30 Days.

¹ The CSPM is set forth in section I.1 of the Joint Proposal, dated December 2, 2004, approved by the Commission in Case 04-E-0523. The Commission's March 25, 2009 Order modified the CSPM by increasing the revenue adjustment applicable to the Outage Notification Incentive Mechanism component from \$4 million to \$8 million thereby increasing the total amount at risk under the CSPM from \$36 million to \$40 million.

The Company's performance during the rate year achieved the CSPM Threshold Performance Levels in the eight performance areas, and no negative revenue adjustment is applicable for the Company's CSPM performance during the rate year. The enclosed chart shows the Company's performance level in each performance area at the end of the rate year.

The Outage Notification Incentive Mechanism (ONIM), a component of the CSPM, was triggered twice during the rate year as a result of outage events that occurred on February 25-26, 2010 and on March 13-14, 2010. On April 27, 2010, Con Edison sent to the Director of the Office of Consumer Services its report regarding the Company's outage notification performance for the February 25-26, 2010 event. On May 13, 2010, Con Edison sent to the Director of the Office of Consumer Services its report regarding the Company's outage notification performance for the March 13-14, 2010 event. Both reports concluded that the Company's communication actions were timely; that the information conveyed was satisfactory in each of the four communication activities applicable to the events; and that no negative revenue adjustments are due under the ONIM.

The Company notes a typographical error in the definition of "Days to Complete – Final Phase" for New and Additional Service Jobs stated in section I.1 of the Joint Proposal, dated December 2, 2004.² As written, the definition, with the problematic text underlined, is as follows:

With respect to work orders on all non-vault electric final phase jobs completed in the reporting month, the average number of business days measured from receipt of a city certificate or completion of final inspection, whichever is later, to the date of final inspection displayed on the "field call sheets," which must be retained until Staff has verified the reported performance level.

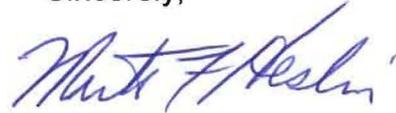
The correct definition, with the corrected text underlined, is as follows:

With respect to work orders on all non-vault electric final phase jobs completed in the reporting month, the average number of business days measured from receipt of a city certificate or completion of final inspection, whichever is later, to the date that service is energized. The date of final inspection will be the date displayed on the "field call sheets," which must be retained until Staff has verified the reported performance level.

² The Company's May 28, 2009 CSPM report for the rate year ended March 31, 2009 also noted this typographical error.

The Company measured its performance in the rate year under the corrected definition, as stated above, except where the customer had failed to satisfy tariff requirements to provide, as a condition of service, an application for service and security deposit or a safe and suitable location for metering equipment, in which cases the Company measured performance from receipt of an application and deposit or provision of a suitable location.

Sincerely,

A handwritten signature in blue ink, appearing to read "Martin Insogna".

Enclosure

Cc: (by e-mail)
Martin Insogna
Leonard Silverstein

**Consolidated Edison Company of New York, Inc.
Customer Service Performance Mechanism
Performance for Rate Year Ended March 31, 2010**

Indicator	Maximum Negative Revenue Adjustment	Threshold Level	Negative Revenue Adjustment	Rate Year-Actual
Commission Complaints	\$6 million	≤2.6 >2.6 but <2.8 ≥2.8 but <3.1 ≥3.1	N/A \$2 million \$4 million \$6 million	1.6
Customer Satisfaction Surveys	\$6 million			
Emergency Calls (electric only)		<80.0	\$2 million	89.3
Phone Center Calls (non emergency)		<82.0	\$2 million	89.9
Service Center Visitors		<83.0	\$2 million	92.1
Outage Notification	\$8 million			*
New and Additional Service Jobs	\$4 million			
Initial Phase		≥4.0 Days	\$2 million	2.68
Final Phase		≥7.3 Days	\$2 million	5.16
Calls Answered Representative Calls (Answer within 30 sec.)	\$4 million	≥56.0 <56.0 but >55.5 ≤55.5 but >55.0 ≤55.0 but > 54.5 ≤54.5	N/A \$1 million \$2 million \$3 million \$4 million	56.5%
Meters Read on Cycle	\$4 million	≤86.9%	\$4 million	88.1%
Billing Accuracy	\$4 million	≤97.2%	\$4 million	99.6%
Routine Investigations Completed w/in 30 days	\$4 million	≤94.9%	\$4 million	97.5%

* Outage Notification Incentive Mechanism (ONIM) was applicable to outage events that occurred on February 25-26, 2010 and on March 13-14, 2010. The Company's communication actions were timely and the information conveyed was satisfactory in each of the ONIM communication activities during the events. No negative revenue adjustments are due under the ONIM.



Martin F. Heslin
Assistant General Counsel
Consolidated Edison Company of New York, Inc.
4 Irving Place, Room 1815-S, New York NY 10003
212-460-4705 Fax: 212-677-5850
Email: Heslinm@coned.com

May 27, 2011
By Email for Electronic Filing

Honorable Jaclyn Brilling
Secretary
State of New York
Public Service Commission
Three Empire State Plaza
Albany, NY 12223

Re: PSC Case 09-E-0428 – Con Edison Electric Rates
Con Edison's Customer Service Performance Mechanism
Performance for Rate Year ended March 31, 2011

Dear Ms Brilling:

Consolidated Edison Company of New York, Inc.'s ("Con Edison" or "the Company") Electric Rate Plan adopted by the Public Service Commission in Case 09-E-0428, contains a Customer Service Performance Mechanism ("CSPM").¹ The CSPM provides for the Company to file with the Secretary to the Public Service Commission an annual report on its performance. By this letter, Con Edison is reporting on its performance during the rate year ended March 31, 2011 ("the rate year").

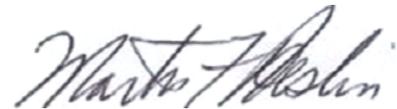
The CSPM consists of Threshold Performance Levels that measure Con Edison's performance in four aspects of customer service during the rate year.

¹ Case 09-E-0428, Proceeding on Motion of the Commission as to the Rates, Charges, Rules and Regulations of Consolidated Edison Company of New York, Inc. for Electric Service, *Order Establishing Three-Year Electric Rate Plan*, March 26, 2010 ("2010 Rate Order"). The CSPM is set forth in Section H, pp. 29-33 of the Joint Proposal, dated November 23, 2009, attached to the 2010 Rate Order.

The four performance areas are: Commission Complaints; Call Answer Rate; Satisfaction of Callers, Visitors, and Emergency Contacts; and Outage Notification. The Company's performance in each area must meet or exceed the Threshold Performance Level if the Company is to avoid a negative revenue adjustment of up to \$40 million.

The Company's performance during the rate year achieved the CSPM Threshold Performance Levels in the four performance areas, and no negative revenue adjustment is applicable for the Company's CSPM performance during the rate year. The enclosed chart shows the Company's performance level in each performance area at the end of the rate year.

Sincerely,

A handwritten signature in black ink, appearing to read "Martin Insogna". The signature is written in a cursive, flowing style.

Enclosure

Cc: (by e-mail)
Sandra Sloane
Elizabeth Katz
Martin Insogna
Active Parties – Case 09-E-0428

Consolidated Edison Company of New York, Inc.
Electric Case 09-E-0428
Customer Service Performance Mechanism Performance Report
Rate Year 1 – April 1, 2010 through March 31, 2011

Indicator	Maximum Revenue Adjustment	Threshold Level	Revenue Adjustment	Rate Year-Actual	Revenue Adjustment Incurred
Commission Complaints	\$ 9 million	< / = 2.5 >2.5-< / =2.7 >2.7-< / =2.9 >2.9	N/A \$2,000,000 \$5,000,000 \$9,000,000	1.745	No
Customer Satisfaction Surveys	\$18 million				
Customer Survey of Emergency Calls (electric only)		> / =79.0 <79.0-> / =76.0 <76.0-> / =73.0 <73.0	N/A \$1,500,000 \$3,000,000 \$6,000,000	89.5	No
Customer Satisfaction Survey of Phone Center Callers (non emergency)		> / =82.0 <82.0-> / =80.0 <80.0-> / =78.0 <78.0	N/A \$1,500,000 \$3,000,000 \$6,000,000	91.1	No
Customer Satisfaction Survey of Service Center Visitors		> / =84.0 <84.0-> / =82.0 <82.0-> / =80.0 <80.0	N/A \$1,500,000 \$3,000,000 \$6,000,000	91.1	No
Outage Notification	\$8 million			N/A ¹	No
Call Answer Rate	\$ 5 million	> / =56.0% <56%-> / =55.5% <55.5%-> / =55.0% <55.0%-> / =54.5% <54.5%	N/A \$1,000,000 \$2,000,000 \$4,000,000 \$5,000,000	58.5	No

¹ The Outage Notification mechanism was not triggered during the rate year since no outage events reached the outage scope / duration threshold.



Martin F. Heslin
Assistant General Counsel
Consolidated Edison Company of New York, Inc.
4 Irving Place, Room 1815-S, New York NY 10003
212-460-4705 Fax: 212-677-5850
Email: Heslinm@coned.com

May 14, 2012
By Email for Electronic Filing

Honorable Jaclyn Brilling
Secretary
State of New York
Public Service Commission
Three Empire State Plaza
Albany, NY 12223

Re: PSC Case 09-E-0428 – Con Edison Electric Rates
Con Edison’s Customer Service Performance Mechanism
Performance for Rate Year Ended March 31, 2012

Dear Ms. Brilling:

Consolidated Edison Company of New York, Inc.’s (“Con Edison“ or “the Company”) Electric Rate Plan adopted by the Public Service Commission in Case 09-E-0428, contains a Customer Service Performance Mechanism (“CSPM”).¹ The CSPM provides for the Company to file with the Secretary an annual report on its performance. By this letter, Con Edison is reporting on its performance during the rate year ended March 31, 2012 (“the rate year”).

The CSPM consists of Threshold Performance Levels that measure Con Edison’s performance in four aspects of customer service during the rate year.

