

2005 Customer Service Performance



*Pennsylvania Electric &
Natural Gas Distribution Companies*

Pennsylvania Public Utility Commission
Bureau of Consumer Services



Table of Contents

Introduction

I. Company-Reported Performance Data

A. Telephone Access

1.	Busy-Out Rate.....	4
2.	Call Abandonment Rate.....	6
3.	Percent of Calls Answered within 30 Seconds.....	8

B. Billing

1.	Number and Percent of Residential Bills Not Rendered Once Every Billing Period..	11
2.	Number and Percent of Bills to Small Business Customers Not Rendered Once Every Billing Period.....	13

C. Meter Reading

1.	Number and Percent of Residential Meters Not Read by Company or Customer in Six Months.....	15
2.	Number and Percent of Residential Meters Not Read in 12 Months.....	17
3.	Number and Percent of Residential Remote Meters Not Read in Five Years.....	19

D. Response to Disputes

1.	Number of Residential Disputes That Did Not Receive a Response within 30 Days.....	20
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II. Customer Transaction Survey Results

A.	Reaching the Company.....	24
B.	Automated Phone Systems.....	26
C.	Company Representatives.....	27
D.	Overall Satisfaction.....	31

III. Conclusion.....33

Appendix A

Table 1A	EDC Survey Results.....	35
Table 1B	EDC Survey Results (continued).....	35
Table 2	Overall Satisfaction with Contact: EDC Credit/Collection Calls v. Other Calls.....	36
Table 3	Contacting an EDC.....	36
Table 4	Consumer Ratings of EDC Representatives.....	37
Table 5A	Premise Visit from an EDC Field Representative.....	37
Table 5B	Premise Visit (continued).....	38
Table 6	Characteristics of 2005 EDC Survey Participants.....	38
Table 7	Average Number of Residential Customers.....	39

Appendix B

Table 1A	NGDC Survey Results.....	40
Table 1B	NGDC Survey Results (continued).....	40
Table 2	Overall Satisfaction with Contact: NGDC Credit/Collection Calls v. Other Calls.....	41
Table 3	Contacting an NGDC.....	41
Table 4	Consumer Ratings of NGDC Representatives.....	42
Table 5A	Premise Visit from an NGDC Field Representative.....	42
Table 5B	Premise Visit (continued).....	43
Table 6	Characteristics of 2005 NGDC Survey Participants.....	43
Table 7	Average Number of Residential Customers.....	44

Introduction

This is the fourth comprehensive report of the Public Utility Commission (Commission) presenting quality of service data for both the Electric Distribution Companies (EDCs) and the major Natural Gas Distribution Companies (NGDCs). Prior to the report on annual activity in 2002, the Commission produced two separate reports. This is the seventh year EDC customer-service performance statistics are available and the fifth year NGDC statistics are available. This report fulfills the requirements of 52 Pa. Code § 54.156 of the EDC reporting requirements and 52 Pa. Code § 62.37 of the NGDC reporting requirements. Both provide for the Commission to annually produce a summary report on the customer-service performance of the EDCs and NGDCs using the statistics collected as a result of the reporting requirements.

On Dec. 3, 1996, the Electricity Generation Customer Choice and Competition Act (Act), 66 Pa. C.S. §§ 2801-2812, was enacted. The Natural Gas Choice and Competition Act (Act), 66 Pa. C.S. Chapter 22, was enacted on June 22, 1999. These acts require the EDCs and NGDCs to maintain, at a minimum, the levels of customer service that were in existence prior to the effective dates of the acts. In response, the Commission took steps to ensure the continued provision of high-quality customer service through the implementation of regulations that require the EDCs and the NGDCs to report statistics on important components of customer service, including: telephone access to the company; billing frequency; meter reading; timely response to customer disputes; and the level of customer satisfaction with the company's handling of recent interactions with its customers (§§ 54.151- 54.156 for EDCs and §§ 62.31-62.37 for NGDCs).

The Commission adopted the final rulemaking establishing Reporting Requirements for Quality of Service Benchmarks and Standards for the EDCs on April 23, 1998. The EDCs began reporting the required data to the Commission in August 1999, for the first six months of that year and followed up with a report on annual activity in February 2000. Beginning in February 2001, the EDCs began submitting annual data on telephone access, billing, meter reading and response to customer disputes. In January 2000, the companies began surveying customers who had initiated an interaction with their EDC, and the companies have continued this practice on an annual basis.

The Commission adopted the final rulemaking establishing Reporting Requirements for Quality of Service Benchmarks and Standards for the NGDCs on Jan. 12, 2000. As per the regulations, NGDCs began reporting the required data to the Commission in August 2001 for the first six months of that year and followed up with a report on annual activity in February 2002. In January 2002, the companies began their surveys of customers who had initiated interactions with the companies. Beginning in February 2003, the NGDCs filed their first annual reports on telephone access, billing, meter reading and response to customer disputes. NGDCs that serve fewer than 100,000 residential accounts are not required to report statistics on the various measures required of the larger companies. The smaller NGDCs must conduct mail surveys of customers who contact them and report the survey results to the Commission. The smaller NGDCs surveyed their customers in 2005 and sent the results to the Commission in 2006.

The Bureau of Consumer Services (BCS) has summarized the information supplied by the EDCs and NGDCs, including survey data, into the charts and tables that appear on the following pages. This is the second year that the report includes statistics from Philadelphia Gas Works (PGW).

The reporting requirements at § 54.155 and § 62.36 include a provision whereby BCS is to report to the Commission various statistics associated with informal consumer complaints and payment arrangement requests that consumers file with the Commission. The BCS is to report a “justified consumer complaint rate,” a “justified payment arrangement request rate,” “the number of informally verified infractions of applicable statutes and regulations,” and an “infraction rate” for the EDCs and NGDCs. These statistics are also important indicators of service quality. The BCS has calculated and reported these rates for a number of years in the annual report, Utility Consumer Activities Report and Evaluation: Electric, Gas, Water and Telephone Utilities (UCARE). The BCS reported the 2005 rates noted above in the 2005 UCARE report that the Commission released in December. The report offers detailed descriptions of each of these measures as well as a comparison with performance statistics from the previous year. Access to the 2005 Utility Consumer Activities Report and Evaluation and the 2005 Report on Pennsylvania’s Electric and Natural Gas Distribution Companies Customer Service Performance are available on the Commission’s website: www.puc.state.pa.us.

I. Company-Reported Performance

In accordance with Reporting Requirements for Quality of Service Benchmarks and Standards (quality of service reporting requirements), the EDCs and the NGDCs reported statistics for 2005 regarding telephone access, billing, meter reading and disputes not responded to within 30 days. For each of the required measures, the companies report data by month and include a 12-month average.

With the exception of the telephone access statistics and the small business bill information, the required statistics directly relate to the regulations in 52 Pa. Code § 56 Standards and Billing Practices for Residential Utility Service.

Treatment of PECO Energy

Historically, the Customer Service Performance Report has presented PECO Energy (PECO) statistics with the EDCs although PECO's statistics include data for both the company's electric and natural gas accounts. PECO has three categories of customers: electric only, gas only and those receiving both electric and gas service. The company is not able to separate and report the data by gas and electric accounts. For example, PECO's gas and/or electric customers contact the same call center and receive only one bill per billing period. However, customers receiving electric and natural gas from PECO have two separate meters and the company must read each one. Starting with 2004 data, the report presents the natural gas meter-reading statistics with the NGDCs, separately from the electric meter-reading statistics. The presentation of PECO's meter-reading statistics for 2003 is unchanged, so a comparison of the 2005 statistics is possible only with the 2004 statistics.

Treatment of the FirstEnergy Companies

FirstEnergy requested BCS to report Metropolitan Edison (Met-Ed) and Pennsylvania Electric (Penelec) as separate companies beginning with 2003 data. This is the third year that BCS will present the data separately. Because Met-Ed and Penelec use the same call center, however, the data appears under FirstEnergy in the Telephone Access Section. The third FirstEnergy Company is Penn Power. Penn Power has always been treated as a separate company.

A. Telephone Access

The quality of service reporting requirements for both the EDCs and the NGDCs include telephone access to a company because customers must be able to readily contact their EDC or NGDC with questions, complaints and requests for service, and to report service outages and other problems.

Attempted contacts to a call center initially have one of two results: they are either "received" by the company or they receive a busy signal and thus are not "received" by the company. Calls in the "busy-out rate" represent those attempted calls that received a busy signal or message; they were not "received" by the company because the company lines or trunks were at capacity.

For the calls that are “received” by the company, the caller has several options. One option is to choose to speak to a company representative. When a caller chooses this option, the caller enters a queue to begin a waiting period until a company representative is available to take the call. Once a call enters the queue, it can take one of three routes: it will either be abandoned (the caller chooses not to wait and disconnects the call); it will be answered within 30 seconds; or it will be answered in a time period that is greater than 30 seconds. The percent of those calls answered within 30 seconds is reported to the Commission.

In order to produce an accurate picture of telephone access, the companies must report three separate measures of telephone access: 1) percent of calls answered within 30 seconds; 2) average busy-out rate; and 3) call abandonment rate. Requiring three separate measures averts the possibility of masking telephone access problems by presenting only one or two parts of the total access picture. For example, a company could report that it answers every call in 30 seconds or less. If this were the only statistic available, one might conclude that the access to the company is very good. However, if there are only a few trunk lines into this company’s call distribution system, other callers attempting to contact the company will receive a busy signal once these trunks are at capacity. The callers that get through wait 30 seconds or less for someone to answer, but a large percentage of customers cannot get through to the company; thus, telephone access is not very good at all. Therefore, it is important to look at both percent of calls answered within 30 seconds and busy-out rates, to get a clearer picture of the telephone access to the EDC or NGDC.

The third measurement, call abandonment rate, indicates how many customers drop out of the queue of customers waiting to talk to a company representative. A high call abandonment rate is most likely an indication that the length of the wait to speak to a company representative is too long. Statistics on call abandonment are often inversely related to statistics measuring calls answered within 30 seconds. For the most part, the companies answering a high percent of calls within 30 seconds have low call abandonment rates and those answering a lower percent of calls within 30 seconds have higher call abandonment rates. The 2003-05 EDC figures presented later in this report conform to the inverse relationship. In addition, the 2003-05 data reported by the NGDCs also conform to this relationship.

This report presents the EDC and NGDC statistics on telephone access in the following three charts:

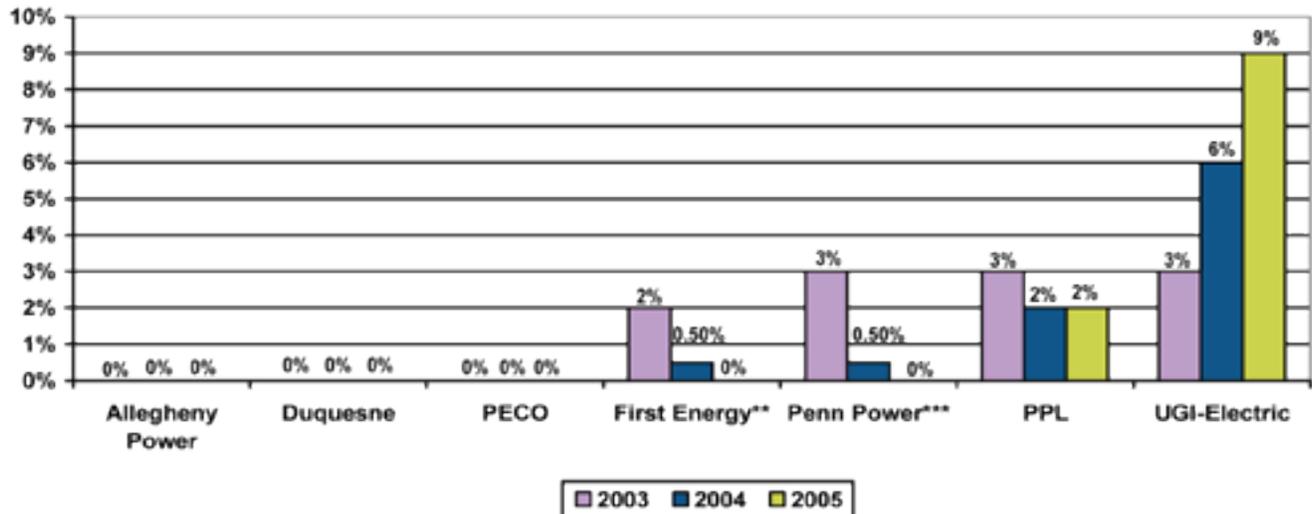
- Busy-Out Rate;
- Call Abandonment Rate; and
- Percent of Calls Answered Within 30 Seconds.

1. Busy-Out Rate

The Commission’s Regulations at § 54.153(b)(1)(ii) require that the EDCs are to report to the Commission the average busy-out rate for each call center or business office, as well as a 12-month cumulative average for the company. Similarly, § 62.33(b)(ii) requires the NGDCs to report the average busy-out rate. Each regulation defines busy-out rate as the number of calls to a call center that receive a busy signal divided by the total number of calls received at a call center. For example, a company with a 10 percent average busy-out rate means that 10 percent of the customers who attempted to call the company received a busy signal (and thus did not gain access) while 90 percent of the customer calls were received by the company. If the company has more than one call center, it is to supply the busy-out rates for each center as well as a combined

statistic for the company as a whole. The chart below presents the combined busy-out rate for each major EDC during 2003, 2004 and 2005. The second chart presents the combined busy-out rate for each major NGDC during 2003, 2004 and 2005.

