

2006 Customer Service Performance Report



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.....	21
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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..... 34

Appendix A

Table 1A	EDC Survey Results.....	36
Table 1B	EDC Survey Results (continued).....	37
Table 2	Overall Satisfaction with Contact: EDC Credit/Collection Calls v. Other Calls.....	38
Table 3	Contacting an EDC.....	39
Table 4	Consumer Ratings of EDC Representatives.....	40
Table 5A	Premise Visit from an EDC Field Representative.....	41
Table 5B	Premise Visit (continued).....	42
Table 6	Characteristics of 2006 EDC Survey Participants.....	43
Table 7	Average Number of Residential Customers.....	43

Appendix B

Table 1A	NGDC Survey Results.....	44
Table 1B	NGDC Survey Results (continued).....	44
Table 2	Overall Satisfaction with Contact: NGDC Credit/Collection Calls v. Other Calls.....	45
Table 3	Contacting an NGDC.....	46
Table 4	Consumer Ratings of NGDC Representatives.....	47
Table 5A	Premise Visit from an NGDC Field Representative.....	48
Table 5B	Premise Visit (continued).....	49
Table 6	Characteristics of 2006 NGDC Survey Participants.....	50
Table 7	Average Number of Residential Customers.....	50

Introduction

This is the fifth 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 eighth year EDC customer-service performance statistics are available and the sixth 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 2006 and sent the results to the Commission in 2007.

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 third 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 2006 rates noted above in the 2006 UCARE report that the Commission released in 2007. 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 2006 Utility Consumer Activities Report and Evaluation, and the 2006 Report on Pennsylvania’s Electric and Natural Gas Distribution Companies Customer Service Performance are available on the Commission’s Web site: 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 2006 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 this year will include three years of data reported in this manner, so comparison of the 2006 statistics is possible with the 2005 and 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. BCS has always treated Penn Power, the third FirstEnergy Company, as a separate company. Because Met-Ed, Penelec and Penn Power use the same call center, however, the data appears under FirstEnergy in the Telephone Access Section.

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 2004-06 EDC figures presented later in this report conform to the inverse relationship. In addition, the 2004-06 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:

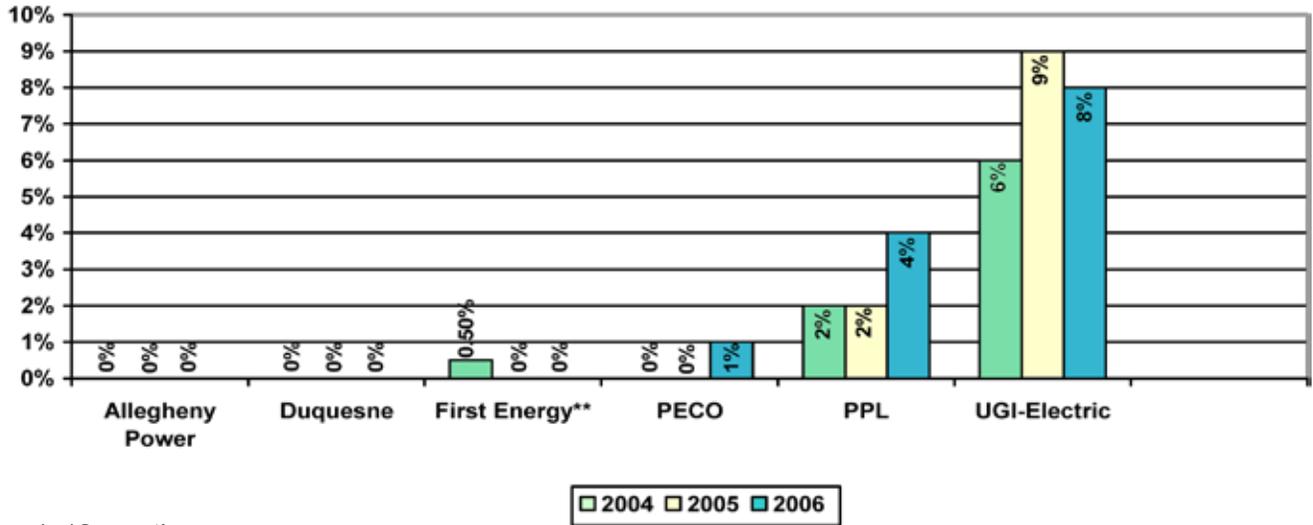
- Busy-Out Rate;
- Call Abandonment Rate; and
- Percent of Calls Answered Within 30 Seconds.

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 2004, 2005 and 2006. The second chart presents the combined busy-out rate for each major NGDC during 2004, 2005 and 2006.