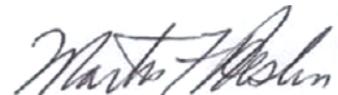
The four performance areas are: Commission Complaints; Call Answer Rate;

¹ Case 09-E-0428, Proceeding on Motion of the Commission as to the Rates, Charges, Rules and Regulations of Consolidated Edison Company of New York, Inc. for Electric Service, *Order Establishing Three-Year Electric Rate Plan*, March 26, 2010 (“2010 Rate Order”). The CSPM is set forth in Section H, pp. 29-33 of the Joint Proposal, dated November 23, 2009, attached to the 2010 Rate Order.

Satisfaction of Callers, Visitors, and Emergency Contacts; and Outage Notification. The Company's performance in each area must meet or exceed the Threshold Performance Level if the Company is to avoid a negative revenue adjustment of up to \$40 million.

The Company's performance during the rate year achieved the CSPM Threshold Performance Levels in the four performance areas, and no negative revenue adjustment is applicable for the Company's CSPM performance during the rate year. The enclosed chart shows the Company's performance level in each performance area at the end of the rate year.

Sincerely,

A handwritten signature in cursive script, appearing to read "Martin Insogna".

Enclosure

CC: (by e-mail)
Sandra Sloane
Elizabeth Katz
Martin Insogna
Active Parties – Case 09-E-0428

**Consolidated Edison Company of New York, Inc.
Electric Case 09-E-0428**

**Customer Service Performance Mechanism
Incentive Targets and Performance**

Rate Year 2 – April 1, 2011 - March 31, 2012

Indicator	Maximum Revenue Adjustment	Threshold Level	Revenue Adjustment	Rate Year Actual	Revenue Adjustment Incurred
Commission Complaints	\$ 9 million	</ = 2.5 >2.5-</=2.7 >2.7-</=2.9 >2.9	N/A \$2,000,000 \$5,000,000 \$9,000,000	1.6	No
Customer Satisfaction Surveys	\$18 million				
Customer Survey of Emergency Calls (electric only)		>/=79.0 <79.0->/=76.0 <76.0->/=73.0 <73.0	N/A \$1,500,000 \$3,000,000 \$6,000,000	84.75	No
Customer Satisfaction Survey of Phone Center Callers (non emergency)		>/=82.0 <82.0->/=80.0 <80.0->/=78.0 <78.0	N/A \$1,500,000 \$3,000,000 \$6,000,000	90.55	No
Customer Satisfaction Survey of Service Center Visitors		>/=84.0 <84.0->/=82.0 <82.0->/=80.0 <80.0	N/A \$1,500,000 \$3,000,000 \$6,000,000	91.65	No
Outage Notification	\$ 8 million	Communication Timeliness Communication Content	\$300,000 per communication activity	See note ¹	No
Call Answer Rate	\$ 5 million	>/=56.0% <56%->/=55.5% <55.5%->/=55.0% <55.0%->/=54.5% <54.5%	N/A \$1,000,000 \$2,000,000 \$4,000,000 \$5,000,000	60.3	No

¹ Outage Notification Incentive Mechanism (ONIM) was applicable to outage events that occurred on August 27-28, 2012 and on October 29, 2012. As discussed in reports filed with the Commission on October 26, 2011 and December 29, 2011, Con Edison's communication actions were timely, and the information conveyed was satisfactory in each of the ONIM communication activities during the events. No negative revenue adjustments are due under the ONIM.



Martin F. Heslin
Assistant General Counsel
Consolidated Edison Company of New York, Inc.
4 Irving Place, Room 1815-S, New York NY 10003
212-460-4705 Fax: 212-677-5850
Email: Heslinm@coned.com

May 7, 2013
By Email for Electronic Filing

Honorable Jeffrey C. Cohen
Acting Secretary
State of New York
Public Service Commission
Three Empire State Plaza
Albany, NY 12223

Re: PSC Case 09-E-0428 – Con Edison Electric Rates
Con Edison's Customer Service Performance Mechanism
Performance for Rate Year Ended March 31, 2013

Dear Acting Secretary Cohen:

Consolidated Edison Company of New York, Inc.'s ("Con Edison" or "the Company") Electric Rate Plan adopted by the Public Service Commission in Case 09-E-0428, contains a Customer Service Performance Mechanism ("CSPM").¹ The CSPM provides for the Company to file with the Secretary an annual report on its performance. By this letter, Con Edison is reporting on its performance during the rate year ended March 31, 2013 ("the rate year").

The CSPM consists of Threshold Performance Levels that measure Con Edison's performance in four aspects of customer service during the rate year.

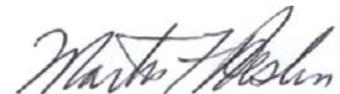
The four performance areas are: Commission Complaints; Call Answer Rate; Satisfaction of Callers, Visitors, and Emergency Contacts; and Outage

¹ Case 09-E-0428, Proceeding on Motion of the Commission as to the Rates, Charges, Rules and Regulations of Consolidated Edison Company of New York, Inc. for Electric Service, *Order Establishing Three-Year Electric Rate Plan*, March 26, 2010 ("2010 Rate Order"). The CSPM is set forth in Section H, pp. 29-33 of the Joint Proposal, dated November 23, 2009, attached to the 2010 Rate Order.

Notification. The Company's performance in each area must meet or exceed the Threshold Performance Level if the Company is to avoid a negative revenue adjustment of up to \$40 million.

The Company's performance during the rate year achieved the CSPM Threshold Performance Levels in the four performance areas, and no negative revenue adjustment is applicable for the Company's CSPM performance during the rate year. The enclosed chart shows the Company's performance level in each performance area at the end of the rate year.

Sincerely,

A handwritten signature in cursive script, appearing to read "Martin Insogna".

Enclosure

CC: (by e-mail)
Sandra Sloane
Martin Insogna
Sonny Moze
Active Parties – Case 09-E-0428

**Consolidated Edison Company of New York, Inc.
Electric Case 09-E-0428**

**Customer Service Performance Mechanism
Incentive Targets and Performance**

Rate Year 3 – April 1, 2012 - March 31, 2013

Indicator	Maximum Revenue Adjustment	Threshold Level	Revenue Adjustment	Rate Year Actual	Revenue Adjustment Incurred
Commission Complaints	\$ 9 million	</ = 2.5 >2.5-</=2.7 >2.7-</=2.9 >2.9	N/A \$2,000,000 \$5,000,000 \$9,000,000	1.2	No
Customer Satisfaction Surveys	\$18 million				
Customer Survey of Emergency Calls (electric only)		>/=79.0 <79.0->/=76.0 <76.0->/=73.0 <73.0	N/A \$1,500,000 \$3,000,000 \$6,000,000	87.5	No
Customer Satisfaction Survey of Phone Center Callers (non emergency)		>/=82.0 <82.0->/=80.0 <80.0->/=78.0 <78.0	N/A \$1,500,000 \$3,000,000 \$6,000,000	88.8	No
Customer Satisfaction Survey of Service Center Visitors		>/=84.0 <84.0->/=82.0 <82.0->/=80.0 <80.0	N/A \$1,500,000 \$3,000,000 \$6,000,000	89.5	No
Outage Notification	\$ 8 million	Communication Timeliness Communication Content	\$300,000 per communication activity	See note1	No
Call Answer Rate	\$ 5 million	>/=56.0% <56%->/=55.5% <55.5%->/=55.0% <55.0%->/=54.5% <54.5%	N/A \$1,000,000 \$2,000,000 \$4,000,000 \$5,000,000	57.9	No

1 Outage Notification Incentive Mechanism (ONIM) was applicable to an outage event that occurred on October 29-30, 2012. As discussed in the report filed with the Commission on December 28, 2012, the Company's communication actions were timely, and the information conveyed was satisfactory in each of the ONIM communication activities during the event. No negative revenue adjustments are due under the ONIM.



Martin F. Heslin
Assistant General Counsel
Consolidated Edison Company of New York, Inc.
4 Irving Place, Room 1815-S, New York NY 10003
212-460-4705 Fax: 212-677-5850
Email: Heslinm@coned.com

February 28, 2014
By Email for Electronic Filing

Honorable Kathleen Burgess
Secretary
New York State Public Service Commission
Three Empire State Plaza
Albany, NY 12223

Re: PSC Case 09-E-0428 – Con Edison Electric Rates
Con Edison's Customer Service Performance Mechanism
Performance for Period April 1 through December 31, 2013

Dear Secretary Burgess:

Consolidated Edison Company of New York, Inc.'s ("Con Edison" or "the Company") Electric Rate Plan adopted by the Public Service Commission in Case 09-E-0428, contains a Customer Service Performance Mechanism that remained in effect through December 31, 2013 ("Case 09-E-0428 CSPM").¹ A new electric CSPM became effective on January 1, 2014, as provided in Appendix 19 of the Joint Proposal approved in the Commission's "Order Approving Electric, Gas and Steam Rate Plans in accord with Joint Proposal," issued February 21, 2014 in Cases 13-E-0030, et al. ("Case 13-E-0030 CSPM"). The Case 13-E-0030 CSPM states, "[T]he Company will file its final report under the [Case 09-E-0428 CSPM] for the period April 1, 2013 through December 31,

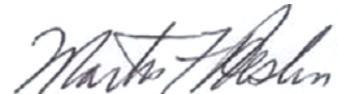
¹ Case 09-E-0428, Proceeding on Motion of the Commission as to the Rates, Charges, Rules and Regulations of Consolidated Edison Company of New York, Inc. for Electric Service, *Order Establishing Three-Year Electric Rate Plan*, March 26, 2010 ("2010 Rate Order"). The Case 09-E-0428 CSPM is set forth in Section H, pp. 29-33 of the Joint Proposal, dated November 23, 2009, attached to the 2010 Rate Order.

2013. The Report will be filed by March 1, 2014.” By this letter, Con Edison is reporting on its performance under the Case 09-E-0428 CSPM for the period of April 1, 2013 through December 31, 2013 (“the performance period”).