Electric Distribution Companies Busy-Out Rate* 2003-05



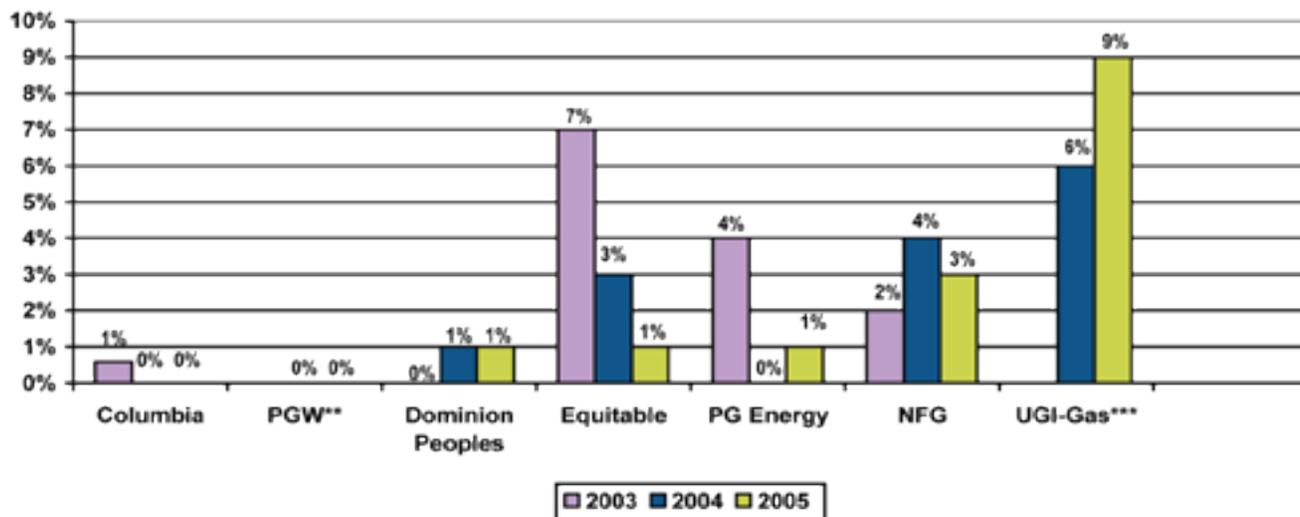
* 12-month average.

** Met -Ed and Penelec (formerly GPU) use the same call center so these two companies are combined under FirstEnergy.

*** Penn Power began using the same call center as Met-Ed and Penelec in mid-2003, but is presented separately for continuity.

The 2005 results show that UGI-Electric had a higher busy-out rate in 2005, than in 2004. This is the third year in a row that UGI-Electric's performance for this measure declined. UGI explains that in late 2004, it installed a new network and saw an immediate jump in busy-out rates in early 2005. UGI reports that after stabilizing the issue, it was able to recover to an average busy-out rate of 4 percent for the last six months of 2005. For the other EDCs, the busy-out rate either improved or remained the same from 2004 to 2005.

Natural Gas Distribution Companies Busy-Out Rate* 2003-05



* 12-month average.

** PGW was not required to report data prior to 2004.

*** Data from 2003 is not available because the Commission granted UGI-Gas a temporary waiver of the section that requires reporting this statistic.

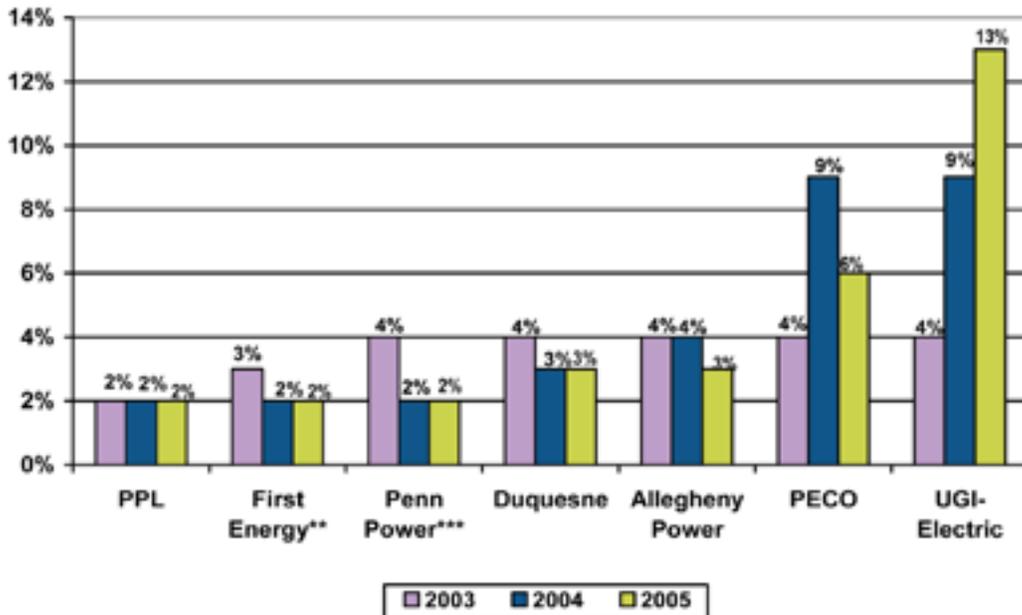
UGI-Gas began to capture the busy-out rate for its call centers beginning in November 2004. Therefore, the cumulative average of 6 percent for 2004 is only a two-month average of November and December. UGI-Gas had requested and was granted a waiver of § 62.33(1) (ii) until it was able to supply this data. For 2005, UGI reported a busy-out rate of 9 percent which is the highest of the seven NGDCs.

Equitable explains that its 1 percent busy-out rate for 2005 is an 11-month average rather than a 12-month average because busy-out data for July for its internal call center was not available due to a hardware upgrade. PG Energy attributes its slight increase in its busy-out rate to a higher call volume in October, November and December 2005, as a result of higher natural gas bills and colder than normal temperatures.

2. Call Abandonment Rate

Consistent with the regulations, the EDCs and NGDCs are to report to the Commission the average call abandonment rate for each call center, business office, or both. The call abandonment rate is the number of calls to a company's call center that were abandoned divided by the total number of calls that the company received at its call center or business office (§ 54.152 and § 67.32). For example, an EDC with a 10 percent call abandonment rate means that 10 percent of the calls received were terminated by the customer prior to speaking to an EDC representative. As the time that customers spend "on hold" increases, they have a greater tendency to hang up, raising the call abandonment rates. If the EDC or NGDC has more than one call center, it is to supply the call abandonment rates for each center as well as a combined statistic for the company as a whole. The next chart presents the combined call abandonment rate for each major EDC during 2003, 2004 and 2005.

Electric Distribution Companies Call Abandonment Rate 2003-05



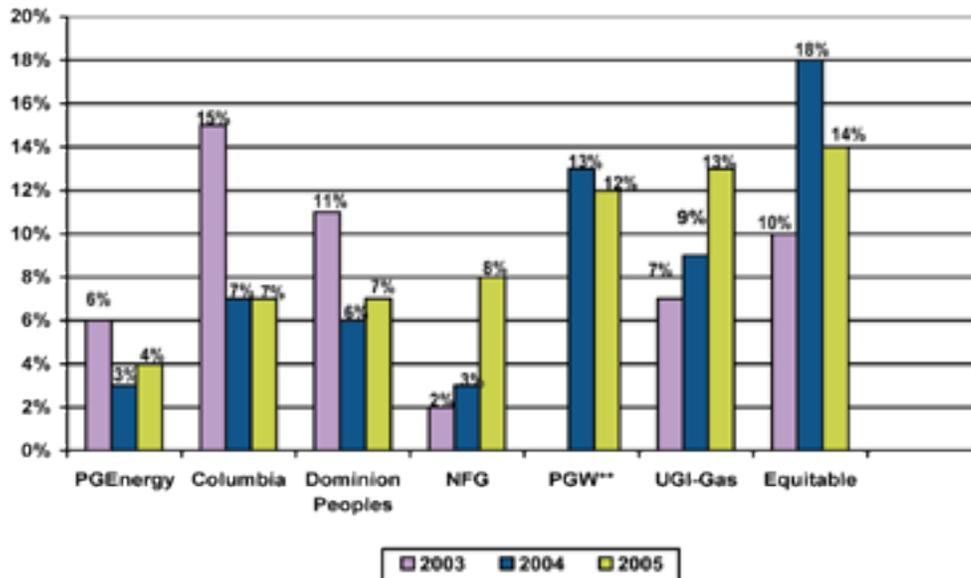
* Met-Ed and Penelec use the same call center so the chart shows them combined under FirstEnergy.

**Penn Power began using the same call center as Met-Ed and Penelec in mid-2003, but is presented separately for continuity.

The above statistics for five of the companies show a call abandonment rate of either 2 percent or 3 percent. Of these companies, Allegheny Power shows a call abandonment rate that is slightly lower than its 2004 rate. PECO reported a call abandonment rate of 6 percent, down from 9 percent in 2004. UGI-Electric reported a 13 percent call abandonment rate, representing a steady increase from 4 percent reported in 2003, and 9 percent in 2004. Analysis of the data reported by UGI for each month shows that the call abandonment rate was at its highest in the last quarter of 2005; that is 18 percent versus 12 percent, 10 percent and 12 percent in the first, second and third quarters respectively.

The chart on the following page presents the 2005 call abandonment rates for the major NGDCs.

Natural Gas Distribution Companies Call Abandonment Rate* 2003-05



* 12-month average.

** PGW was not required to report data prior to 2004.

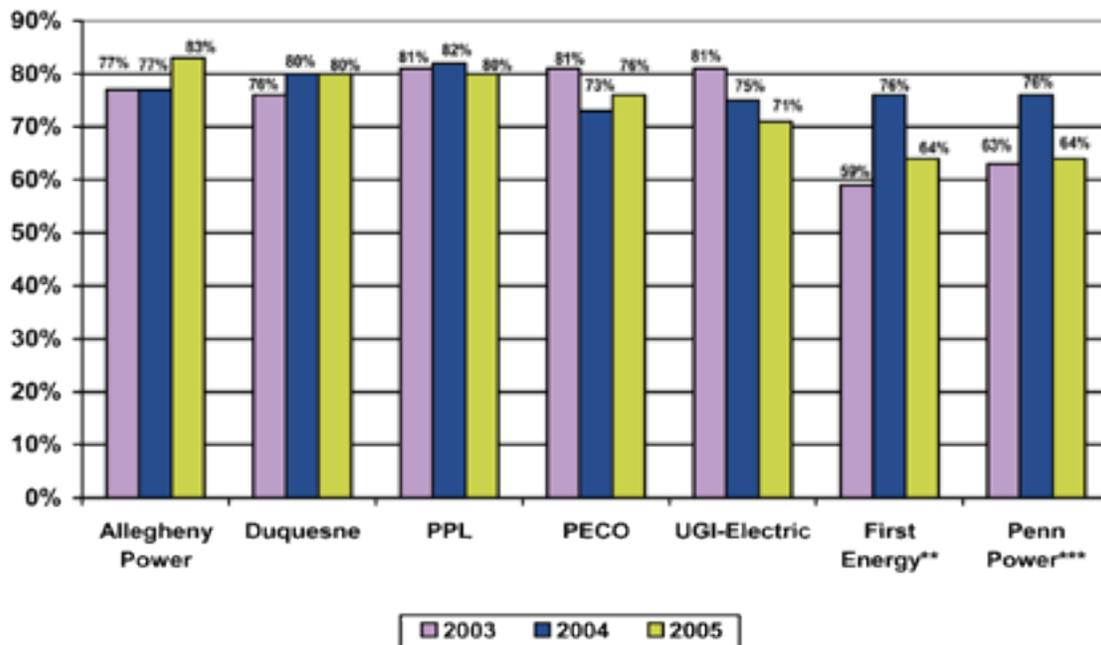
Four of the seven NGDCs had a higher average call abandonment rate in 2005 than in 2004. Equitable, although showing a decrease from 18 percent to 14 percent, reported the highest call abandonment rate for the second year in a row. Equitable explains that it is currently implementing plans that it expects will have an overall positive impact on the call abandonment rate. Equitable also points out that in fall 2005, it experienced a 40 percent increase in call volume. This increase impacted on the call abandonment rate which the company describes as “still not at an acceptable level.”

NFG’s call abandonment rate increased from 3 percent to 8 percent. NFG attributes this jump to a significant increase in call volume in 2005. NFG also notes that, as a result of the increased call volume, it added staff during the year. Although PG Energy shows what it describes as “a slight increase in the abandoned call rate,” it still has the best rate of all the gas companies. PGW states that call abandonment rate continues to be impacted by the high cost of gas and “large number of delinquent customers.”

3. Percent of Calls Answered within 30 Seconds

Pursuant to the quality of service reporting requirements at § 54.153(b) and § 62.33(b), each EDC and major NGDC is to “take measures necessary and keep sufficient records” to report the percent of calls answered within 30 seconds or less at the company’s call center. The section specifies that “answered” means a company representative is ready to render assistance to the caller. An acknowledgement that the consumer is on the line does not constitute an answer. If a company operates more than one call center (a center for handling billing disputes and a separate one for making payment arrangements, for example), the company is to provide separate statistics for each call center and a statistic that combines performance for all the call centers. The first of the next two charts presents the combined percent of calls answered within 30 seconds for each of the major EDCs in Pennsylvania during 2003, 2004 and 2005, while the second chart presents the data for the major NGDCs during that time period.

Electric Distribution Companies Percent of Calls Answered within 30 Seconds* 2003-05



* 12-month average.