The CSPM consists of Threshold Performance Levels that measure Con Edison’s performance in four aspects of customer service. The four performance areas are: Commission Complaints; Call Answer Rate; Satisfaction of Callers, Visitors, and Emergency Contacts; and Outage Notification. The Company’s performance in each area is measured against a Threshold Performance Level.

The Company’s performance during the performance period achieved the Case 09-E-0428 CSPM Threshold Performance Levels in the four performance areas. The enclosed chart shows the Company’s performance level in each performance area at the end of the performance period.

Sincerely,



Enclosure

CC: (by e-mail)
Sandra Sloane
Martin Insogna
Sonny Moze
Active Parties – Case 09-E-0428

**Consolidated Edison Company of New York, Inc.
Electric Case 09-E-0428**

**Customer Service Performance Mechanism
Incentive Targets and Performance**

April 1, 2013 – December 31, 2013

Indicator	Maximum Revenue Adjustment	Threshold Level	Revenue Adjustment	Rate Year Actual	Revenue Adjustment Incurred
Commission Complaints	\$ 9 million	</ = 2.5 >2.5-</=2.7 >2.7-</=2.9 >2.9	N/A \$2,000,000 \$5,000,000 \$9,000,000	1.9	
Customer Satisfaction Surveys	\$18 million				
Customer Survey of Emergency Calls (electric only)		>/=79.0 <79.0->/=76.0 <76.0->/=73.0 <73.0	N/A \$1,500,000 \$3,000,000 \$6,000,000	87.8	
Customer Satisfaction Survey of Phone Center Callers (non emergency)		>/=82.0 <82.0->/=80.0 <80.0->/=78.0 <78.0	N/A \$1,500,000 \$3,000,000 \$6,000,000	89.9	
Customer Satisfaction Survey of Service Center Visitors		>/=84.0 <84.0->/=82.0 <82.0->/=80.0 <80.0	N/A \$1,500,000 \$3,000,000 \$6,000,000	89.6	
Outage Notification	\$ 8 million	Communication Timeliness Communication Content	\$300,000 per communication activity	N/A ¹	
Call Answer Rate	\$ 5 million	>/=56.0% <56%->/=55.5% <55.5%->/=55.0% <55.0%->/=54.5% <54.5%	N/A \$1,000,000 \$2,000,000 \$4,000,000 \$5,000,000	60.2	

¹ The Outage Notification mechanism was not triggered during the performance period since no outage events reached the outage scope / duration threshold.



Law Department
Kerri Kirschbaum

Consolidated Edison Company
of New York, Inc.
4 Irving Place
New York, NY 10003-0987
(212) 460-1077
(212) 677-5850 Fax
kirschbaumk@coned.com

March 2, 2015

By Email for Electronic Filing
Honorable Kathleen H. Burgess
Secretary
State of New York Public
Service Commission
Three Empire State Plaza
Albany, NY 12223-1350

**RE: PSC Case 13-E-0030 – Con Edison Electric Rates
Con Edison’s Customer Service Performance Mechanism Performance**

Dear Secretary Burgess:

Consolidated Edison Company of New York, Inc.’s (“Con Edison“ or “the Company”) Electric Rate Plan as approved in the New York State Public Service Commission’s “Order Approving Electric, Gas and Steam Rate Plans in accord with Joint Proposal,” issued February 21, 2014 in Cases 13-E-0030, *et al.* includes a Customer Service Performance Mechanism (“CSPM”). By this letter, Con Edison is reporting on its performance under the CSPM for the period of January 1, 2014 through December 31, 2014 (“the Performance Period”).

The CSPM consists of Threshold Performance Levels that measure Con Edison’s performance in four aspects of customer service. The four performance areas are: Commission Complaints; Call Answer Rate; Satisfaction of Callers, Visitors, and Emergency Contacts; and Outage Notification. The Company’s performance in each area is measured against a Threshold Performance Level.

The Company’s performance during the Performance Period achieved the CSPM Threshold Performance Levels in the four performance areas. The enclosed chart shows the Company’s performance level in each performance area at the end of the Performance Period.

Please contact me if you have any questions.

Very truly yours,
/s/
Kerri Kirschbaum
Senior Attorney

Enclosure

**Consolidated Edison Company of New York, Inc.
Electric Case 13-E-0030**

**Customer Service Performance Mechanism
Incentive Targets and Performance**

Rate Year – January 1, 2014 – December 31, 2014

Indicator	Maximum Revenue Adjustment	Threshold Level	Revenue Adjustment	Rate Year Actual	Revenue Adjustment Incurred
Commission Complaints	\$ 9 million	</ = 2.3 >2.3-</=2.6 >2.6-</=2.9 >2.9	N/A \$2,000,000 \$5,000,000 \$9,000,000	1.8	
Customer Satisfaction Surveys	\$18 million				
Customer Survey of Emergency Calls (electric only)	\$6 million	>/=79.0 <79.0->/=76.0 <76.0->/=73.0m nm <73.0	N/A \$1,500,000 \$3,000,000 \$6,000,000	86.0	
Customer Satisfaction Survey of Phone Center Callers (non emergency)	\$6 million	>/=82.0 <82.0->/=80.0 <80.0->/=78.0 <78.0	N/A \$1,500,000 \$3,000,000 \$6,000,000	90.6	
Customer Satisfaction Survey of Service Center Visitors	\$6 million	>/=84.0 <84.0->/=82.0 <82.0->/=80.0 <80.0	N/A \$1,500,000 \$3,000,000 \$6,000,000	90.7	
Outage Notification	\$ 8 million	Communication Timeliness Communication Content	\$300,000 per communication activity	N/A	
Call Answer Rate	\$ 5 million	>/=63.0% <56%->/=62.0% <55.5%->/=61.0% <55.0%->/=60.0% <60.0%	N/A \$1,000,000 \$2,000,000 \$4,000,000 \$5,000,000	67.5	



Law Department
Kerri Kirschbaum

Consolidated Edison Company
of New York, Inc.
4 Irving Place
New York, NY 10003-0987
(212) 460-1077
(212) 677-5850 Fax
kirschbaumk@coned.com

February 25, 2016

By Email for Electronic Filing
Honorable Kathleen H. Burgess
Secretary
State of New York Public
Service Commission
Three Empire State Plaza
Albany, NY 12223-1350

**RE: PSC Case 13-E-0030 – Con Edison Electric Rates
Con Edison’s Customer Service Performance Mechanism Performance**

Dear Secretary Burgess:

Consolidated Edison Company of New York, Inc.’s (“Con Edison“ or “the Company”) Electric Rate Plan as approved in the New York State Public Service Commission’s *Order Approving Electric, Gas and Steam Rate Plans in accord with Joint Proposal* issued February 21, 2014 in Cases 13-E-0030, *et al.* includes a Customer Service Performance Mechanism (“CSPM”). By this letter, Con Edison is reporting on its performance under the CSPM for the period of January 1, 2015 through December 31, 2015 (“the Performance Period”).

The CSPM consists of Threshold Performance Levels that measure Con Edison’s performance in four aspects of customer service. The four performance areas are: Commission Complaints; Call Answer Rate; Satisfaction of Callers, Visitors, and Emergency Contacts; and Outage Notification. The Company’s performance in each area is measured against a Threshold Performance Level.

The Company’s performance during the Performance Period achieved the CSPM Threshold Performance Levels in the four performance areas. The enclosed chart shows the Company’s performance level in each performance area at the end of the Performance Period.

Please contact me if you have any questions.

Very truly yours,
/s/
Kerri Kirschbaum
Senior Attorney

Enclosure

**Consolidated Edison Company of New York, Inc.
Electric Case 13-E-0030**

**Customer Service Performance Mechanism
Incentive Targets and Performance**

Rate Year – January 1, 2015 – December 31, 2015

Indicator	Maximum Revenue Adjustment	Threshold Level	Revenue Adjustment	Rate Year Actual	Revenue Adjustment Incurred
Commission Complaints	\$ 9 million	≤ 2.3 $>2.3 - \leq 2.6$ $>2.6 - \leq 2.9$ >2.9	N/A \$2,000,000 \$5,000,000 \$9,000,000	1.4	N/A
Customer Satisfaction Surveys	\$18 million				
Customer Survey of Emergency Calls (electric only)	\$6 million	≥ 79.0 $<79.0 - \geq 76.0$ $<76.0 - \geq 73.0$ <73.0	N/A \$1,500,000 \$3,000,000 \$6,000,000	88.75	N/A
Customer Satisfaction Survey of Phone Center Callers (non emergency)	\$6 million	≥ 82.0 $<82.0 - \geq 80.0$ $<80.0 - \geq 78.0$ <78.0	N/A \$1,500,000 \$3,000,000 \$6,000,000	90.20	N/A
Customer Satisfaction Survey of Service Center Visitors	\$6 million	≥ 84.0 $<84.0 - \geq 82.0$ $<82.0 - \geq 80.0$ <80.0	N/A \$1,500,000 \$3,000,000 \$6,000,000	91.45	N/A
Outage Notification	\$ 8 million	Communication Timeliness Communication Content	\$300,000 per communication activity	N/A	N/A
Call Answer Rate	\$ 5 million	$\geq 63.0\%$ $<63.0\% - \geq 62.0\%$ $<62.0\% - \geq 61.0\%$ $<61.0\% - \geq 60.0\%$ $<60.0\%$	N/A \$1,000,000 \$2,000,000 \$4,000,000 \$5,000,000	65.3	N/A



Theresa VanBrooker
Director, Customer Service

January 14, 2011

The Honorable Jaclyn A. Brillling
Secretary
New York State Public Service Commission
Three Empire State Plaza
Albany, NY 12223-1350

Dear Secretary Brillling:

I, Theresa VanBrooker, am the Director, Customer Service and am authorized to make this verification on its behalf.

I have read the 2010 results for New York State Electric & Gas Corporation's ("NYSEG") and Rochester Gas and Electric Corporation's ("RGE") customer service quality performance pursuant to the Order Establishing Rate Plan, issued and effective September 21, 2010 (the "Order") in Cases 09-E-0715, 09-G-0716, 09-E-0717, 09-G-0718 and know the contents thereof. The information related to NYSEG and RG&E is true and correct of my own knowledge, information and belief.

This summary is intended to fulfill the annual report requirements approved per the Order.

<u>RG&E:</u>	<u>4th Quarter</u>	<u>YTD</u>
PSC Complaint Rate	0.8/100,000	0.4/100,000
Customer Interaction Service Index	89.9%	90.1%
Calls Answered in 30 seconds	82.4%	80.3%
Estimated Meter Reads	3.6%	2.8%

<u>NYSEG:</u>	<u>4th Quarter</u>	<u>YTD</u>
PSC Complaint Rate	0.2/100,000	0.3/100,000
Overall Customer Satisfaction Index	78.5%	79.7%
Calls Answered in 30 seconds	74%	67%
Estimated Meter Reads	6.9%	5.1%

Very truly yours,

Theresa B. VanBrooker

Theresa B. VanBrooker
Director, Customer Service
NYSEG and RG&E

Roberta B. Holahan

Subscribed and sworn to
before me on this 13th day
of January 2011.

ROBERTA B. HOLAHAN
Notary Public, State of New York
No. 01HO6040322
Qualified in Monroe County
Commission Expires April 17, 2014

cc: D. Elfner, S. Sloane, M. Insogna, P. O'Connor



Theresa VanBrooker
Director - Customer Service

January 9, 2012

The Honorable Jaclyn A. Brilling
Secretary
New York State Public Service Commission
Three Empire State Plaza
Albany, NY 12223-1350

Dear Secretary Brilling:

I, Theresa VanBrooker, am the Director, Customer Service and am authorized to make this verification on its behalf.

I have read the 2010 results for New York State Electric & Gas Corporation's ("NYSEG") and Rochester Gas and Electric Corporation's ("RGE") customer service quality performance pursuant to the Order Establishing Rate Plan, issued and effective September 21, 2010 (the "Order") in Cases 09-E-0715, 09-G-0716, 09-E-0717, 09-G-0718 and know the contents thereof. The information related to NYSEG and RG&E is true and correct of my own knowledge, information and belief.

This summary is intended to fulfill the annual report requirements approved per the Order.

RG&E:	<u>4th Quarter</u>	<u>YTD</u>
PSC Complaint Rate	0.3 /100,000	0.4 /100,000
Customer Interaction Service Index	91.4%	91.1%
Calls Answered in 30 seconds	78.9%	80.7%
Estimated Meter Reads	2.7%	3.1%



Theresa VanBrooker
Director - Customer Service

NYSEG:	<u>4th Quarter</u>	<u>YTD</u>
PSC Complaint Rate	0.2/100,000	0.2/100,000
Overall Customer Satisfaction Index	80.9%	81.5 %
Calls Answered in 30 seconds	66.2%	64.3%
Estimated Meter Reads	3.4%	5.8%

Very truly yours,

Theresa B. VanBrooker

Theresa B. VanBrooker
Director, Customer Service

Subscribed and sworn to
before me on this 9th day
of January 2011.

Christina K Sardou

CHRISTINA K. SARDOU
Notary Public, State of New York
Genesee County
Registration No. 01SA6015061
Commission Expires: October 19, 2014

cc: D. Elfner, S. Sloane, L. Scherer, M. Insogna, P. O'Connor



Scanned by: [unreadable]



Theresa VanBrooker
Director, Customer Service

January 11, 2013

The Honorable Jaclyn A. Brillig
Secretary
New York State Public Service Commission
Three Empire State Plaza
Albany, NY 12223-1350

Dear Secretary Brillig:

I, Theresa VanBrooker, am the Director, Customer Service and am authorized to make this verification on its behalf.

I have read the 2012 results for New York State Electric & Gas Corporation's ("NYSEG") and Rochester Gas and Electric Corporation's ("RGE") customer service quality performance pursuant to the Order Establishing Rate Plan, issued and effective September 21, 2010 (the "Order") in Cases 09-E-0715, 09-G-0716, 09-E-0717, 09-G-0718 and know the contents thereof. The information related to NYSEG and RG&E is true and correct of my own knowledge, information and belief.

This summary is intended to fulfill the annual report requirements approved per the Order.

RG&E:	<u>4th Quarter</u>	<u>YTD</u>
PSC Complaint Rate	0.4 /100,000	0.4 /100,000
Customer Interaction Service Index	91.3%	90.6%
Calls Answered in 30 seconds	83.3%	84.2%
Estimated Meter Reads	4.4%	3.4%



Theresa VanBrooker
Director of Compliance

NYSEG:	<u>4th Quarter</u>	<u>YTD</u>
PSC Complaint Rate	0.4/100,000	0.3/100,000
Overall Customer Satisfaction Index	90.9%	92.0%
Calls Answered in 30 seconds	63.5%	67.1%
Estimated Meter Reads	9.4%	4.9%

Very truly yours,

Theresa B. VanBrooker

Subscribed and sworn to
before me on this 14th day
of January 2013.

cc: D. Elfner
S. Sloane
M. Insogna
L. Scherer

CHRISTINA K. SARDOU
Notary Public, State of New York
Genesee County
Registration No. 01SA6015061
Commission Expires: October 19, 2014





January 14, 2014

Hon. Kathleen H. Burgess
 Secretary to the Commission
 New York State Public Service Commission
 Three Empire State Plaza
 Albany, NY 12223-1350

Dear Secretary Burgess:

I, Theresa VanBrooker, am the Director, Customer Service and am authorized to make this verification on its behalf.

I have read the 2013 results for New York State Electric & Gas Corporation's ("NYSEG") and Rochester Gas and Electric Corporation's ("RGE") customer service quality performance pursuant to the Order Establishing Rate Plan, issued and effective September 21, 2010 (the "Order") in Cases 09-E-0715, 09-G-0716, 09-E-0717, 09-G-0718 and know the contents thereof. The information related to NYSEG and RGE is true and correct of my own knowledge, information and belief.

This summary is intended to fulfill the annual report requirements approved per the Order.

RG&E:	<u>4th Quarter</u>	<u>YTD</u>
PSC Complaint Rate	0.5 /100,000	0.5 /100,000
Customer Interaction Service Index	89.6%	90.2%
Calls Answered in 30 seconds	80.3%	80.0%
Estimated Meter Reads	4.5%	4.2%



NYSEG:	<u>4th Quarter</u>	<u>YTD</u>
PSC Complaint Rate	0.3 /100,000	0.3 /100,000
Customer Interaction Service Index	92.3%	91.9%
Calls Answered in 30 seconds	71.8%	68.0%
Estimated Meter Reads	6.4%	4.9%

Very truly yours,

Theresa B. VanBrooker
Director, Customer Service
NYSEG and RG&E

WAYNE D. DUNTON
Notary Public, State of New York
No. 01DU5026427
Qualified in Yates County
Commission Expires 4/18 *1/4*

Subscribed and sworn to
before me on this *17*th day
of January 2014.

cc: D. Elfner
S. Sloane
M. Insogna
L. Scherer



Printed on recycled paper



January 21, 2015

Hon. Kathleen H. Burgess
 Secretary to the Commission
 New York State Public Service Commission
 Three Empire State Plaza
 Albany, NY 12223-1350

Dear Secretary Burgess:

I, Theresa VanBrooker, am the Director, Customer Service and am authorized to make this verification on its behalf.

I have read the 2014 results for New York State Electric & Gas Corporation's ("NYSEG") and Rochester Gas and Electric Corporation's ("RGE") customer service quality performance pursuant to the Order Establishing Rate Plan, issued and effective September 21, 2010 (the "Order") in Cases 09-E-0715, 09-G-0716, 09-E-0717, 09-G-0718 and know the contents thereof. The information related to NYSEG and RG&E is true and correct of my own knowledge, information and belief.

This summary is intended to fulfill the annual report requirements approved per the Order.

RG&E:	<u>4th Quarter</u>	<u>YTD</u>
PSC Complaint Rate	0.3 /100,000	0.6 /100,000
Customer Interaction Service Index	89.8%	88.8%
Calls Answered in 30 seconds	87.6%	82.6%
Estimated Meter Reads	5.2%	5.5%
NYSEG:	<u>4th Quarter</u>	<u>YTD</u>
PSC Complaint Rate	0.2 /100,000	0.3 /100,000
Customer Interaction Service Index	90.8%	90.4%
Calls Answered in 30 seconds	84.1%	68.3%
Estimated Meter Reads	4.3%	5.0%



Very truly yours,

Theresa B VanBrooker

Subscribed and sworn to
before me on this th day
of January 2014.

cc: D. Elfner
S. Sloane
M. Insogna
L. Scherer

Shelley Morris

**SHELLEY MORRIS
NOTARY PUBLIC
State of Maine
My Commission Expires
May 26, 2018**

**LEY MORRIS
RY PUBLIC
of Maine
ission Expires
ay 26, 2018**



January 29, 2016

Hon. Kathleen H. Burgess
 Secretary to the Commission
 New York State Public Service Commission
 Three Empire State Plaza
 Albany, NY 12223-1350

Dear Secretary Burgess:

I, Theresa VanBrooker, am the Director, Customer Service and am authorized to make this verification on behalf.

I have read the 2015 results for New York State Electric & Gas Corporation's ("NYSEG") and Rochester Gas and Electric Corporation's ("RGE") customer service quality performance pursuant to the Order Establishing Plan, issued and effective September 21, 2010 (the "Order") in Cases 09-E-0715, 09-G-0716, 09-E-0717, 0718 and know the contents thereof. The information related to NYSEG and RG&E is true and correct of my own knowledge, information and belief.

This summary is intended to fulfill the annual report requirements approved per the Order.

RG&E:	<u>4th Quarter</u>	<u>YTD</u>
PSC Complaint Rate	0.7 /100,000	0.8 /100,000
Customer Interaction Service Index	89.4%	89.6%
Calls Answered in 30 seconds	76.1%	80.9%
Estimated Meter Reads	3.8%	6.8%*
NYSEG:	<u>4th Quarter</u>	<u>YTD</u>
PSC Complaint Rate	0.6 /100,000	0.7 /100,000
Customer Interaction Service Index	90.3%	90.1%
Calls Answered in 30 seconds	68.1%	72.5%
Estimated Meter Reads	3.0%	5.0%*





* Petition for Waiver of Certain Customer Service Measure Results was filed on September 11, 2015 for RG&E and NY Estimated Meter Read Measure. Case 15-M-0649 is currently awaiting PSC action.