** Met-Ed and Penelec use the same call center so these two companies are combined under FirstEnergy.

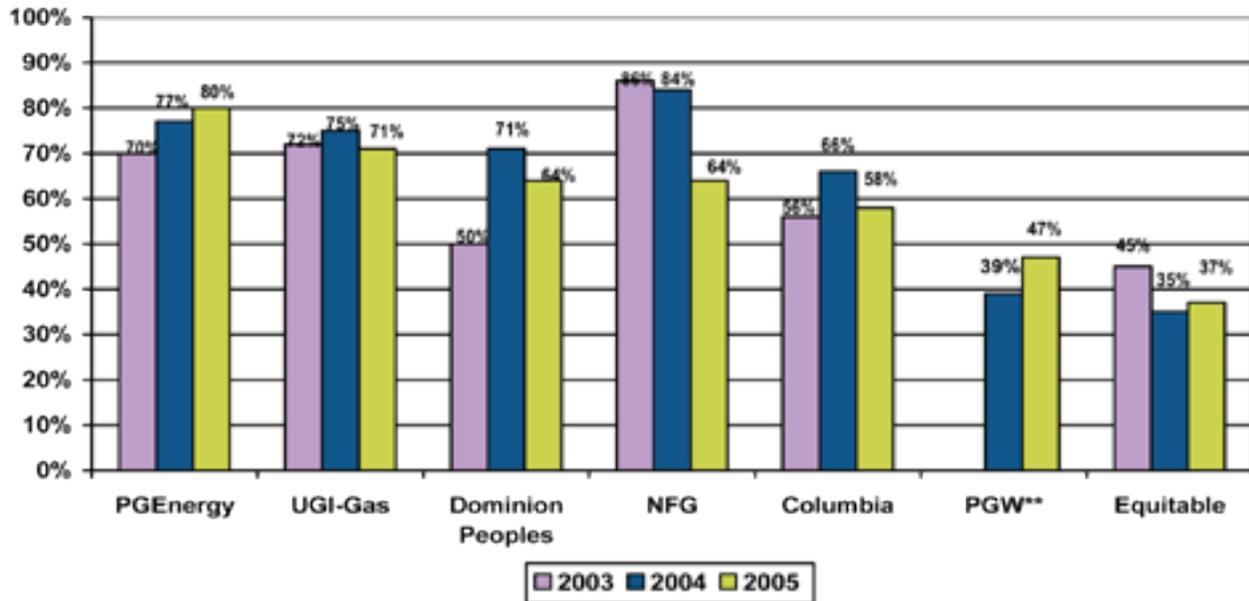
*** Penn Power began using the same call center as Met-Ed and Penelec in mid-2003, but is presented separately for continuity.

The 2005 results show improved access for only two companies. Of the other five, one company maintained an 80 percent average while four companies experienced a decrease in access. Two of these companies report significantly decreased access, dropping 12 percentage points from 2004 to 2005. Penn Power, Met-Ed and Penelec (FirstEnergy) began using the same call center in June 2003, and saw their access increase considerably in 2004. According to the company reports, in July 2005, the FirstEnergy call center experienced a “live agent” call volume increase of 6 percent after normalization of outage calls; in addition, the average call handle time for customer service related calls increased in July 2005. The companies state that both procedural changes and employee inexperience are key factors for the increased average call handle time. Twenty-three percent of the workforce in 2005, had, on average, less than six months of experience speaking to FirstEnergy customers.

PPL’s call center access has remained fairly stable over the last three years. Allegheny Power, in noting that its service level increased 6 percentage points from 2004, explains that several factors contributed to the improvement. The company implemented new call-routing software that helped, not only to make the system more efficient, but to improve reporting capabilities. The company reports that it reduced average call handle time by 18 seconds per call. Allegheny Power also reports that it reduced calls answered by customer service representatives 2.1 percent from 2004, due in part to offering more automated services through its interactive voice response system.

PECO attributes its improved service level to various improvements in processes such as self-serve options, first contact resolution, recruiting and staff management. It also credits the increase in the percent of calls answered within 30 seconds to enhancements to quality monitoring technology, to scripting and to call flow.

Natural Gas Distribution Companies Percent of Calls Answered within 30 Seconds* 2003-05



* 12-month average.

** PGW was not required to report data prior to 2004.

The percent of calls answered within 30 seconds varies depending on call volume and the number of employees available to take calls. Although PGW reports that it answered less than 50 percent of its calls within 30 seconds, it is the only gas company that shows a significant improvement in this measure in 2005. Two other gas companies, PG Energy and Equitable report an increase of 3 percentage points (from 77 percent to 80 percent) and 2 percentage points (from 35 percent to 37 percent), respectively. PG Energy is the only gas company reporting 80 percent of calls answered within 30 seconds for 2005.

Dominion Peoples had a 4 percent increase in call volume in 2005. The company believes this is a result of the implementation of Chapter 14 and significant gas price increases which impacted the percent of calls answered within 30 seconds. Further, according to Dominion Peoples, the average talk time per call increased more than a minute and a half, impacting service levels.

Columbia attributes the 8 percent difference in calls answered within 30 seconds in 2004 (66 percent) and 2005 (58 percent) to the overall increase in billing related calls due to higher gas costs. The company reports that, in addition to the nearly 50 percent increase in billing inquiries, it experienced a 25 percent spike in credit related calls “due to a more concentrated effort to improve its collection performance.” Columbia also notes that in 2005, it outsourced its phone contact center; existing center personnel and management staff, however, were retained by the new company.

Equitable Gas reports that its internal call center experienced improved service levels until the fall, when the call volume increased 40 percent due to high rates, budget reconciliation, and customers' fears over market volatility. Equitable notes that the increase in call volume during the last four months of 2005 reversed the improvement in service level it had been experiencing in the first part of the year. According to Equitable, the improvement during the first 8 months was a result of the now matured and stabilized billing system it installed in early 2004, as well as new management staff in the call center. Equitable reports that it is committed to raising service levels and is conducting "new hire classes" and implementing additional plans in an effort to provide faster answer times to customers.

NFG shows the biggest percent difference in calls answered within 30 seconds in 2004 (84 percent) and 2005 (64 percent). The 20 percent difference, according to NFG, is due to a significant increase in call volume. NFG notes that as a result of the increased call volume, additional staff was added.

B. Billing

Pursuant to 66 Pa.C.S. § 1509 and Standards and Billing Practices for Residential Utility Service (§ 56.11), a utility is to render a bill once every billing period to all customers. The customer bill is often the only communication between the company and its customer, thus underscoring the need to produce and send this fundamental statement to customers at regular intervals. When a customer does not receive a bill each month, it frequently generates consumer complaints to the company and sometimes to the Commission. The failure of a company to render a bill once every billing period, also adversely affects collections performance.

1. Number and Percent of Residential Bills Not Rendered Once Every Billing Period

Pursuant to § 54.153(b)(2)(i) and § 62.33(b)(2)(i), the EDCs and major NGDCs shall report the number and percent of residential bills that the company failed to render pursuant to § 56.11. The following tables present the average monthly percent of residential bills that each major EDC and NGDC failed to render once every billing period during 2003, 2004 and 2005.

**Electric Distribution Companies
Number and Percent* of Residential Bills
Not Rendered Once Every Billing Period**

Company	2003		2004		2005	
	Number	Percent	Number	Percent	Number	Percent
Duquesne Light	0	0%	0	0%	0	0%
PECO	77	.00%	28	.00%	21	.00%
PPL	368	.03%	102	.01%	42	.00%
UGI-Electric	4	.01%	2	.00%	1	.00%
Allegheny Power	107	.02%	74	.01%	94	.01%
Met-Ed	18	.00%	73	.02%	22	.01%
Penelec	14	.00%	64	.01%	29	.01%
Penn Power	30	.02%	22	.02%	11	.01%

* 12-month average.

PECO's average of 21 residential bills not rendered once every billing period improved in comparison to 2004. PECO reports that the average delay is one or two days for those customers who were not billed on time. Also showing a reduction in the average number of bills not rendered is PPL Electric. PPL states that the two primary reasons for the improvement are revising internal processes to better monitor past due bills and assigning additional resources to those bills.

Met-Ed, Penelec and Penn Power, while showing an improvement in this measure, attribute any failure to issue a monthly bill to the following reasons: rerouting, removal of service, system issues or IT related problems, field investigation of meter reading information, meter reading and supplier changes.

**Natural Gas Distribution Companies
Number and Percent* of Residential Bills
Not Rendered Once Every Billing Period**

Company	2003		2004		2005	
	Number	Percent	Number	Percent	Number	Percent
PG Energy	0	0%	0	0%	0	0%
Columbia	4	.00%	7	.00%	7	.00%
UGI-Gas	12	.01%	4	.00%	1	.00%
Dominion Peoples	70	.02%	24	.01%	28	.01%
NFG	11	.01%	9	.00%	17	.01%
Equitable	15	.01%	158	.07%	242	.10%
PGW**			4,156	1.00%	4,227	1.00%

* 12-month average.

** Began reporting in 2004.

Columbia notes that its average number of “deferred billings” continues to remain relatively low for both residential and small business customers.

Equitable points out that analysis of the billing data by quarter shows that, as its billing system matured, the performance significantly improved. The average number of residential bills not rendered once every billing period was at its highest in the first quarter of 2005 (381) and at its lowest (85) in the last quarter.

PGW reports that in September 2005, the company completed development of a database to track the completion of “billing exceptions.” Prior to the development of this data base, PGW could not track whether or not billing exceptions that “kicked” in error were reviewed and accepted for mailing. PGW states that most of the billing exceptions were reviewed and mailed three to five days after billing, but the company had no way to track the completion date for reporting purposes. On Oct. 1, 2005, PGW placed the data base into production and began to track the completion of the billing exceptions. A review of the monthly data submitted by PGW shows that during the first three quarters of 2005 the reported monthly average of bills not rendered is 5,633. The monthly average reported for the last quarter of 2005, after the implementation of the tracking database, is six. PGW notes that the significant reduction in the number of bills not rendered once every billing period is a direct result of the database implementation that made the reporting accurate. The average number of residential bills not rendered once every billing period was at its highest in the first quarter of 2005 (381) and at its lowest (85) in the last quarter.

2. Number and Percent of Bills to Small Business Customers Not Rendered Once Every Billing Period

Both the EDC and the NGDC quality of service reporting requirements require that companies report the number and percent of small business bills the companies failed to render in accordance with 66 Pa.C.S. §1509. The reporting requirements at § 54.152 define a small business customer as a person, sole proprietorship, partnership, corporation, association or other business that receives electric service under a small commercial, industrial or business rate classification. In addition, the maximum registered peak load for the small business customer must be less than 25 kilowatt hours within the last 12 months. Meanwhile, the NGDC reporting requirements at § 62.32 define a small business customer as a person, sole proprietorship, partnership, corporation, association or other business whose annual gas consumption does not exceed 300 thousand cubic feet (mcf). The tables on the following page show the average number and percent of small business customers the major EDCs and NGDCs did not bill according to statute.

**Electric Distribution Companies
Number and Percent* of Bills to Small Business
Customers Not Rendered Once Every Billing Period**

Company	2003		2004		2005	
	Number	Percent	Number	Percent	Number	Percent
Duquesne Light	0	0%	0	0%	0	0%
UGI-Electric	0	0%	6	.01%	0	0%
PECO	37	.02%	4	.00%	2	.00%
Met-Ed	11	.02%	38	.07%	11	.02%
Penelec	24	.03%	40	.05%	12	.02%
Penn Power	1	.01%	17	.09%	5	.03%
PPL	203	.12%	78	.05%	46	.03%
Allegheny Power	90	.11%	44	.05%	36	.04%

* 12-month average.

PPL reports, as it did with residential bills, that the improvement in this measure is due to revised processes that allow better monitoring of aged bills, and the addition of resources to work with aged bills.

**Natural Gas Distribution Companies
Number and Percent* of Bills to Small Business
Customers Not Rendered Once/Billing Period**

Company	2003		2004		2005	
	Number	Percent	Number	Percent	Number	Percent
PG Energy	0	0%	0	0%	0	0%
UGI-Gas	3	.01%	0	0%	0	0%
Columbia	7	.00%	3	.00%	11	.00%
Dominion Peoples	9	.05%	3	.02%	3	.02%
NFG	1	.01%	2	.02%	2	.02%
Equitable	7	.04%	29	.24%	32	.30%
PGW**			189	1.00%	208	1.00%

* 12-month average.

** Began reporting in 2004.

PGW reports that implementation of a data base to track billing exceptions significantly affected the reported number of small business customers, as it did residential customers not receiving a bill each billing period. Analysis of the monthly data shows improvement that coincides with the implementation date of the data base: the first three quarters of 2005 indicate a monthly average of 256 bills, while the last quarter indicates a monthly average 67 bills that were not rendered once each billing period.

C. Meter Reading

Regular meter reading is important in order to produce accurate bills for customers who expect to receive bills based on the amount of service they have used. The Commission's experience is that the lack of actual meter readings generates complaints to companies, as well as to the Commission. In both of the Final Rulemaking Orders establishing Reporting Requirements for Quality of Service Benchmarks and Standards [L-00000147 and L-970131], the Commission stated its concern that regular meter reading may be one of the customer service areas where EDCs and NGDCs might, under competition, reduce the level of service. The quality of service reporting requirements include three measures of meter reading performance that correspond with the meter reading requirements of the Chapter 56 regulations at § 56.12(4)(ii), § 56.12(4)(iii) and § 56.12(5)(i).

1. Number and Percent of Residential Meters Not Read By Company or Customer in Six Months

Pursuant to § 56.12(4)(ii), a utility may estimate the bill of a residential ratepayer if utility personnel are unable to gain access to obtain an actual meter reading. However, at least every six months, the utility must obtain an actual meter reading or ratepayer supplied reading to verify the accuracy of prior estimated bills. The quality of service reporting requirements at § 54.153(b)(3)(i) require EDCs to report the number and percent of residential meters the company has not read in accordance with § 56.12(4)(ii). The results are compiled in the next table.