Very truly yours,

Theresa B VanBrooker

Subscribed and sworn to
before me on this 29th day
of January 2015.

WAYNE D. DUNTON
Notary Public, State of New York
No. 01DU5026427
Qualified in Yates County
Commission Expires 4/18 1/18

Wayne D. Dunton

cc: M. Corso
M. Insogna
L. Scherer



O&R CUSTOMER PERFORMANCE INDICATORS- 2010

ITEM	INDICATOR	Jan-10	Feb-10	Mar-10	Apr-10	May-10	Jun-10	Jul-10	Aug-10	Sep-10	Oct-10	Nov-10	Dec-10
1	Appointments												
1a.	Appointments made	442	455	572	372	367	380	334	335	310	344	288	390
1b.	Appointments kept	442	455	572	372	367	380	334	335	310	344	288	390
2	Adjusted Bills												
2a.	Total bills issued	232,705	240,568	233,347	243,406	239,039	233,766	234,085	233,978	234,180	233,384	232,953	233,406
2b.	Total bills adjusted*	4,962	5,670	7,329	7,993	5,724	7,151	7,189	7,147	7,590	5,939	3,939	4,823
3	Telephone Answer Response												
3a.	Total incoming calls received	55,720	87,805	71,204	58,612	51,612	56,595	55,741	61,768	58,857	54,341	55,305	54,809
3b.	Percent of calls answered	98%	97%	97%	98%	98%	98%	98%	97%	98%	97%	98%	98%
3c.	Total incoming calls requesting a representative	40,110	41,376	49,787	43,034	38,375	39,615	39,077	43,228	41,102	38,713	38,929	38,237
3d.	Percent of calls answered by a rep. within 30 secs.	65%	63%	58%	68%	76%	70%	65%	60%	66%	58%	64%	61%
4	Non-Emergency Service Response Time												
4a.	Service/meter work orders received	13	15	25	47	37	44	25	33	37	32	34	22
4b.	Days to complete all svc/mtr jobs	89	91	194	433	384	645	603	399	642	532	387	525
4c.	Avg. days to complete all svc/mtr jobs	7	6	8	9	10	15	24	12	17	17	11	24
4d.	Street light work orders received	512	549	538	467	386	273	188	348	258	665	286	716
4e.	Days to complete all street light jobs	3,917	3,261	4,213	4,142	2,281	1,411	1,857	2,506	3269	2979	1,796	3,222
4f.	Avg. days to complete all street light jobs	8	6	8	9	6	5	10	7	13	4	6	5
4g.	Tree trimming work orders received	40	28	26	124	75	76	85	61	45	89	38	70
4h.	Days to complete all tree trimming jobs	2,182	1,078	796	5,533	1,829	3,963	2,394	1,026	873	671	2,050	3,206
4i.	Avg. days to complete all tree trimming jobs	55	39	31	45	24	52	28	17	19	8	54	46
5	Estimated Readings												
5a.	Total meters scheduled to be read	429,787	432,417	433,004	432,559	432,554	432,610	432,744	428,965	433,030	433,112	433,257	433,530
5b.	Total estimated readings made	67,989	99,278	46,249	15,829	17,046	18,512	18,548	16,369	15,797	14,325	13,786	41,577
6	Consumer Complaints to the PSC												
6a.	Complaints per 100,000 customers	0.4	0.0	0.4	0.0	0.4	0.4	0.9	0.4	0.4	0.9	0.9	0.9
7	Customer Satisfaction												
7a.	Percent of customers satisfied	94%	92%	91%	92%	91%	90%	90%	90%	94%	96%	92%	93%

*Due to the functionality of Orange and Rockland's billing system, the number of adjusted bills reflects the actual number of services adjusted within the billing month. A service represents an electric or gas meter. If both electric and gas services are adjusted on the account, two adjustments will be recorded.

O&R CUSTOMER PERFORMANCE INDICATORS- 2011

ITEM	INDICATOR	Jan-11	Feb-11	Mar-11	Apr-11	May-11	Jun-11	Jul-11	Aug-11	Sep-11	Oct-11	Nov-11	Dec-11
1	Appointments												
1a.	Appointments made	323	412	406	295	285	310	325	351	276	267	324	344
1b.	Appointments kept	323	412	406	295	285	310	325	342	271	263	322	344
2	Adjusted Bills												
2a.	Total bills issued	234,004	234,061	242,361	237,373	234,508	234,998	235,799	236,786	231,442	250,502	236,083	236,520
2b.	Total bills adjusted	5,028	5,678	8,631	7,094	6,307	5,614	1,164	1,960	830	1,721	1,195	1,205
3	Telephone Answer Response												
3a.	Total incoming calls received	60,052	57,541	63,120	52,315	54,486	57,415	54,792	109,433	67,452	89,635	95,535	57,074
3b.	Percent of calls answered	98%	98%	98%	98%	97%	98%	98%	97%	98%	80%	95%	98%
3c.	Total incoming calls requesting a representative	42,672	39,668	44,369	36,982	39,234	39,969	37,743	47,027	45,725	46,585	52,833	39,076
3d.	Percent of calls answered by a rep. within 30 secs.	59%	67%	67%	68%	62%	63%	67%	57%	48%	60%	47%	63%
4	Non-Emergency Service Response Time												
4a.	Service/meter work orders received	9	7	16	16	34	40	38	18	18	17	25	23
4b.	Days to complete all svc/mtr jobs	98	53	88	490	198	1104	262	128	233	124	180	173
4c.	Avg. days to complete all svc/mtr jobs	11	8	6	31	6	28	7	7	13	7	7	8
4d.	Street light work orders received	604	416	688	427	338	254	232	363	133	294	240	712
4e.	Days to complete all street light jobs	2,525	1,976	3,970	2,216	1,112	1,130	1,114	1,949	1286	2181	2,352	2,086
4f.	Avg. days to complete all street light jobs	4	5	6	5	3	4	5	5	10	7	10	3
4g.	Tree trimming work orders received	55	29	11	44	28	96	97	46	72	45	21	99
4h.	Days to complete all tree trimming jobs	1,968	905	526	1,697	1,233	2,278	4,692	3,655	1,718	2,189	1,160	3,995
4i.	Avg. days to complete all tree trimming jobs	36	31	48	39	44	24	48	79	24	49	55	40
5	Estimated Readings												
5a.	Total meters scheduled to be read	433,742	433,862	435,051	434,105	434,144	434,259	434,580	434,786	434,950	435,233	435,462	435,783
5b.	Total estimated readings made	86,556	105,521	15,213	11,130	15,285	13,165	12,890	32,871	108,195	13,244	127,845	12,481
6	Consumer Complaints to the PSC												
6a.	Complaints per 100,000 customers	0.4	.04	1.8	1.3	0.0	0.4	1.3	1.3	0.4	0.9	0.4	0.4
7	Customer Satisfaction												
7a.	Percent of customers satisfied	92%	91%	96%	92%	97%	91%	90%	94%	94%	94%	93%	91%

		O&R CUSTOMERS PERFORMANCE INDICATORS - 2012											
ITEM	INDICATOR	Jan-12	Feb-12	Mar-12	Apr-12	May-12	Jun-12	Jul-12	Aug-12	Sep-12	Oct-12	Nov-12	Dec-12
1	Appointments												
1a.	Appointments made	382	358	289	304	239	226	207	219	206	247	130	249
1b.	Appointments kept	382	358	289	304	239	226	207	219	206	247	130	249
2	Adjusted Bills												
2a.	Total bills issued	241,912	233,864	234,082	235,054	233,978	247,279	234,749	234,030	237,566	231,008	234,950	246,936
2b.	Total bills adjusted	1,194	986	1,041	1,991	1,274	13,509	1,180	1,219	1,064	1,186	746	1,369
3	Telephone Answer Response												
3a.	Total incoming calls received	58,668	52,560	56,667	51,836	52,236	51,985	54,437	53,693	49,733	122,321	118,307	57,896
3b.	Percent of calls answered	98%	98%	98%	98%	98%	98%	96%	97%	96%	99%	98%	95%
3c.	Total incoming calls requesting a representative	40,587	35,346	37,543	34,028	34,610	33,243	34,822	35,199	32,802	42,861	56,674	39,006
3d. *	Percent of calls answered by a rep. within 30 secs.	73%	74%	73%	69%	69%	65%	54%	55%	51%	69%	73%	47%
4	Non-Emergency Service Response Time												
4a.	Service/meter work orders received	13	10	20	15	18	23	18	15	18	11	5	13
4b.	Days to complete all svc/mtr jobs	162	170	288	413	448	923	460	260	146	102	153	174
4c.	Avg. days to complete all svc/mtr jobs	12	17	14	28	25	40	26	17	8	9	31	13
4d.	Street light work orders received	845	593	691	509	188	201	213	416	403	442	204	499
4e.	Days to complete all street light jobs	7,039	5,788	4,319	2382	707	1,083	2,366	3,740	2,482	2,524	1,781	4,276
4f.	Avg. days to complete all street light jobs	8	10	6	5	4	5	11	9	6	6	9	9
4g.	Tree trimming work orders received	72	17	44	84	53	38	42	53	69	76	28	44
4h.	Days to complete all tree trimming jobs	1,963	1,240	1,742	1890	778	313	401	936	1,606	1,800	738	712
4i.	Avg. days to complete all tree trimming jobs	27	73	40	23	15	8	10	18	23	24	26	16
5	Estimated Readings												
5a.	Total meters scheduled to be read	436,003	436,195	436,195	436,538	436,648	436,781	436,963	436,275	437,298	437,492	437,549	439,848
5b.	Total estimated readings made	11,869	11,155	10,433	9,906	11,327	11,951	32,608	12,227	12,138	33,478	215,715	22,749
6	Consumer Complaints to the PSC												
6a.	Complaints per 100,000 customers	0.4	0.4	0.9	0.4	0.4	0.9	0.9	0.9	0.4	0.0	0.0	0.9
7	Customer Satisfaction												
7a.	Percent of customers satisfied	94.6%	94.1%	94.3%	97.7%	94.5%	95.1%	95.6%	96.0%	94.8%	97.8%	93.9%	91.3%

O&R CUSTOMERS PERFORMANCE INDICATORS - 2015

ITEM	INDICATOR	Jan-15	Feb-15	Mar-15	Apr-15	May-15	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15
1	Appointments												
1a.	Appointments Made	164	161	171	173	136	138	141	124	120	136	95	130
1b.	Appointments Kept	160	149	164	172	133	129	137	121	119	132	94	129
2	Adjusted Bills												
2a.	Total Bills Issued	235,151	239,572	237,967	238,527	242,888	238,429	241,306	239,915	240,458	236,823	242,392	239,025
2b.	Total Bills Adjusted	277	324	364	421	359	503	603	427	349	332	365	318
3	Telephone Answer Response (1) (2)												
3a.	Total Incoming Calls Received	61,129	55,881	64,544	57,117	51,246	62,368	60,198	58,381	58,125	58,677	53,073	57,773
3b.	Percent of Calls Answered	95.4%	97.0%	97.6%	97.9%	97.6%	96.9%	97.1%	96.4%	97.7%	96.5%	95.3%	96.3%
3c.	Total Incoming Calls Requesting a Representative	36,082	34,275	39,266	36,225	31,506	38,889	36,450	35,243	35,944	36,127	30,969	33,727
3d.	Percent of Calls Answered by a Rep. Within 30 Secs.	54.2%	61.1%	63.1%	63.8%	61.6%	58.5%	63.1%	55.4%	58.7%	59.3%	53.6%	53.8%
4	Non-Emergency Service Response Time												
4a.	Service/Meter Work Orders Received	4	2	2	10	5	9	8	8	5	5	3	4
4b.	Days to Complete all Svc/Mtr Jobs	79	26	3	40	24	101	60	73	33	41	26	23
4c.	Avg. Days to Complete all Svc/Mtr Jobs	19.8	13.0	1.5	4.0	4.8	11.2	7.5	9.1	6.6	8.2	8.7	5.8
4d.	Street Light Work Orders Received	616	505	587	541	410	429	437	496	602	465	700	671
4e.	Days to Complete all Street Light Jobs	5,070	3,959	2,066	2,575	1,517	1,557	1,997	2,039	2,571	2,744	5,481	6,099
4f.	Avg. Days to Complete all Street Light Jobs	8.2	7.8	3.5	4.8	3.7	3.6	4.6	4.1	4.3	5.9	7.8	9.1
4g.	Tree Trimming Work Orders Received	56	74	38	17	49	38	38	44	84	46	25	6
4h.	Days to Complete all Tree Trimming Jobs	13,968	15,939	9,452	1,117	1,629	1,770	11,967	1,417	2,989	1,947	299	156
4i.	Avg. Days to Complete all Tree Trimming Jobs	249.4	215.4	248.7	65.7	33.2	46.6	314.9	32.2	35.6	42.3	12	26
5	Estimated Readings												
5a.	Total meters scheduled to be read	364,008	364,164	364,270	364,319	364,488	364,905	352,179	365,088	365,273	365,407	365,624	365,880
5b.	Total estimated readings made	26,876	94,400	38,358	8,215	8,979	9,828	11,159	10,194	11,342	9,619	8,972	8,701
6	Consumer Complaints to the PSC												
6a.	Complaints per 100,000 Customers*	0.4	0.0	0.4	1.8	0.4	0.0	0.0	0.4	0.0	0.0	0.0	0.0
7	Customer Satisfaction												
7a.	Percent of Customers Satisfied	94.3%	94.8%	98.5%	97.5%	97.8%	96.3%	96.0%	95.6%	98.6%	98.8%	98.2%	95.1%
(1) O&R Reports Normal Business Hours as 8:00am to 4:30pm, Monday - Friday, Excluding Holidays .													
(2) These Statistics are Cumulative of all Calls from our New York, New Jersey and Pennsylvania Customers.													
PIR September 2015 FINAL													

**Instructions Concerning Reporting of the
Monthly Customer Performance Indicators
to the Public Service Commission**

1. Replace "Utility Name" with the name of the utility providing data.
2. Enter data in the appropriate column.
3. Before data is entered in the last column perform a 'Fill Right' on rows 3-32.
This will add another column for the next months data.
4. Do not delete any data once it has been entered without instruction from Commission staff.
5. Before saving the file place the cursor in row 5 of the current months column.
6. Save the data to one disk for your own reference and on a second disk which
will be sent to the PSC as follows:

Barry E. Bedrosian
New York State Public Service Commission
3 Empire State Plaza
Albany, New York 12223-1350

518-474-1023 voice
518-474-5086 fax

CENTRAL HUDSON CUSTOMER PERFORMANCE INDICATORS

Item	INDICATOR	Jan2012	Feb2012	Mar2012	Apr2012	May2012	June2012
1. Appointments							
a.	Appointments made	1,269	1,398	1,477	1,386	1,527	1503
b.	Appointments kept	1,267	1,397	1,475	1,384	1,526	1503
2. Adjusted Bills							
a.	Total bills issued	188,096	187,456	187,795	183,703	192,982	190,776
b.	Total bills adjusted	2,271	2,322	1,783	2,453	2,319	2,265
3. Telephone Answer Response							
a.	Total incoming calls received	61,095	50,309	59,158	55,065	58,867	52,803
b.	Percent of calls answered	97.0%	97.8%	92.6%	96.3%	93.3%	88.6%
c.	Total incoming calls requesting a representative	45,393	40,790	47,552	41,849	49,349	53,469
d.	Percent of calls answered by a rep. within 30 sec.	78.7%	85.0%	60.4%	69.9%	60.3%	54.7%
4. Non-Emergency Service Response Time							
a.	Service/meter work orders received	465	400	473	484	453	476
b.*	Days to complete all svc/mtr jobs	4,437	4,223	4,188	5,263	2,052	1,072
c.	Avg. days to complete all svc/mtr jobs	9.5	10.6	8.9	10.9	4.5	2.3
d.	Street light work orders received	608	464	417	266	286	265
e.*	Days to complete all street light jobs	4,833	3,165	1,462	1,130	597	987
f.	Avg. days to complete all street light jobs	7.9	6.8	3.5	4.2	2.1	3.7
g.	Tree trimming work orders received	52	46	55	38	33	39
h.*	Days to complete all tree trimming jobs	2,318	1,463	2,834	146	415	168
i.	Avg. days to complete all tree trimming jobs	44.6	31.8	51.5	3.8	12.6	4.3
5. Estimated Readings							
a.	Total meters scheduled to be read	201,227	208,232	201,220	208,444	201,408	208,578
b.	Total estimated readings made	2,980	2,909	3,393	2,890	3,397	4,221
6. Consumer Complaints to the PSC							
	Complaints per 100,000 customers	0.0	0.0	0.0	0.0	0.3	0.7
7. Customer Satisfaction							
a.	Percent of customers satisfied	92.8%	91.2%	90.9%	91.6%	92.5%	92.7%
b.	Satisfaction Index	91.1	90	90	90.3	91.2	90.7

*Tele stats are from 8:00 a.m. - 4:30 p.m., Monday through Friday

* - report days to complete, even though the job may not have been completed in the month it was received.

**Instructions Concerning Reporting of the
Monthly Customer Performance Indicators
to the Public Service Commission**

1. Replace "Utility Name" with the name of the utility providing data.
2. Enter data in the appropriate column.
3. Before data is entered in the last column perform a 'Fill Right' on rows 3-32.
This will add another column for the next months data.
4. Do not delete any data once it has been entered without instruction from Commission staff.
5. Before saving the file place the cursor in row 5 of the current months column.
6. Save the data to one disk for your own reference and on a second disk which
will be sent to the PSC as follows:

Barry E. Bedrosian
New York State Public Service Commission
3 Empire State Plaza
Albany, New York 12223-1350

518-474-1023 voice
518-474-5086 fax

CENTRAL HUDSON CUSTOMER PERFORMANCE INDICATOR

Item	INDICATOR	July 2012	Aug2012	Sept2012	Oct2012	Nov2012
1. Appointments						
a.	Appointments made	1,340	1,871	1,542	2,096	1,737
b.	Appointments kept	1,340	1,868	1,539	2,093	1,733
2. Adjusted Bills						
a.	Total bills issued	187,978	189,150	189,698	191,036	188,382
b.	Total bills adjusted	2,261	2,810	2,851	2,718	2,018
3. Telephone Answer Response						
a.	Total incoming calls received	62,075	69,881	61,575	77,663	63,258
b.	Percent of calls answered	91.0%	96.2%	97.4%	97.5%	96.3%
c.	Total incoming calls requesting a representative	53,314	55,721	51,177	61,554	69,040
d.	Percent of calls answered by a rep. within 30 sec.	62.4%	68.5%	76.1%	78.2%	74.8%
4. Non-Emergency Service Response Time						
a.	Service/meter work orders received	513	619	613	658	475
b.*	Days to complete all svc/mtr jobs	1,308	1,734	2,164	1,774	3,767
c.	Avg. days to complete all svc/mtr jobs	2.5	2.8	3.5	2.7	7.9
d.	Street light work orders received	313	334	360	439	406
e.*	Days to complete all street light jobs	1,665	1,573	1,851	2,548	2,929
f.	Avg. days to complete all street light jobs	5.3	4.7	5.1	5.8	7.2
g.	Tree trimming work orders received	143	99	168	120	186
h.*	Days to complete all tree trimming jobs	1,341	667	1,475	830	1,022
i.	Avg. days to complete all tree trimming jobs	9.4	6.7	8.8	6.9	5.5
5. Estimated Readings						
a.	Total meters scheduled to be read	201,487	208,860	201,742	209,102	202,025
b.	Total estimated readings made	4,577	4,076	4,650	4,148	16,164
6. Consumer Complaints to the PSC						
	Complaints per 100,000 customers	0.0	0.3	0.0	0.0	0.3
7. Customer Satisfaction						
a.	Percent of customers satisfied	92.30%	93.0%	93.0%	91.70%	94.50%
b.	Satisfaction Index	90.9	90.4	90.9	89.9	91.4

*Tele stats are from 8:00 a.m. - 4:30 p.m., Monday through Friday

* - report days to complete, even though the job may not have been completed in the month it was received.