Electric Distribution Companies Number and Percent* of Residential Meters Not Read by Company or Customer in Six Months

Company	2003		2004		2005	
	Number	Percent	Number	Percent	Number	Percent
Duquesne Light	24	.00%	6	.00%	4	.00%
PPL	287	.02%	70	.01%	30	.00%
UGI-Electric	0	0%	1	.00%	1	.00%
Allegheny Power	78	.01%	65	.01%	72	.01%
Penn Power	10	.01%	120	.08%	79	.05%
Met-Ed	245	.06%	319	.08%	321	.08%
Penelec	350	.07%	385	.08%	403	.08%
PECO	6,008**	.30%**	811	.05%	1,999	.13%

* 12-month average.

** PECO's gas meters are included in only the 2003 data in this table.

Met-Ed, Penelec, and Penn Power report that although they try to read every meter every month, weather and access issues still prevent them from doing so consistently. The companies further report that there is no significant difference between the first six months of the year and the last six months.

PECO points out that a monthly analysis of the 2005 data shows that the number of meters not read in six months was 40 percent lower in December (1,298) than in January (2,149). Although the individual numbers do show a steady reduction beginning in July 2005, analysis of PECO's 2004 data demonstrates a similar pattern. The above chart shows that the percent of meters not read by PECO in six months more than doubled from 2004 to 2005, going from .05 percent to .13 percent.

PPL attributes the improvement in this measure to the full deployment of its automated meter reading (AMR) system and process enhancements gained through experience.

Natural Gas Distribution Companies Number and Percent* of Residential Meters Not Read by Company or Customer in 6 Months

Company	2003		2004		2005	
	Number	Percent	Number	Percent	Number	Percent
PG Energy	8	.00%	4	.00%	0	0%
PECO (Gas)***			428	.10%	769	.18%
Columbia	980	.27%	781	.21%	776	.21%
NFG	748	.37%	828	.41%	491	.24%
Dominion Peoples	984	.30%	1,014	.31%	819	.25%
PGW**			3,005	1.00%	1,290	.27%
UGI-Gas	1,443	.62%	1,380	.43%	1,039	.32%
Equitable	417	.17%	5,538	2.00%	3,906	1.70%

* 12-month average.

** Began reporting in 2004.

*** Second year PECO gas meters presented separately.

The Reporting Requirements for Quality of Service Benchmarks and Standards at § 62.33(b)(3)(i) require the major NGDCs to report the number and percent of residential meters for which the company has failed to obtain an actual or ratepayer supplied meter reading within the past six months as required under § 56.12(4)(ii). The table above presents the data that the companies reported for 2003, 2004 and 2005. All of the gas companies improved performance from 2004 to 2005 except for PECO Gas. This is the second year that this report presents PECO's natural gas meter-reading data separately from its electric meter-reading data.

The number of residential meters Equitable reported as not read in accordance with §56.12(4)(ii) in 2005 is 29 percent lower than the number of meters not read in 2004, but not close to the low of 417 reported in 2003. Equitable states that its installation of automated meter reading devices on all accounts is 50 percent completed. The company expects to see a beneficial impact on long-term no-reads through 2006.

Columbia Gas notes that the number of its meters not read in six months dropped for the fourth consecutive year. The company points out that it put considerable effort into improving its meter reading performance and as a result had fewer informal complaints in 2005 about meter reading.

PGW reports that, in August 2005, it completed the PUC mandated automatic meter replacement program. As required, PGW installed AMR devices in those residences that did not have them. The company explains that those meters that it has not replaced are on services that supply two or more meters (apartment buildings). PGW states that it is addressing these meters on an ongoing basis.

2. Number and Percent of Residential Meters Not Read In 12 Months

Pursuant to § 56.12(4)(iii), a company may estimate the bill of a residential ratepayer if company personnel are unable to gain access to obtain an actual meter reading. However, at least once every 12 months, the company must obtain an actual meter reading to verify the accuracy of either the estimated or ratepayer supplied readings. The Reporting Requirements for Quality of Service Benchmarks and Standards at § 54.153(b)(3)(ii) require the EDCs to report the number and percent of residential meters for which they failed to meet the requirements of this section. The table below presents the statistics the EDCs submitted to the Commission for this measure.

Electric Distribution Companies Number and Percent* of Residential Meters Not Read in 12 Months

Company	2003		2004		2005	
	Number	Percent	Number	Percent	Number	Percent
PPL	0	0%	0	0%	0	0%
UGI-Electric	0	0%	0	0%	0	0%
Allegheny Power	5	.01%	68	.01%	4	.00%
Duquesne	3	.00%	2	.00%	1	.00%
Penelec	73	.02%	81	.02%	60	.01%
Penn Power	1	.00%	23	.01%	11	.01%
Met-Ed	53	.01%	97	.02%	71	.02%
PECO	6,626**	.33%**	2,936	.19%	1,135	.07%

* 12-month average.

** PECO's gas meters are included in only the 2003 data in this table.

All of the EDCs show improvement in this measure from 2004 to 2005. PECO Energy improved its performance significantly from 2004 to 2005, with 61 percent fewer meters not read in 12 months. PECO attributes this improvement in part to enforcing the notice process for hard to access meters.

**Natural Gas Distribution Companies
Number and Percent* of Residential Meters Not Read
in 12 Months**

Company	2003		2004		2005	
	Number	Percent	Number	Percent	Number	Percent
PG Energy	0	0%	0	0%	0	0%
Columbia	389	.10%	268	.10%	260	.07%
PECO (Gas)**			737	.17%	319	.07%
Dominion Peoples	91	.03%	97	.03%	324	.08%
UGI-Gas	954	.31%	510	.16%	293	.09%
NFG	266	.12%	375	.19%	350	.17%
PGW ***			2,349	.49%	851	.18%
Equitable	490	.21%	2,118	1.00%	810	.40%

* 12-month average.

** Second year PECO gas meters presented separately.

*** Began reporting in 2004.

For the NGDCs, the quality of service reporting requirements at § 62.33(b)(3)(ii) require the major NGDCs to report the number and percent of residential meters for which the company failed to obtain an actual meter reading within the past 12 months. This is the second year that the report presents PECO's natural gas meter-reading data separately from its electric meter-reading data.

Dominion Peoples explains that the significant increase in this index from 2004 to 2005 is due to a reporting error in prior years. In prior years, Dominion Peoples notes that the reported data inadvertently contained customer-provided meter readings which are not applicable in this section. Although customer-provided meter readings can fulfill the six-month meter reading requirement, the company is obliged to obtain an actual meter reading in a 12-month period. Dominion Peoples states that it detected the error during the "year-end data collection exercise," and therefore has only year-end data for 2005, because the monthly performance data for this measure is not available.

As with the six-month meter reading requirement, Equitable notes that its "62 percent reduction in 12 month no-reads" from 2004 to 2005 is a result of its installation of automated meter reading devices which is 50 percent complete.

PECO Gas credits its improvement in reducing the number of gas meters not read in 12 months to enforcing the notice process for hard to access meters, as it did with its residential electric accounts.

3. Number and Percent of Residential Remote Meters Not Read in Five Years

Pursuant to § 56.12(5)(i), a utility may render a bill on the basis of readings from a remote reading device. However, the utility must obtain an actual meter reading at least once every five years to verify the accuracy of the remote reading device. Under the quality of service reporting requirements at § 54.153(b)(3)(iii) and § 62.33(b)(3)(iii), each EDC and major NGDC must report to the Commission the number and percent of residential remote meters for which it failed to obtain an actual meter reading under the timeframe described in Chapter 56. The following tables show the data as reported by the major companies.



Electric Distribution Companies Number and Percent* of Residential Remote Meters Not Read in Five Years

Company	2003		2004		2005	
	Number	Percent	Number	Percent	Number	Percent
Duquesne	0	0%	0	0%	0	0%
Met-Ed	1	.02%	1	.01%	0	0%
Penelec	2	.04%	0	0%	0	0%
UGI-Electric	0	0%	0	0%	0	0%
PECO**	0	0%	NA	NA	NA	NA
Allegheny Power**	NA	NA	NA	NA	NA	NA
Penn Power**	NA	NA	NA	NA	NA	NA
PPL**	NA	NA	NA	NA	NA	NA

* 12-month average.

** No remotely read meters.

The accuracy of the data in the tables regarding remote reading devices cannot be verified. Although the Commission has defined remote meter reading devices and direct interrogation devices, there is still a question whether certain meters qualify as direct interrogation devices.

**Natural Gas Distribution Companies
Number and Percent* of Residential Remote Meters Not Read
in Five Years**

Company	2003		2004		2005	
	Number	Percent	Number	Percent	Number	Percent
PGW **			0	0%	0	0%
Dominion Peoples	0	0%	0	0%	1	.07%
UGI-Gas	504	3.20%	313	2.04%	110	.68%
NFG	39	1.70%	38	1.90%	13	.70%
Columbia***	0	0%	0	0%	NA	NA
Equitable***	123	1.33%	377	4.92%	NA	NA
PECO (Gas) ***			NA	NA	NA	NA
PG Energy***	NA	NA	NA	NA	NA	NA

* 12-month average.

** Began reporting in 2004.

*** No remotely read meters.

Three of the Natural Gas Distribution Companies reported residential remote meters not read in 2005 as required by §56.12(5)(i). Equitable reports that its old “AMD” or “Metscan System” has been abandoned. In 2005, it placed all of its accounts with Metscan devices in meter reading routes.

Both UGI Gas and NFG show an improvement from 2004 to 2005.

D. Response to Disputes

When a ratepayer registers a dispute with a utility about any matter covered by Chapter 56 regulations, each utility covered by the regulations must issue its report to the complaining party within 30 days of the initiation of the dispute pursuant to § 56.151(5). A complaint or dispute filed with a company is not necessarily a negative indicator of service quality. However, a company’s failure to promptly respond to the customer’s complaint may be an indication of poor service. Further, to respond beyond the 30-day limit is an infraction of § 56.151(5) and a cause of complaints to the Commission.

1. Number of Residential Disputes that Did Not Receive a Response Within 30 Days

The Reporting Requirements for Quality of Service Benchmarks and Standards at § 54.153(b)(4) and § 62.33(b)(4) require each EDC and major NGDC to report to the Commission the actual number of disputes for which the company did not provide a response within 30 days as required under the Chapter 56 regulations. The two tables on the following pages present this information as reported by the companies.

Electric Distribution Companies Number of Residential Disputes that Did Not Receive a Response within 30 Days

Company	2003	2004	2005
UGI-Electric	7	0	0
Duquesne	34	3	19
Penn Power	44	10	19
PECO	38	2	26
Allegheny Power	242	131	48
Penelec*	225	14	62
Met-Ed*	201	10	77
PPL	1,726	1,023	293

Six of the eight Electric Distribution Companies reported an increase from 2004 to 2005 in the number of disputes not responded to within 30 days. PPL and Allegheny Power both reported a decrease. PPL attributes its 71 percent reduction in disputes not issued a company report within 30 days to an improved internal process to monitor disputes. In addition, PPL reports that enhanced communications and information sharing with field personnel combined with the full deployment of its AMR played a part in the dramatic reduction of an average of 85 disputes a month to an average of 24 disputes not responded to within 30 days.

Met-Ed reported a higher number of disputes not issued a company report within 30 days in 2005 than in 2004 -- an average of six disputes per month compared to an average one per month in 2004. Penelec experienced a similar increase.

Duquesne attributes the “minor decline” in its performance to an increase in volume and the timing of additional resources to address the increased workload. PECO notes that in 2005 it identified 26 residential customer disputes as having no company report issued within 30 days of the dispute being initiated. PECO explains that, although the number of disputes it reported went from two in 2004 to 26 in 2005, past reports were based on system-generated information while the 2005 report represents the results of a recently implemented audit to identify all situations involving “over 30-day dispute reports.”



**Natural Gas Distribution Companies
Number of Residential Disputes that Did Not Receive
a Response Within 30 Days**

Company	2003	2004	2005
Dominion Peoples	514	575	0
PG Energy	1	0	0
NFG	3	2	2
UGI-Gas	207	59	2
Columbia	71	63	81
Equitable	21	939	154
PGW *		330	803

* Began reporting in 2004.

Equitable notes only that there was an 84 percent reduction in the number of disputes that exceeded the 30-day response time.

Analysis of the data submitted by Dominion Peoples for 2004 shows that more than half of the 575 residential disputes that did not receive a response within 30 days were recorded in the first quarter of 2004, when “the company experienced a union strike.” In the last quarter of 2004, only four disputes did not receive a timely response. Dominion Peoples notes that “further improvement in this index” in 2005 is due to a “continuous process improvement effort over the past several years.”

PGW reports that, mainly due to an increase in the cost of gas, the number of high bill disputes in 2005 increased resulting in an increase in the number of disputes exceeding the 30-day response time.

II. Customer Transaction Survey Results

In conformance with the Reporting Requirements for Quality of Service Benchmarks and Standards at § 54.154 for the EDCs and § 62.34 for the major NGDCs, the companies are to report to the Commission the results of telephone transaction surveys of customers who have had interactions with the company.

The purpose of the transaction surveys is to assess the customer's perception regarding this recent interaction. The regulations specify that the survey questions are to measure access to the company, employee courtesy, employee knowledge, promptness of the EDC or NGDC response or visit, timeliness of the company response or visit, and satisfaction with the handling of the interaction.

The EDCs and NGDCs must carry out the transaction survey process using survey questionnaires and procedures that provide the Commission with uniform data to directly compare customer service performance among EDCs and NGDCs in Pennsylvania. A survey working group composed of EDC representatives and Commission staff designed the EDC survey questionnaire and survey procedures in 1999. The first surveys of EDC customers were conducted in 2000. In 2001, the NGDCs formed a survey working group to design the survey questionnaire and survey procedures. The NGDCs agreed to use the same basic survey as the EDCs with similar procedures. The survey of NGDC customers was conducted for the first time in 2002.