**Instructions Concerning Reporting of the
Monthly Customer Performance Indicators
to the Public Service Commission**

1. Replace "Utility Name" with the name of the utility providing data.
2. Enter data in the appropriate column.
3. Before data is entered in the last column perform a 'Fill Right' on rows 3-32.
This will add another column for the next months data.
4. Do not delete any data once it has been entered without instruction from Commission staff.
5. Before saving the file place the cursor in row 5 of the current months column.
6. Save the data to one disk for your own reference and on a second disk which
will be sent to the PSC as follows:

Barry E. Bedrosian
New York State Public Service Commission
3 Empire State Plaza
Albany, New York 12223-1350

518-474-1023 voice
518-474-5086 fax

CENTRAL HUDSON CUSTOMER PERFORMANCE INDICATORS

Item	INDICATOR	Jan2013	Feb2013	Mar2013	April2013	May2013	June2013
1. Appointments							
a.	Appointments made	1,802	1,613	1,647	1,989	1,784	1,552
b.	Appointments kept	1,796	1,608	1,646	1,987	1,782	1,549
2. Adjusted Bills							
a.	Total bills issued	192,464	186,241	193,693	190,363	188,373	190,691
b.	Total bills adjusted	2,209	1,712	1,757	1,914	1,874	1,913
3. Telephone Answer Response							
a.	Total incoming calls received	62,778	57,349	60,745	65,454	68,383	63,066
b.	Percent of calls answered	96.7%	97.1%	96.0%	97.4%	96.2%	96.5%
c.	Total incoming calls requesting a representative	48,215	46,284	48,075	50,863	55,446	50,121
d.	Percent of calls answered by a rep. within 30 sec.	75.2%	75.7%	68.6%	82.6%	71.0%	74.6%
4. Non-Emergency Service Response Time							
a.	Service/meter work orders received	342	239	349	495	381	408
b.*	Days to complete all svc/mtr jobs	1,762	1,165	2,278	3,866	1,816	1,379
c.	Avg. days to complete all svc/mtr jobs	5.2	4.9	6.5	7.8	4.8	3.4
d.	Street light work orders received	520	466	343	331	258	218
e.*	Days to complete all street light jobs	6,656	8,558	2,004	1,738	1,261	1,218
f.	Avg. days to complete all street light jobs	12.8	18.4	5.8	5.3	4.9	5.6
g.	Tree trimming work orders received	21	33	27	68	61	143
h.*	Days to complete all tree trimming jobs	143	150	290	320	591	877
i.	Avg. days to complete all tree trimming jobs	6.8	4.5	10.7	4.7	9.7	6.1
5. Estimated Readings							
a.	Total meters scheduled to be read	202,199	209,415	202,301	209,367	202,271	209,314
b.	Total estimated readings made	3,871	2,964	3,031	2,406	2,303	2,805
6. Consumer Complaints to the PSC							
	Complaints per 100,000 customers	0.7	0.0	0.0	0.0	0.7	0.7
7. Customer Satisfaction							
a.	Percent of customers satisfied	92.0%	91.8%	92.7%	89.8%	91.9%	92.9%
b.	Satisfaction Index	90.2	90.8	90.5	88.7	90.4	91.5

*Tele stats are from 8:00 a.m. - 4:30 p.m., Monday through Friday

* - report days to complete, even though the job may not have been completed in the month it was received

**Instructions Concerning Reporting of the
Monthly Customer Performance Indicators
to the Public Service Commission**

1. Replace "Utility Name" with the name of the utility providing data.
2. Enter data in the appropriate column.
3. Before data is entered in the last column perform a 'Fill Right' on rows 3-32.
This will add another column for the next months data.
4. Do not delete any data once it has been entered without instruction from Commission staff.
5. Before saving the file place the cursor in row 5 of the current months column.
6. Save the data to one disk for your own reference and on a second disk which
will be sent to the PSC as follows:

Barry E. Bedrosian
New York State Public Service Commission
3 Empire State Plaza
Albany, New York 12223-1350

518-474-1023 voice
518-474-5086 fax

CENTRAL HUDSON CUSTOMER PERFORMANCE INDICATORS

Item	INDICATOR	July 2013	August 2013	September 2013	October 2013	November 2013	December 2013
1. Appointments							
a.	Appointments made	1,619	1,796	1,680	2,106	1,745	1,452
b.	Appointments kept	1,615	1,794	1,678	2,105	1,743	1,448
2. Adjusted Bills							
a.	Total bills issued	190,915	190,955	189,758	193,144	182,341	191,215
b.	Total bills adjusted	2,084	2,685	2,162	2,760	3,075	1,549
3. Telephone Answer Response							
a.	Total incoming calls received	70,671	67,552	65,714	76,997	60,487	46,339
b.	Percent of calls answered	96.3%	96.4%	95.1%	93.6%	94.7%	94.7%
c.	Total incoming calls requesting a representative	54,452	58,090	51,902	54,831	47,166	29,015
d.	Percent of calls answered by a rep. within 30 sec.	71.9%	68.3%	65.6%	64.7%	68.0%	77.4%
4. Non-Emergency Service Response Time							
a.	Service/meter work orders received	363	359	501	632	486	381
b.*	Days to complete all svc/mtr jobs	1,099	1,948	3,479	3,210	5,151	7,626
c.	Avg. days to complete all svc/mtr jobs	3.0	5.4	6.9	5.1	10.6	20.0
d.	Street light work orders received	260	386	413	554	365	410
e.*	Days to complete all street light jobs	1,792	3,514	1,768	1,540	1,065	2,082
f.	Avg. days to complete all street light jobs	6.9	9.1	4.3	2.8	2.9	5.1
g.	Tree trimming work orders received	181	75	136	97	74	54
h.*	Days to complete all tree trimming jobs	1,282	694	1,209	1,262	675	671
i.	Avg. days to complete all tree trimming jobs	7.1	9.3	8.9	13.0	9.1	12.4
5. Estimated Readings							
a.	Total meters scheduled to be read	202,382	209,521	202,638	209,701	203,061	203,196
b.	Total estimated readings made	3,397	3,415	2,845	2,701	2,626	4,339
6. Consumer Complaints to the PSC							
	Complaints per 100,000 customers	0.0	1.0	0.3	0.7	0.0	0.3
7. Customer Satisfaction							
a.	Percent of customers satisfied	91.2%	90.9%	89.0%	89.7%	93.3%	91.3%
b.	Satisfaction Index	90.6	90.7	88.5	89.3	91.6	90.3

*Tele stats are from 8:00 a.m. - 4:30 p.m., Monday through Friday

* - report days to complete, even though the job may not have been completed in the month it was received.

**Instructions Concerning Reporting of the
Monthly Customer Performance Indicators
to the Public Service Commission**

1. Replace "Utility Name" with the name of the utility providing data.
2. Enter data in the appropriate column.
3. Before data is entered in the last column perform a 'Fill Right' on rows 3-32.
This will add another column for the next months data.
4. Do not delete any data once it has been entered without instruction from Commission staff.
5. Before saving the file place the cursor in row 5 of the current months column.
6. Save the data to one disk for your own reference and on a second disk which
will be sent to the PSC as follows:

Barry E. Bedrosian
New York State Public Service Commission
3 Empire State Plaza
Albany, New York 12223-1350

518-474-1023 voice
518-474-5086 fax

CENTRAL HUDSON CUSTOMER PERFORMANCE INDICATOR

Item	INDICATOR	January 2014	February 2014	March 2014	April 2014
1. Appointments					
a.	Appointments made	1,511	1,326	1,776	1,931
b.	Appointments kept	1,509	1,322	1,775	1,930
2. Adjusted Bills					
a.	Total bills issued	192,727	181,606	198,725	191,649
b.	Total bills adjusted	2,072	1,616	2,457	2,507
3. Telephone Answer Response					
a.	Total incoming calls received	56,603	55,539	69,930	76,335
b.	Percent of calls answered	96.0%	90.7%	90.0%	90.1%
c.	Total incoming calls requesting a representative	39,425	25,366	31,526	36,750
d.	Percent of calls answered by a rep. within 30 sec.	72.6%	63.3%	53.8%	43.1%
4. Non-Emergency Service Response Time					
a.	Service/meter work orders received	306	365	325	354
b.*	Days to complete all svc/mtr jobs	2,793	9,794	4,311	3,221
c.	Avg. days to complete all svc/mtr jobs	9.1	26.8	13.3	9.1
d.	Street light work orders received	403	245	311	240
e.*	Days to complete all street light jobs	1,908	1,449	2,201	1,878
f.	Avg. days to complete all street light jobs	4.7	5.9	7.1	7.8
g.	Tree trimming work orders received	38	33	27	77
h.*	Days to complete all tree trimming jobs	222	168	114	337
i.	Avg. days to complete all tree trimming jobs	5.8	5.1	4.2	4.4
5. Estimated Readings					
a.	Total meters scheduled to be read	203,249	210,156	203,264	210,017
b.	Total estimated readings made	3,521	11,359	5,539	2,876
6. Consumer Complaints to the PSC					
	Complaints per 100,000 customers	1.0	1.0	0.7	0.7
7. Customer Satisfaction					
a.	Percent of customers satisfied	95.4%	91.2%	87.3%	79.5%
b.	Satisfaction Index	93.8%	90.7%	86.7%	80.5%

*Tele stats are from 8:00 a.m. - 4:30 p.m., Monday through Friday

* - report days to complete, even though the job may not have been completed in the month it was received.

Note: The December 2013 Estimated readings was adjusted. Previously it was reported at 203,196.