Both working groups decided that the focus of the surveys should be on residential and small business customers who have recently contacted their company. The working groups agreed that industrial customers and large commercial customers should not be included in the survey since these large customers have specific representatives within their respective companies with whom they discuss any problems, concerns and issues, and thus should be excluded from the survey. For both the EDCs and the NGDCs, the survey sample also excludes all transactions that result from company outbound calling programs or other correspondence. However, transactions with consumers who use a company's automated telephone system exclusively, as well as those who contact their company by personal visit, are eligible to be surveyed.

This is the second year that all of the major EDCs and NGDCs used a common survey company. Penelec and Met-Ed survey data appear separately again this year, instead of combined as FirstEnergy. This report also presents PGW survey data for the second year.

Each month, the EDCs and NGDCs randomly select a sample of transaction records for consumers who have contacted them within the past 30 days. The companies transmit the sample lists to the research firm. The research firm randomly selects individual consumers from the sample lists. The survey firm contacts individual consumers in the samples until it meets a monthly quota of completed surveys for each company.

Each year, the survey firm completes approximately 700 surveys for each EDC or NGDC. With a sample of this size, there is a 95 percent probability the results have a statistical precision of plus or minus five percentage points of what the results would be if all customers who had contacted their EDC or NGDC had been surveyed. Thus, the sampling plan meets the requirements of § 54.154(5) and § 62.34(5) that specify that the survey results must be statistically valid within plus or minus 5 percent.

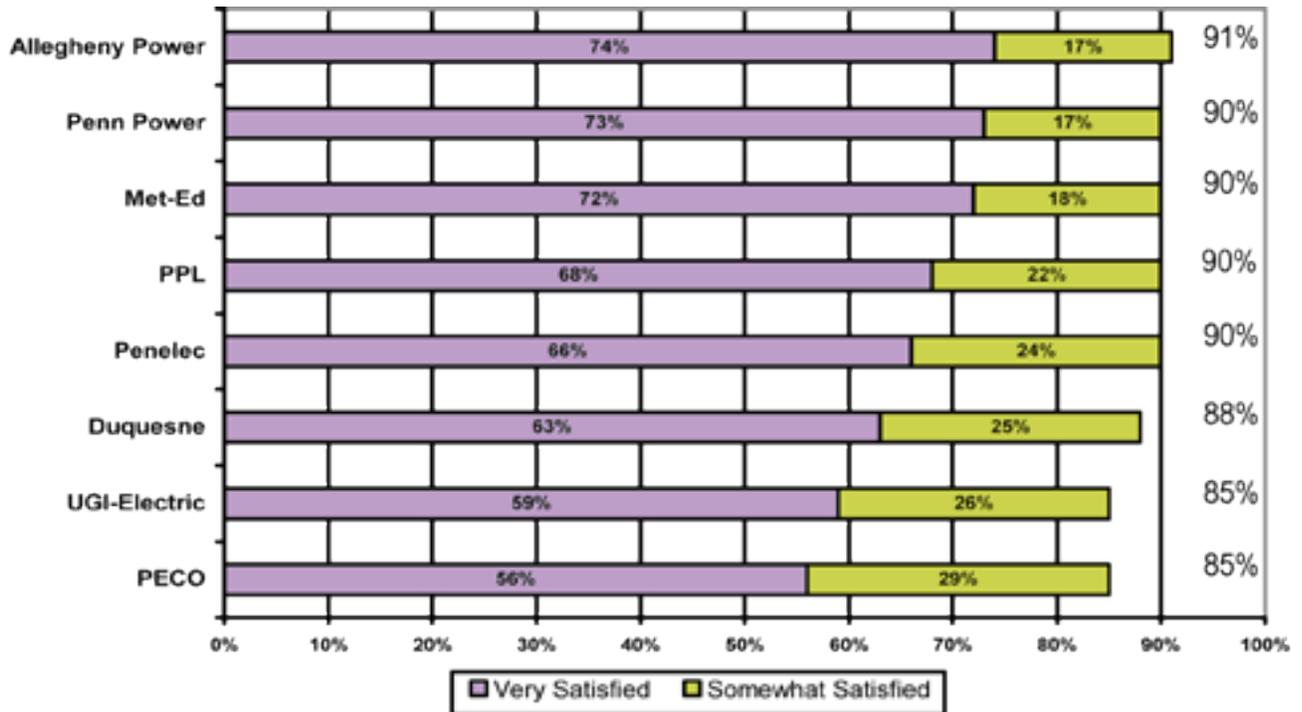
Survey working group members from both industries agreed the 700 completed surveys should include 200 contacts about credit and collection issues and 500 contacts about all other types of issues. Under this plan, the credit and collection contacts do not dominate survey results. Credit and collection contacts are from customers who need to make payment arrangements, customers who received termination notices or had service terminated, those who are requested to pay security deposits and others with bill payment problems. Consumer contacts about other issues include calls about billing questions and disputes, installation of service requests, metering problems, outage reporting, questions about choosing an alternative supplier, and a variety of other reasons.

This report summarizes the 2003-05 EDC survey data and the 2003-05 NGDC survey data into the charts and tables that appear later in this chapter and in the appendices. For the EDCs, the chapter presents the results from the 2005 surveys while Appendix A presents a comparison of results from the past three years. Appendix A also includes additional details of the EDC survey results. Appendix B presents a comparison of the NGDC survey results from the past three years. Both Appendix A and B provide information about the number and type of consumers who participated in the 2005 surveys as well as the average number of residential customers each EDC and NGDC serve. In all charts and tables related to the surveys, “don’t know” and “refused” responses to survey questions were removed from the analysis.

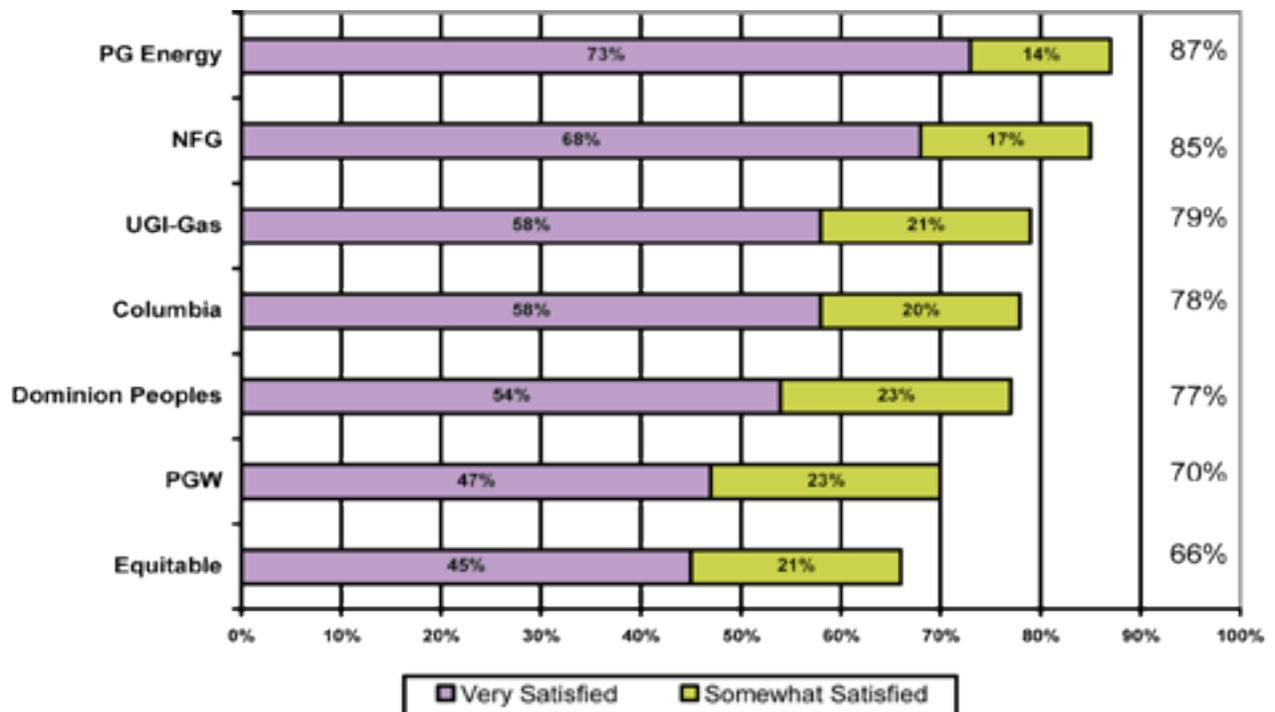
A. Reaching the Company

One of the first survey questions in each of the surveys asks the consumer “How satisfied were you with the ease of reaching the EDC or the NGDC?” The bar charts that follow present the percent of consumers who indicated satisfaction with the initial stage of their contact with the company. The Commission believes a company should offer reasonable telephone access to its customers. Customers must be able to readily contact their company with questions, complaints, and requests for service, and to report service outages and other service problems. For 2005, the average of the percentages of EDC customers who responded that they were either “satisfied” or “somewhat satisfied” with the ease of reaching the company is 89 percent. Survey results from the 2004 and 2003 surveys are available in Appendix A, Table 1. For NGDCs, the average of the percentages of NGDC consumers who responded that they were either “satisfied” or “somewhat satisfied” with the ease of reaching the company is 77 percent. The NGDC survey results from the 2004 and 2003 surveys are available in Appendix B, Table 1.

Satisfaction with the Ease of Reaching the Electric Distribution Company 2005



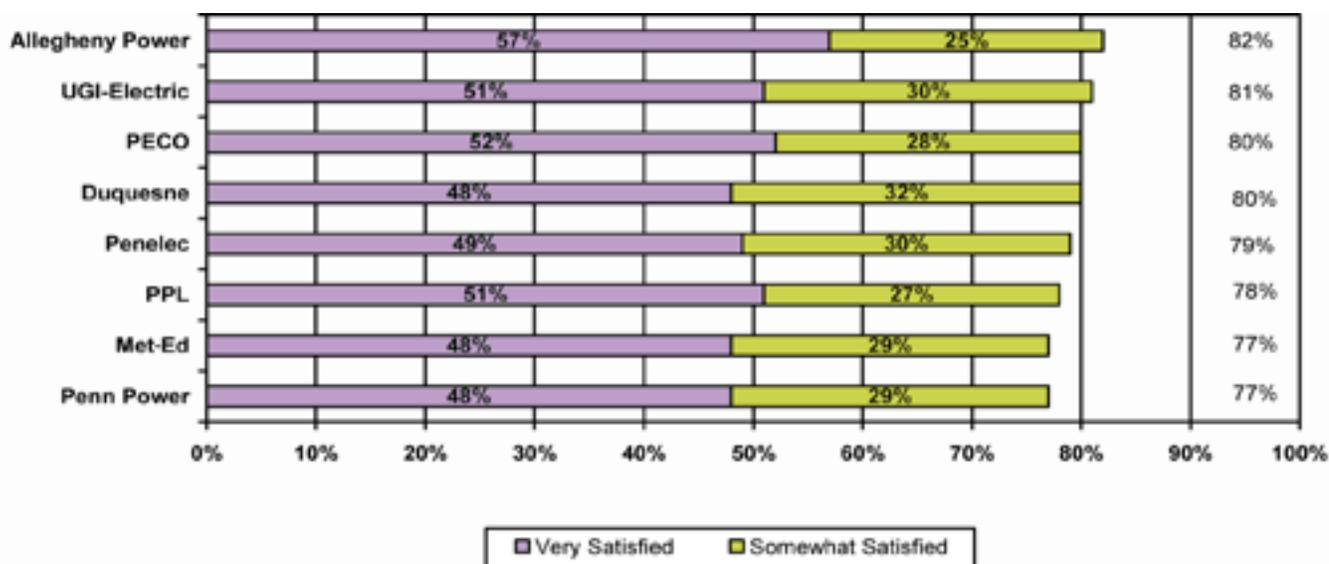
Satisfaction with the Ease of Reaching the Natural Gas Distribution Company 2005



B. Automated Phone Systems

Survey interviewers ask consumers other questions about the preliminary stages of their contact with the EDC or NGDC. All the EDCs and all but one of the NGDCs use an automated telephone system to filter calls and save time and money when dealing with consumer calls. (NFG is the one company that does not use an automated telephone system at its call center.) The surveys ask consumers several questions about their experience with using the automated systems. The charts that follow present the level of satisfaction consumers expressed about using the EDCs' or NGDCs' automated telephone systems.