**Instructions Concerning Reporting of the
Monthly Customer Performance Indicators
to the Public Service Commission**

1. Replace "Utility Name" with the name of the utility providing data.
2. Enter data in the appropriate column.
3. Before data is entered in the last column perform a 'Fill Right' on rows 3-32.
This will add another column for the next months data.
4. Do not delete any data once it has been entered without instruction from Commission staff.
5. Before saving the file place the cursor in row 5 of the current months column.
6. Save the data to one disk for your own reference and on a second disk which
will be sent to the PSC as follows:

Barry E. Bedrosian
New York State Public Service Commission
3 Empire State Plaza
Albany, New York 12223-1350

518-474-1023 voice
518-474-5086 fax

CENTRAL HUDSON CUSTOMER PERFORMANCE INDICATORS

Item	INDICATOR	July 2014	August 2014	Sept 2014	Oct 2014	Nov 2014	Dec 2014
1. Appointments							
a.	Appointments made	1,732	1,584	1,840	2,027	1,676	1,629
b.	Appointments kept	1,729	1,583	1,840	2,026	1,676	1,624
2. Adjusted Bills							
a.	Total bills issued	191,021	195,015	190,379	194,902	188,365	196,388
b.	Total bills adjusted	2,342	2,988	2,320	2,007	2,365	1,904
3. Telephone Answer Response							
a.	Total incoming calls received	71,235	70,416	66,374	77,482	56,256	60,763
b.	Percent of calls answered	88.8%	83.8%	90.5%	88.4%	88.2%	86.5%
c.	Total incoming calls requesting a representative	35,669	28,946	32,885	34,026	26,620	26,699
d.	Percent of calls answered by a rep. within 30 sec.	55.4%	59.0%	62.8%	54.1%	50.4%	62.7%
4. Non-Emergency Service Response Time							
a.	Service/meter work orders received	459	589	680	653	397	457
b.*	Days to complete all svc/mtr jobs	1,946	1,733	3,866	4,473	2,836	4,438
c.	Avg. days to complete all svc/mtr jobs	4.2	2.9	5.7	6.8	7.1	9.7
d.	Street light work orders received	243	403	452	438	458	435
e.*	Days to complete all street light jobs	2,600	4,501	3,764	2,995	2,420	4,468
f.	Avg. days to complete all street light jobs	10.7	11.2	8.3	6.8	5.3	10.3
g.	Tree trimming work orders received	162	64	56	59	110	100
h.*	Days to complete all tree trimming jobs	653	290	408	474	540	506
i.	Avg. days to complete all tree trimming jobs	4.0	4.5	7.3	8.0	4.9	5.1
5. Estimated Readings							
a.	Total meters scheduled to be read	203,115	210,060	203,253	210,343	203,304	210,401
b.	Total estimated readings made	2,763	2,972	2,565	2,331	2,185	2,917
6. Consumer Complaints to the PSC							
	Complaints per 100,000 customers	0.0	0.3	0.0	0.3	0.0	0.0
7. Customer Satisfaction							
a.	Percent of customers satisfied	89.6%	90.0%	90.0%	91.2%	90.2%	90.7%
b.	Satisfaction Index	87.1%	87.2%	89.3%	90.3%	89.0%	89.0%

*Tele stats are from 8:00 a.m. - 4:30 p.m., Monday through Friday

* - report days to complete, even though the job may not have been completed in the month it was received.

Note: The 2011 Bills Issued was adjusted. Previously Central Hudson was double counting e-bills.

Note: The December 2013 Estimated readings was adjusted. Previously it was reported at 203,196

Note: The October 2014 Total Bills Issued was adjusted. Previously it was reported at 213,904

**Instructions Concerning Reporting of the
Monthly Customer Performance Indicators
to the Public Service Commission**

1. Replace "Utility Name" with the name of the utility providing data.
2. Enter data in the appropriate column.
3. Before data is entered in the last column perform a 'Fill Right' on rows 3-32.
This will add another column for the next months data.
4. Do not delete any data once it has been entered without instruction from Commission staff.
5. Before saving the file place the cursor in row 5 of the current months column.
6. Save the data to one disk for your own reference and on a second disk which
will be sent to the PSC as follows:

Barry E. Bedrosian
New York State Public Service Commission
3 Empire State Plaza
Albany, New York 12223-1350

518-474-1023 voice
518-474-5086 fax

CENTRAL HUDSON CUSTOMER PERFORMANCE INDICATORS

Item	INDICATOR	Jan 2015	Feb 2015	Mar 2015	Apr 2015	May 2015	June 2015
1. Appointments							
a.	Appointments made	1,462	1,363	1,816	1,962	1,809	1,937
b.	Appointments kept	1,461	1,362	1,812	1,962	1,805	1,937
2. Adjusted Bills							
a.	Total bills issued	189,889	183,556	203,012	192,765	191,697	194,239
b.	Total bills adjusted	2,276	1,709	2,234	2,308	2,008	2,465
3. Telephone Answer Response							
a.	Total incoming calls received	64,287	53,478	70,270	67,736	61,583	66,881
b.	Percent of calls answered	92.1%	93.1%	89.3%	91.4%	94.0%	92.7%
c.	Total incoming calls requesting a representative	29,994	26,601	26,894	34,961	34,911	37,178
d.	Percent of calls answered by a rep. within 30 sec.	68.7%	66.6%	58.9%	58.3%	63.1%	60.4%
4. Non-Emergency Service Response Time							
a.	Service/meter work orders received	370	307	376	463	488	505
b.*	Days to complete all svc/mtr jobs	2,281	1,461	2,992	2,523	3,143	4,570
c.	Avg. days to complete all svc/mtr jobs	9.0	7.0	6.0	6.0	6.0	9.0
d.	Street light work orders received	392	265	341	265	221	221
e.*	Days to complete all street light jobs	3,610	1,930	1,996	1,592	1,119	1,645
f.	Avg. days to complete all street light jobs	9.2	7.3	5.9	6.0	5.1	7.4
g.	Tree trimming work orders received	31	12	33	27	54	116
h.*	Days to complete all tree trimming jobs	108	34	100	104	472	862
i.	Avg. days to complete all tree trimming jobs	3.5	2.8	3.0	3.8	8.7	7.0
5. Estimated Readings							
a.	Total meters scheduled to be read	203,386	210,583	203,375	210,591	203,353	210,753
b.	Total estimated readings made	3,602	9,381	7,091	2,738	3,917	3,893
6. Consumer Complaints to the PSC							
	Complaints per 100,000 customers	0.0	0.0	0.3	0.7	0.7	0.0
7. Customer Satisfaction							
a.	Percent of customers satisfied	90.1%	92.1%	89.3%	86.3%	89.3%	89.4%
b.	Satisfaction Index	89.7%	90.6%	88.0%	86.8%	89.7%	88.2%

*Tele stats are from 8:00 a.m. - 4:30 p.m., Monday through Friday

* - report days to complete, even though the job may not have been completed in the month it was received.

**Instructions Concerning Reporting of the
Monthly Customer Performance Indicators
to the Public Service Commission**

1. Replace "Utility Name" with the name of the utility providing data.
2. Enter data in the appropriate column.
3. Before data is entered in the last column perform a 'Fill Right' on rows 3-32.
This will add another column for the next months data.
4. Do not delete any data once it has been entered without instruction from Commission staff.
5. Before saving the file place the cursor in row 5 of the current months column.
6. Save the data to one disk for your own reference and on a second disk which
will be sent to the PSC as follows:

Barry E. Bedrosian
New York State Public Service Commission
3 Empire State Plaza
Albany, New York 12223-1350

518-474-1023 voice
518-474-5086 fax

CENTRAL HUDSON CUSTOMER PERFORMANCE INDICATORS

Item	INDICATOR	July 2015	August 2015	September 2015	October 2015	November 2015	December 2015
1. Appointments							
a.	Appointments made	2,015	2,004	1,897	2,470	1,879	1,822
b.	Appointments kept	2,015	2,004	1,897	2,470	1,875	1,820
2. Adjusted Bills							
a.	Total bills issued	193,584	193,178	192,062	192,968	192,167	190,737
b.	Total bills adjusted	2,570	2,695	2,722	2,395	2,446	2,250
3. Telephone Answer Response							
a.	Total incoming calls received	62,098	59,564	58,597	77,461	55,841	59,967
b.	Percent of calls answered	93.4%	94.0%	96.2%	93.9%	97.6%	97.6%
c.	Total incoming calls requesting a representative	33,609	33,549	34,674	37,308	34,541	34,243
d.	Percent of calls answered by a rep. within 30 sec.	66.1%	67.8%	74.1%	68.9%	79.6%	80.3%
4. Non-Emergency Service Response Time							
a.	Service/meter work orders received	467	509	485	822	630	477
b.*	Days to complete all svc/mtr jobs	3,666	1,815	2,074	2,135	2,186	1,930
c.	Avg. days to complete all svc/mtr jobs	7.0	4.0	4.0	3.0	5.0	4.0
d.	Street light work orders received	229	352	369	477	425	391
e.*	Days to complete all street light jobs	2,052	4,020	2,280	2,587	2,253	1,936
f.	Avg. days to complete all street light jobs	9.0	11.4	6.0	5.0	5.0	5.0
g.	Tree trimming work orders received	56	49	33	32	50	26
h.*	Days to complete all tree trimming jobs	400	320	89	368	451	500
i.	Avg. days to complete all tree trimming jobs	7.0	6.5	3.0	12.0	9.0	19.0
5. Estimated Readings							
a.	Total meters scheduled to be read	203,412	210,783	203,768	211,171	204,007	211,418
b.	Total estimated readings made	3,451	2,981	3,407	3,180	2,637	2,970
6. Consumer Complaints to the PSC							
	Complaints per 100,000 customers	0.0	0.3	0.0	0.3	0.3	0.0
7. Customer Satisfaction							
a.	Percent of customers satisfied	92.0%	88.4%	91.5%	94.2%	92.0%	93.3%
b.	Satisfaction Index	91.3%	88.5%	90.7%	93.0%	91.1%	92.0%

*Tele stats are from 8:00 a.m. - 4:30 p.m., Monday through Friday

* - report days to complete, even though the job may not have been completed in the month it was received.