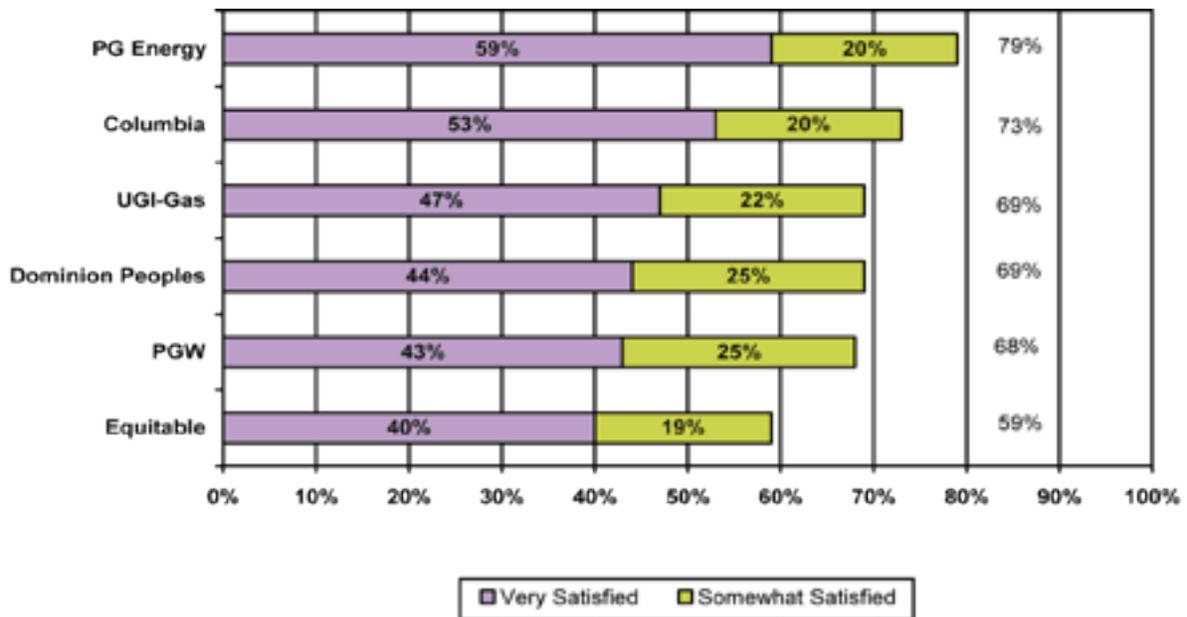
Satisfaction with Using an Electric Distribution Company's Automated Phone System 2005



On average, 79 percent of EDC consumers reported being either very satisfied or somewhat satisfied with the EDCs' automated phone system. Appendix A, Table 3, presents other details of how consumers perceive using an EDC's automated phone systems.

The chart on the following page presents the survey findings regarding the perceptions of NGDC consumers regarding the NGDC telephone systems. It shows that, for the major NGDCs, 70 percent of NGDC consumers reported satisfaction with using the automated systems. NFG does not use an automated phone system to route consumer calls so NFG is not included in the chart. Appendix B, Table 3, presents other details of how customers perceive using an NGDC's automated phone system.

Satisfaction with Using a Natural Gas Distribution Company's Automated Phone System 2005

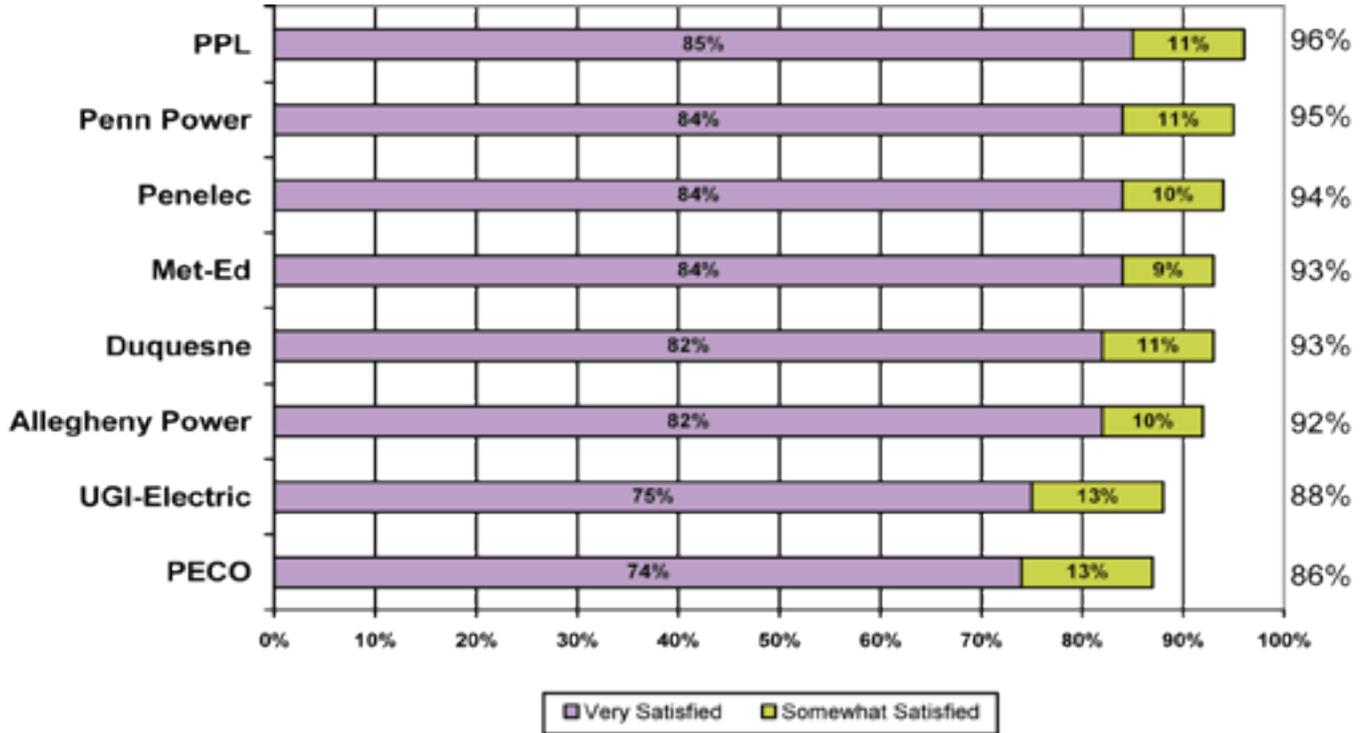


C. Company Representatives

As indicated in Appendix A, Table 6, an average of 89 percent of surveyed EDC customers indicated that they had spoken with a company representative during their most recent interaction with the company. Appendix B, Table 6, shows, on average, 95 percent of NDGC consumers indicated they spoke with an NDGC representative during the most recent interaction they had with the company. Each consumer who indicated that they had spoken with a company representative was asked the following question: "Thinking about your conversation, how satisfied were you with the way in which the company representative handled your contact?" The following tables show the consumers' level of satisfaction with this interaction.



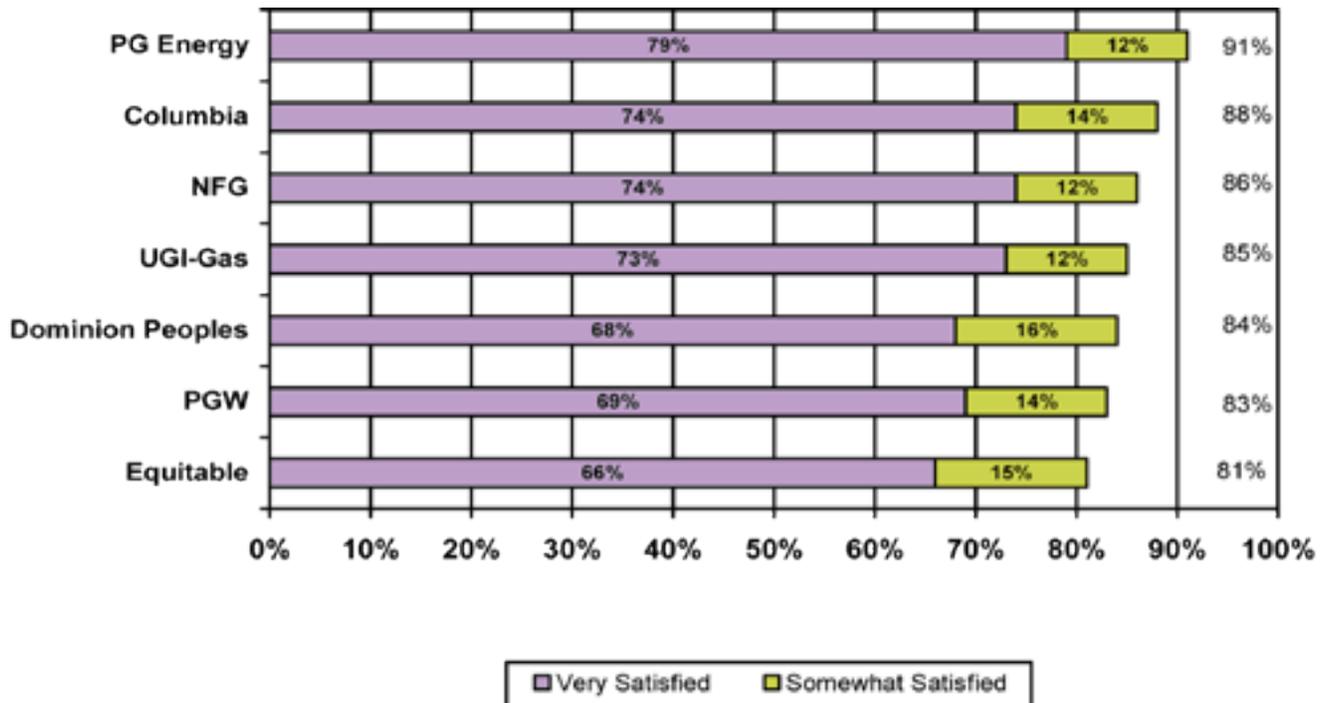
Satisfaction with the Electric Distribution Company Representative's Handling of the Contact 2005



On average in 2005, 92 percent of EDC consumers indicated being either “somewhat satisfied” or “very satisfied” with the way the company representative handled the consumer contact. Appendix A, Table 1B, provides results from 2003 through 2005 regarding consumer satisfaction with how EDC representatives handled the contact to the EDC.

The following chart shows that in 2005, on average, 85 percent of NGDC consumers indicated they were either “somewhat satisfied” or “very satisfied” with the way the company representative handled the interaction. Appendix B, Table 1B, provides results from 2003 through 2005 regarding consumer satisfaction with how NGDC representatives handled the contact to the NGDC.

Satisfaction with the Natural Gas Distribution Company Representative's Handling of the Contact 2005



A consumer's overall rating of satisfaction with the company representative's handling of the contact may be influenced by several factors, including the courtesy and knowledge of the representatives. The reporting requirements specify the transaction survey questionnaire must measure consumers' perceptions of employee courtesy and knowledge. The following tables show the EDC and NGDC consumers' 2005 ratings of these attributes of the company representatives with whom they interacted. Appendix A, Table 4, provides a comparison of 2003, 2004 and 2005 ratings of EDC representatives. Appendix B, Table 4, provides a comparison of 2003, 2004 and 2005 ratings of NGDC representatives.

Consumer Ratings of Electric Distribution Company Representatives 2005

Company	Call Center Representative's Courtesy		Call Center Representative's Knowledge	
	Somewhat Courteous	Very Courteous	Somewhat Knowledgeable	Very Knowledgeable
Allegheny Power	7%	89%	12%	82%
Duquesne	7%	89%	12%	84%
Met-Ed	6%	92%	11%	84%
PECO	10%	83%	17%	74%
Penelec	5%	92%	12%	83%
Penn Power	5%	93%	12%	84%
PPL	7%	89%	13%	83%
UGI-Electric	8%	85%	13%	82%
Average	7%	89%	13%	82%

On average, 96 percent of consumers indicated the company person they spoke with was either “very courteous” or “somewhat courteous” with the majority indicating the representative was “very” courteous. An average of 95 percent rated the company representative as “very knowledgeable” or “somewhat knowledgeable.” The majority gave a “very knowledgeable” rating.

Consumer Ratings of Natural Gas Distribution Company Representatives 2005

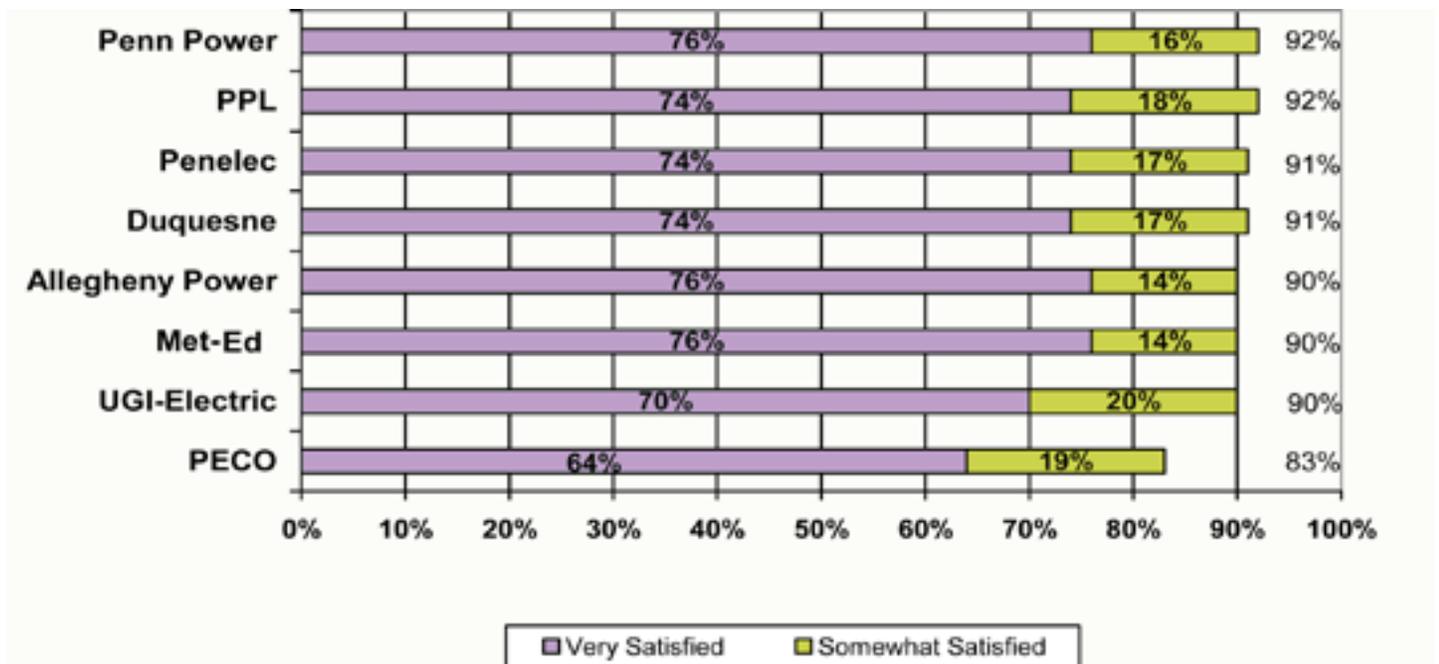
Company	Call Center Representative's Courtesy		Call Center Representative's Knowledge	
	Somewhat Courteous	Very Courteous	Somewhat Knowledgeable	Very Knowledgeable
Columbia	10%	82%	12%	78%
Dominion Peoples	11%	81%	14%	74%
Equitable	13%	75%	13%	72%
NFG	9%	80%	12%	77%
PG Energy	9%	84%	12%	79%
PGW	12%	76%	14%	74%
UGI-Gas	11%	80%	12%	76%
Average	11%	80%	13%	76%

On average, 91 percent of consumers rated NGDC representatives as either “very courteous” or “somewhat courteous.” In addition, 89 percent of NGDC consumers rated company representatives as either “very knowledgeable” or “somewhat knowledgeable.”

D. Overall Satisfaction

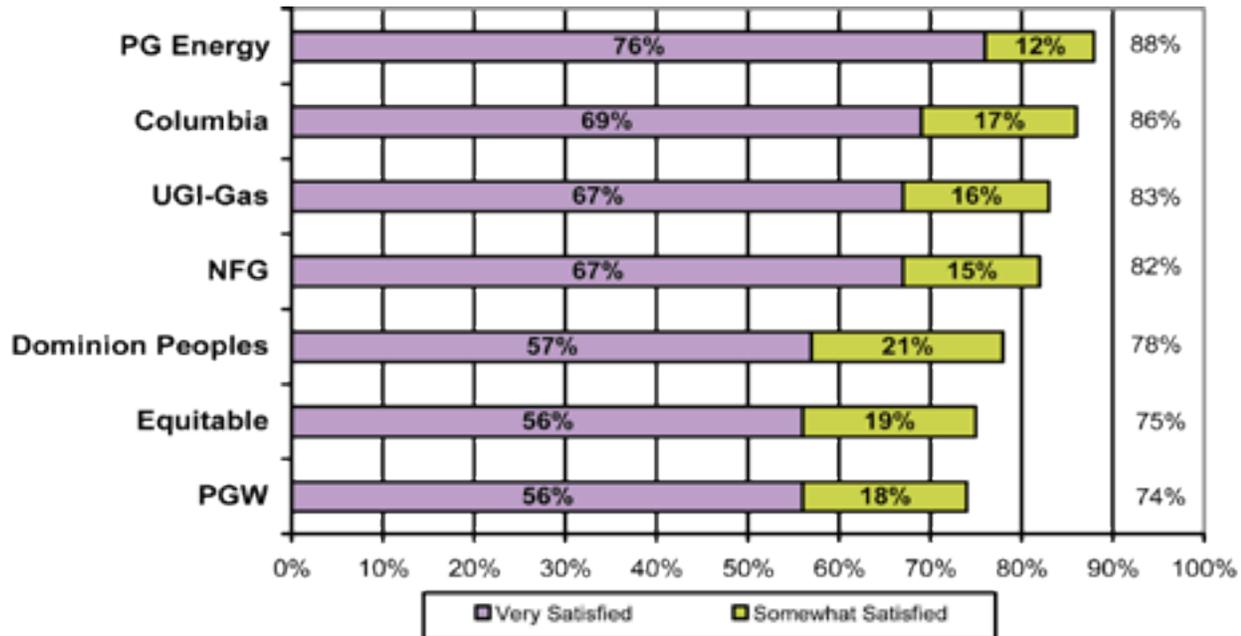
Consumers use a variety of factors to determine their overall level of satisfaction about a contact with a utility company. The ease of reaching the company may be the initial factor. Other factors include the use of the company’s automated telephone system, the wait to speak to a company representative, and the courtesy and knowledge of that representative. If a field visit is part of the interaction, this, too, would affect the consumer’s overall assessment. The tables that follow present the 2005 survey findings regarding overall satisfaction with EDC and NGDC quality of service during customer contacts.

Overall Satisfaction with Electric Distribution Company’s Quality of Service During Recent Contact 2005



The chart above presents the results of the responses to the question, “Considering all aspects of recent contact with the company, how satisfied were you with the quality of service provided by the company?” In 2005, the EDC industry average showed that 90 percent of consumers were satisfied (73 percent very satisfied) with the overall quality of service they received from their EDCs. Appendix A, Table 1B, provides 2003, 2004 and 2005 results regarding EDC overall customer satisfaction.

Overall Satisfaction with Natural Gas Distribution Company's Quality of Service During Recent Contact 2005



In 2005, the fourth year of the NGDC survey, the industry average for overall satisfaction with NGDC customer contacts is 81 percent (64 percent were very satisfied). The above chart shows the percent of consumers who indicated satisfaction in response to the question: “Considering all aspects of this recent contact with the NGDC, how satisfied were you with the quality of the service provided by the NGDC?” Appendix B, Table 1B, provides 2003, 2004 and 2005 results regarding NGDC overall customer satisfaction.

As indicated in the introduction to the section on customer surveys, the companies and survey firm divided consumer contacts into credit and collection contacts, and contacts about other matters.

Members of both working groups had expressed concern that the satisfaction level of consumers who had contacted the companies about credit and collection issues would negatively influence the overall satisfaction ratings. However, the opposite proved true for all EDCs in the first two years the survey was conducted and again in 2004. Over the last four years, a slightly greater average percentage of customers who contacted the EDCs about credit and collection issues responded that they were either “very satisfied” or “somewhat satisfied” than customers who contacted the EDCs about other issues. Appendix A, Table 2, presents the level of satisfaction by these two categories of contacts as well as the overall satisfaction level for each of the EDCs.

For two out of the seven NGDCs, customers rated their satisfaction slightly higher on credit and collection contacts in 2005 than other types of contacts that year. The average percentage of customers who were either “very satisfied” or “somewhat satisfied” with their non-credit and collection contacts with the NGDCs was 81 percent while the average percentage who were either “very satisfied” or “somewhat satisfied” with their credit and collections contacts was 79 percent. Appendix B, Table 2, presents the level of satisfaction by these two categories of contacts as well as the overall satisfaction level for each of the NGDCs for 2003–05.

III. Conclusion

This report fulfills the Commission's responsibility to summarize the quality of service statistics that the EDCs and NGDCs reported to the Commission. The companies will continue to report data annually to the Commission. The telephone access, billing, meter reading and dispute data is due to the Commission on February 1 of each year. On April 1 of each year, the Commission is to receive the results of the customer surveys conducted during the previous year. The BCS report, Utility Consumer Activities Report and Evaluation, will again provide statistics associated with 2005 consumer complaints and payment arrangement requests filed with the Commission by the customers of the major EDCs and NGDCs.

The Commission uses three sources of data to obtain as complete a picture as possible of the quality of customer service experienced by customers of the major electric and gas companies. The first source is the company itself, reporting telephone access statistics, number of bills not rendered monthly to residential and commercial customers, meters not read according to Chapter 56 regulations, and disputes not handled within 30 days. The Commission uses consumer complaints and payment arrangement requests filed with the Commission by the customers of the EDCs and NGDCs as a second source of data. As noted in the introduction, 2005 data on informal complaint and payment arrangement requests filed with the Commission were reported in the Commission's annual UCARE report in December 2006. Finally, the Commission uses the results of the surveys of the companies' customers who have had customer-initiated contacts with the companies. This latter source of information tells the Commission about the ease of contacting the companies, the consumers' view of the knowledge and courtesy of the companies' customer service representatives, as well as the consumers' overall satisfaction with the way the company handled the contacts. This information allows the Commission to monitor the quality of the EDCs' and NGDCs' customer service performance.

The survey results show, for the most part, customers are satisfied with the service they receive from their companies. Nevertheless, the company-reported performance data indicates there is room for improvement on the part of Pennsylvania's major electric and gas companies.

For example, the number of accounts not billed, meters not read and complaints not responded to within 30 days represent infractions of the Chapter 56 regulations. Although some companies have improved their telephone access statistics, access remains at a less than desirable level.

Customers, who cannot reach their company, contact the Commission to report access problems. The Commission closely monitors company performance on access measures not only through reported statistics, but also through customer reports to the BCS. Deficiencies in call center access are an even greater cause for concern since the passage of Act 201 which specifically forbids the Commission from accepting complaints from customers who have not first contacted the utility (66 Pa.C.S. § 1410).

The analysis provided by both the EDCs and the NGDCs regarding the company-reported statistics show the various measures prescribed by the reporting requirements are inter-related. Often, the level of performance on one of the measures directly affects a company's performance on one or more of the other measures. For example, if a company fails to obtain actual meter readings for long periods of time, it may underestimate the customers' usage. When the company does get actual reads, the make-up bills may cause the customers to call the company generating increased volumes of complaints. This may affect telephone access statistics. Further, as several companies have pointed out, an increased volume of complaints often leads to the company's not being able to handle the disputes in a timely manner and the failure to issue reports to the disputes within the required 30-day timeframe. Later, such behavior may influence customer survey results and generate consumer complaints with the Commission. Finally, Commission review of the complaints may generate high justified consumer complaint rates as well as high infraction rates.

Appendix A

EDC Survey Results 2003-05

Table 1A

Company	Satisfaction w/Ease of Reaching the Company*			Satisfaction with Using EDCs Automated Phone System*		
	2003	2004	2005	2003	2004	2005
Allegheny Power	90%	91%	91%	79%	84%	82%
Duquesne	85%	87%	88%	74%	77%	80%
FirstEnergy	87%	**		80%	**	
Met-Ed	**	91%	90%	**	85%	77%
PECO	83%	82%	84%	72%	74%	80%
Penelec	**	92%	90%	**	81%	79%
Penn Power	90%	91%	90%	82%	78%	77%
PPL	89%	91%	90%	80%	83%	78%
UGI-Electric	91%	91%	85%	82%	83%	81%
Average	88%	89%	89%	78%	81%	79%

* Percent of consumers who answered either “very satisfied” or “somewhat satisfied” when asked how satisfied they were with this aspect of their recent contact with the EDC.

** Prior to 2004, survey results for Met-Ed and Penelec were combined as FirstEnergy.

EDC Survey Results (continued) 2003-05

Table 1B

Company	Satisfaction with EDC Representative’s Handling of Contact*			Overall Satisfaction with Quality of Contact with EDC		
	2003	2004	2005	2003	2004	2005
Allegheny Power	88%	92%	92%	86%	90%	90%
Duquesne	88%	92%	93%	85%	90%	91%
FirstEnergy	91%	**	**	86%	**	**
Met-Ed	**	94%	93%	**	91%	90%
PECO	85%	85%	86%	78%	82%	83%
Penelec	**	96%	94%	**	92%	91%
Penn Power	91%	95%	95%	91%	90%	92%
PPL	90%	94%	96%	88%	92%	92%
UGI-Electric	91%	91%	88%	91%	89%	90%
Average	89%	92%	92%	86%	90%	90%

* Percent of consumers who answered either “very satisfied” or “somewhat satisfied” when asked how satisfied they were with this aspect of their recent contact with the EDC.

** Prior to 2004, survey results for Met-Ed and Penelec were combined as FirstEnergy.

**Overall Satisfaction with Contact:
EDC Credit/Collection Calls v. Other Calls*
2003-05**

Table 2

Company	Credit/Collection			Other			Overall		
	2003	2004	2005	2003	2004	2005	2003	2004	2005
Allegheny Power	84%	91%	90%	87%	90%	91%	86%	90%	90%
Duquesne	84%	91%	87%	86%	89%	90%	85%	90%	91%
FirstEnergy	93%	**	**	84%	**	**	86%	**	**
Met-Ed	**	96%	94%	**	89%	91%	**	91%	90%
PECO	84%	84%	84%	76%	81%	83%	78%	82%	83%
Penelec	**	96%	94%	**	91%	92%	**	92%	91%
Penn Power	92%	94%	98%	90%	89%	87%	91%	90%	92%
PPL	92%	96%	98%	86%	91%	88%	88%	92%	92%
UGI-Electric	90%	89%	91%	92%	89%	87%	91%	89%	90%
Average	88%	92%	92%	86%	89%	89%	86%	90%	90%

* Other calls include all categories of contacts to an EDC other than those related to credit and collection. Other calls include contacts about trouble or power outages, billing matters, connect/disconnect requests, customer choice and miscellaneous issues such as requests for rate information or name and address changes.

** Prior to 2004, survey results for Met-Ed and Penelec were combined as FirstEnergy.

**Contacting an EDC
2003-05**

Table 3

Company	Ease of Using EDC's Automated Telephone System*			Satisfaction w/Choices offered by Automated Telephone System**			Satisfaction w/Wait to Speak to an EDC Representative**		
	2003	2004	2005	2003	2004	2005	2003	2004	2005
Allegheny Power	84%	90%	84%	83%	89%	87%	88%	90%	87%
Duquesne	83%	82%	84%	80%	85%	84%	79%	83%	83%
FirstEnergy	85%	***	***	83%	***	***	87%	***	***
Met-Ed	***	89%	81%	***	87%	83%	***	93%	89%
PECO	78%	84%	86%	76%	80%	82%	80%	82%	81%
Penelec	***	89%	85%	***	89%	86%	***	92%	89%
Penn Power	89%	85%	83%	86%	84%	82%	90%	93%	90%
PPL	85%	87%	83%	82%	89%	83%	85%	90%	88%
UGI-Electric	87%	90%	85%	84%	89%	86%	89%	88%	82%
Average	84%	87%	84%	82%	86%	84%	85%	89%	86%

* Percent of customers who answered "very easy to use" or "somewhat easy to use" when asked how easy it was to use the EDC's automated telephone system.

** Percent of customers who answered either "very satisfied" or "somewhat satisfied" to questions about satisfaction with how well the choices of the automated telephone system fit the nature of the customer's call and how satisfied they were with the amount of time it took to speak to a company representative.

*** Prior to 2004, survey results for Met-Ed and Penelec were combined as FirstEnergy.

Consumer Ratings of EDC Representatives 2003-05

Table 4

Company	Call Center Representative's Courtesy*			Call Center Representative's Knowledge*		
	2003	2004	2005	2003	2004	2005
Allegheny Power	93%	95%	96%	94%	96%	94%
Duquesne Light	94%	95%	96%	92%	94%	96%
FirstEnergy	95%	**	**	94%	**	**
Met-Ed	**	97%	98%	**	95%	95%
PECO	92%	93%	93%	89%	90%	91%
Penn Power	96%	97%	98%	94%	96%	96%
Penelec	**	98%	97%	**	96%	95%
PPL	95%	96%	97%	94%	96%	96%
UGI-Electric	93%	94%	93%	93%	94%	95%
Average	94%	96%	96%	93%	95%	95%

* Percent of consumers who answered either "very satisfied" or "somewhat satisfied" when asked how satisfied they were with this aspect of the field visit.

** Prior to 2004, survey results for Met-Ed and Penelec were combined as FirstEnergy.

Premise Visit from an EDC Field Representative 2003-05

Table 5A

Company	Overall Satisfaction with Way Premise Visit Handled*			Satisfaction that Work Completed Promptly*			Field Rep's Courtesy**		
	2003	2004	2005	2003	2004	2005	2003	2004	2005
Allegheny Power	88%	96%	90%	76%	84%	67%	92%	100%	79%
Duquesne Light	88%	95%	90%	88%	89%	89%	94%	96%	100%
FirstEnergy	84%	***	***	77%	***	***	89%	***	***
Met-Ed	***	95%	96%	***	91%	83%	***	100%	100%
PECO	78%	94%	89%	58%	69%	78%	98%	97%	98%
Penelec	***	96%	96%	***	90%	85%	***	98%	100%
Penn Power	92%	95%	97%	82%	84%	89%	98%	100%	100%
PPL	93%	96%	90%	77%	82%	89%	100%	100%	91%
UGI-Electric	90%	93%	91%	88%	88%	86%	92%	97%	97%
Average	88%	95%	92%	78%	85%	83%	95%	98%	96%

* Percent of consumers who answered either "very satisfied" or "somewhat satisfied" when asked how satisfied they were with this aspect of the field visit.

** Percent of consumers who described the company field representative as "very courteous" or "somewhat courteous" when asked about their perceptions about various aspects of the field representative's visit to the consumer's home or property.

*** Prior to 2004, survey results for Met-Ed and Penelec were combined as FirstEnergy.

**Premise Visit from an EDC Field Representative
(continued)
2003-05**

Table 5B

Company	Field Rep's Knowledge			Field Rep's Respect for Property**			Satisfaction that Work Completed in a Timely Manner*		
	2003	2004	2005	2003	2004	2005	2003	2004	2005
Allegheny Power	96%	98%	90%	90%	97%	91%	79%	87%	77%
Duquesne Light	94%	96%	97%	93%	100%	98%	89%	95%	94%
FirstEnergy	97%	***	***	94%	***	***	87%	***	***
Met-Ed	***	96%	100%	***	97%	100%	***	90%	94%
PECO	93%	97%	95%	93%	97%	97%	65%	66%	79%
Penelec	***	100%	94%	***	100%	98%	***	91%	88%
Penn Power	98%	100%	100%	99%	100%	98%	93%	96%	91%
PPL	95%	97%	100%	97%	100%	100%	80%	92%	84%
UGI-Electric	98%	100%	98%	94%	100%	98%	94%	96%	91%
Average	96%	98%	97%	94%	99%	97%	84%	89%	87%

* Percent of consumers who answered either "very satisfied" or "somewhat satisfied" when asked how satisfied they were with this aspect of the field visit.

** Percent of consumers who described the company field representative as "very knowledgeable" or "somewhat knowledgeable" and "very respectful" or "somewhat respectful" when asked about their perceptions about various aspects of the field representative's visit to the consumer's home or property.

*** Prior to 2004, survey results for Met-Ed and Penelec were combined as FirstEnergy.

Characteristics of 2005 EDC Survey Participants

Table 6

EDC	Consumers Surveyed	% Residential Consumers	% Commercial Consumers	% Who Used EDC's Automated Phone System	% Who Spoke with a Company Representative	% Who Needed a Premise Visit
Allegheny Power	700	99%	1%	80%	82%	11%
Duquesne Light	700	99%	1%	82%	89%	13%
Met-Ed	700	99%	1%	62%	94%	10%
PECO	700	98%	2%	83%	83%	11%
Penelec	700	99%	1%	66%	95%	14%
Penn Power	700	98%	2%	64%	96%	12%
PPL	700	100%	0%	80%	77%	8%
UGI-Electric	700	98%	2%	68%	98%	11%
Average	700	99%	1%	73%	89%	11%

Average Number of Residential Customers 2005

Table 7

Electric Distribution Company	Average Number of Residential Customers
Allegheny Power	604,305
Duquesne	524,695
Met-Ed	467,456
Penelec	505,372
PECO	1,399,165
Penn Power	138,505
PPL	1,174,765
UGI-Electric	53,858

Appendix B

NGDC Survey Results 2003-05

Table 1A

Company	Satisfaction w/ Ease of Reaching the Company*			Satisfaction with Using NGDC's Automated Phone System*		
	2003	2004	2005	2003	2004	2005
Columbia	92%	88%	78%	86%	80%	73%
Dominion Peoples	89%	87%	77%	85%	77%	69%
Equitable	85%	63%	66%	73%	60%	59%
NFG	99%	93%	85%	NA	NA	NA
PG Energy	95%	91%	87%	90%	82%	79%
PGW**		77%	70%		73%	68%
UGI-Gas	91%	86%	79%	88%	75%	69%
Average	92%	84%	77%	84%	75%	70%

* Percent of consumers who answered either "very satisfied" or "somewhat satisfied" when asked how satisfied they were with this aspect of their recent contact with the NGDC.

** Began reporting in 2004.

NGDC Survey Results (continued) 2003-05

Table 1B

Company	Satisfaction with NGDC Representative's Handling of Contact*			Overall Satisfaction with Quality of Contact with NGDC		
	2003	2004	2005	2003	2004	2005
Columbia	95%	90%	88%	93%	88%	86%
Dominion Peoples	92%	90%	84%	86%	87%	78%
Equitable	91%	83%	81%	87%	75%	75%
NFG	95%	91%	86%	93%	90%	82%
PG Energy	93%	91%	91%	93%	91%	88%
PGW**		88%	83%		77%	74%
UGI-Gas	90%	90%	85%	90%	88%	83%
Average	93%	89%	85%	90%	85%	81%

* Percent of consumers who answered either "very satisfied" or "somewhat satisfied" when asked how satisfied they were with this aspect of their recent contact with the NGDC.

** Began reporting in 2004.

Overall Satisfaction with Contact: NGDC Credit/Collection Calls v. Other Calls 2003-05

Table 2

Company	Credit/Collection			Other			Overall		
	2003	2004	2005	2003	2004	2005	2003	2004	2005
Columbia	94%	91%	87%	92%	88%	85%	93%	88%	86%
Dominion Peoples	79%	85%	78%	89%	88%	79%	86%	87%	78%
Equitable	86%	74%	70%	88%	75%	76%	87%	75%	75%
NFG	87%	87%	82%	95%	91%	81%	93%	90%	82%
PG Energy	93%	87%	84%	93%	92%	90%	93%	91%	88%
PGW***		82%	73%		78%	75%		77%	74%
UGI-Gas	90%	91%	81%	88%	87%	84%	90%	88%	83%
Average	91%	85%	79%	88%	86%	81%	90%	85%	81%

* Other calls include all categories of contacts to an NGDC other than those related to credit and collection. Other calls include contacts about reliability and safety, billing matters, connect/disconnect requests, customer choice and miscellaneous issues such as requests for rate information or name and address changes.

** Began reporting 2004.

Contacting an NGDC 2003-05

Table 3

Company	Ease of Using NGDC's Automated Telephone System*			Satisfaction with Choices offered by Automated Telephone System**			Satisfaction with Wait to Speak to an NGDC Representative		
	2003	2004	2005	2003	2004	2005	2003	2004	2005
Columbia	92%	85%	79%	86%	86%	79%	89%	87%	76%
Dominion Peoples	89%	86%	76%	85%	83%	76%	86%	84%	71%
Equitable	85%	70%	69%	76%	69%	69%	84%	62%	62%
NFG	NA	NA	NA	NA	NA	NA	98%	94%	87%
PG Energy	95%	86%	81%	93%	85%	85%	94%	90%	85%
PGW***		81%	76%		78%	76%		75%	66%
UGI-Gas	91%	80%	76%	88%	80%	75%	91%	85%	76%
Average	92%	81%	76%	86%	80%	77%	90%	82%	75%

* Percent of customers who answered "very easy to use" or "somewhat easy to use" when asked how easy it was to use the NGDC's automated telephone system.

** Percent of customers who answered either "very satisfied" or "somewhat satisfied" to questions about satisfaction with how well the choices of the automated telephone system fit the nature of the customer's call and how satisfied they were with the amount of time it took to speak to a company representative.

*** Began reporting in 2004.

Consumer Ratings of NGDC Representatives 2003-05

Table 4

Company	Call Center Representative's Courtesy*			Call Center Representative's Knowledge		
	2003	2004	2005	2003	2004	2005
Columbia	97%	94%	92%	96%	92%	90%
Dominion Peoples	94%	94%	92%	93%	93%	88%
Equitable	93%	88%	88%	94%	86%	85%
NFG	96%	93%	89%	95%	95%	89%
PG Energy	95%	94%	93%	95%	94%	91%
PGW**		91%	88%		90%	88%
UGI-Gas	93%	93%	91%	91%	93%	88%
Average	95%	92%	90%	94%	92%	88%

* Percent of consumers who answered either "very satisfied" or "somewhat satisfied" when asked how satisfied they were with this aspect of the field visit.

** Began reporting in 2004.

Premise Visit from an NGDC Field Representative 2003-05

Table 5A

Company	Overall Satisfaction w/Way Premise Visit Handled*			Satisfaction that Work Completed Promptly*			Field Rep's Courtesy**		
	2003	2004	2005	2003	2004	2005	2003	2004	2005
Columbia	99%	97%	98%	91%	91%	86%	99%	98%	99%
Dominion Peoples	96%	100%	94%	89%	90%	91%	96%	100%	100%
Equitable	96%	100%	94%	88%	69%	78%	98%	100%	96%
NFG	98%	99%	94%	89%	81%	88%	98%	99%	97%
PG Energy	98%	98%	96%	94%	91%	90%	99%	99%	97%
PGW***		92%	91%		84%	75%		92%	100%
UGI-Gas	98%	97%	95%	90%	93%	89%	98%	98%	97%
Average	98%	98%	95%	90%	86%	85%	98%	98%	98%

* Percent of consumers who answered either "very satisfied" or "somewhat satisfied" when asked how satisfied they were with this aspect of the field visit.

** Percent of consumers who described the field representative as "very courteous" or "somewhat courteous," "very knowledgeable," or "somewhat knowledgeable" and "very respectful" or "somewhat respectful" when asked about their perceptions about various aspects of the field representative's visit to the consumer's home or property.

*** Began reporting in 2004.

**Premise Visit from an NGDC Field Representative
(continued)
2003-05**

Table 5B

Company	Field Rep's Knowledge			Field Rep's Respect for Property**			Satisfaction that Work Completed in a Timely Manner*		
	2003	2004	2005	2003	2004	2005	2003	2004	2005
Columbia	99%	97%	99%	100%	99%	100%	97%	92%	88%
Dominion Peoples	98%	100%	95%	99%	100%	97%	96%	94%	90%
Equitable	98%	98%	96%	100%	97%	96%	94%	89%	85%
NFG	100%	98%	93%	100%	97%	97%	92%	89%	78%
PG Energy	99%	98%	97%	99%	98%	99%	98%	93%	93%
PGW***		95%	96%		96%	98%		88%	90%
UGI-Gas	96%	98%	93%	99%	98%	96%	97%	95%	89%
Average	98%	98%	96%	100%	98%	98%	96%	91%	88%

* Percent of consumers who answered either "very satisfied" or "somewhat satisfied" when asked how satisfied they were with this aspect of the field visit.

** Percent of consumers who described the company field representative as "very knowledgeable" or "somewhat knowledgeable."

*** Began reporting in 2004.

Characteristics of 2005 NGDC Survey Participants

Table 6

NGDC	Consumers Surveyed	% Residential Consumers	% Commercial Consumers	% Who Used NGDC's Automated Phone System	% Who Spoke with a Company Representative	% Who Needed a Premise Visit
Columbia	700	99%	1%	67%	89%	19%
Dominion Peoples	700	99%	1%	66%	96%	15%
Equitable	700	99%	1%	66%	95%	13%
NFG	700	99%	1%	N/A*	97%	24%
PG Energy	700	100%	0%	47%	96%	56%
PGW	700	99%	1%	45%	97%	14%
UGI-Gas	700	99%	1%	60%	96%	21%
Average	700	99%	1%	59%	95%	23%

* NFG does not use an automated system.

**Average Number of Residential Customers
2005**

Table 7

Natural Gas Distribution Company	Average Number of Residential Customers
Columbia	360,370
Dominion Peoples	324,012
Equitable	232,481
NFG	193,626
PG Energy	140,254
PGW	457,723
UGI-Gas	276,599

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