Electric Distribution Companies Busy-Out Rate* 2004-06

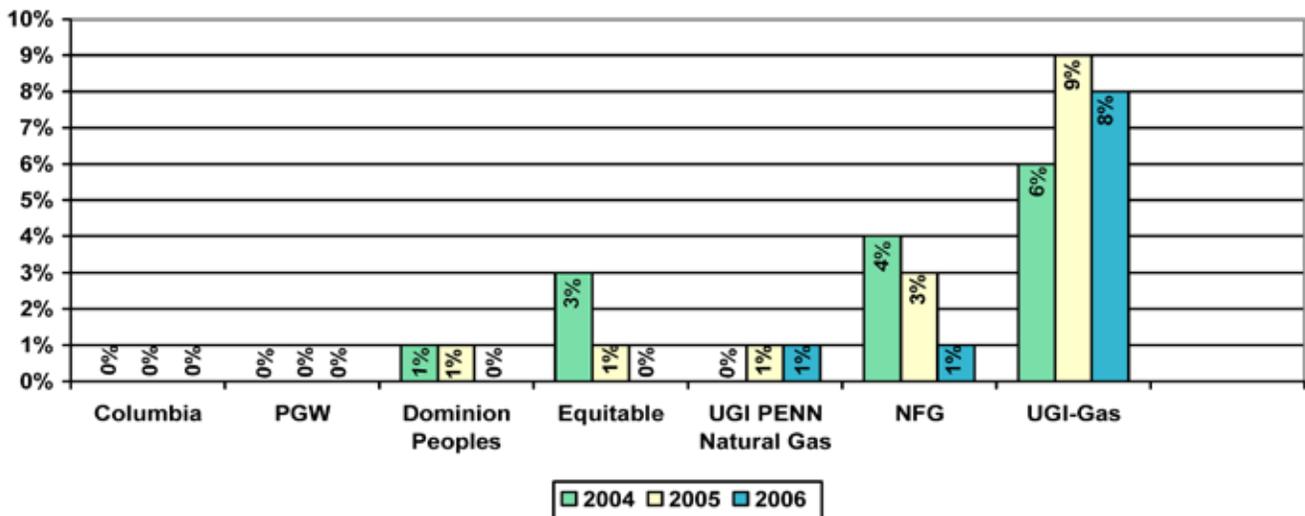


* 12-month average.

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

PPL Electric reports that the average busy-out rate increased in 2006 because of a 32 percent increase in collection calls. According to the company, it had 25,000 more customers in collections compared with 2005. The 2006 results show that UGI-Electric had a slightly improved busy-out rate in 2006 from 2005.

Natural Gas Distribution Companies Busy-Out Rate* 2004-06



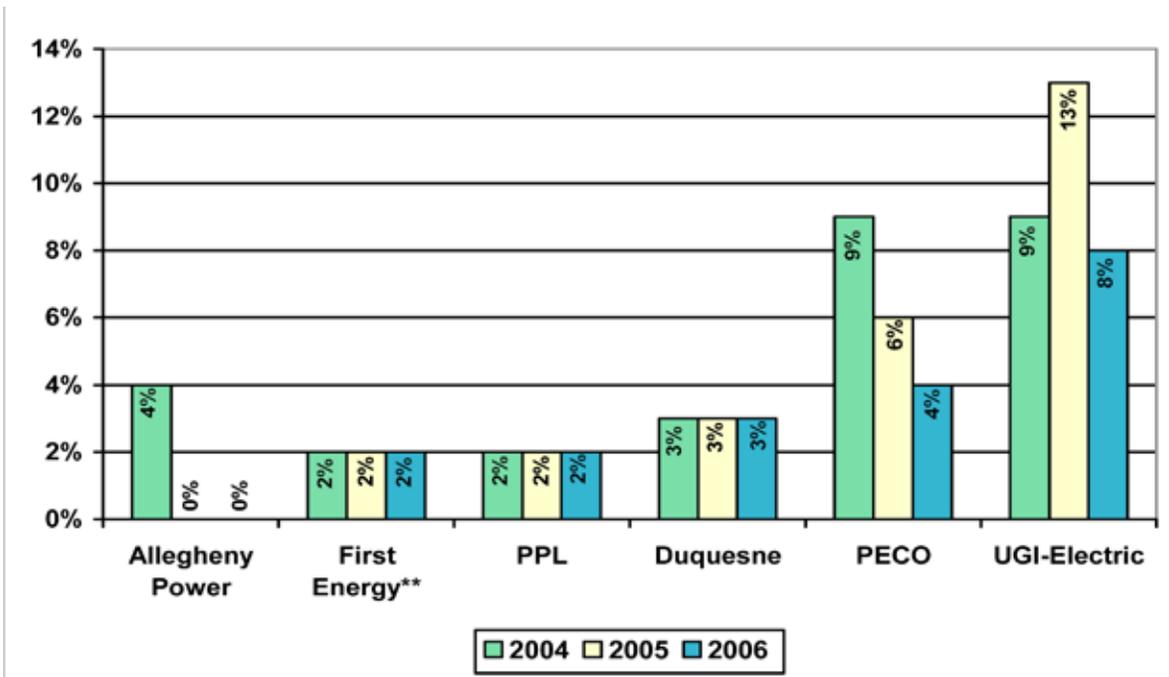
* 12-month average.

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. Although the UGI-Gas busy-out rate of 8 percent for 2006 marks an improvement over 2005, it is still the highest of the seven NGDCs. NFG attributes its improved busy-out rate in part to a slight decrease in call volume.

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 call abandonment rate for each major EDC during 2004, 2005 and 2006.

Electric Distribution Companies Call Abandonment Rate* 2004-06



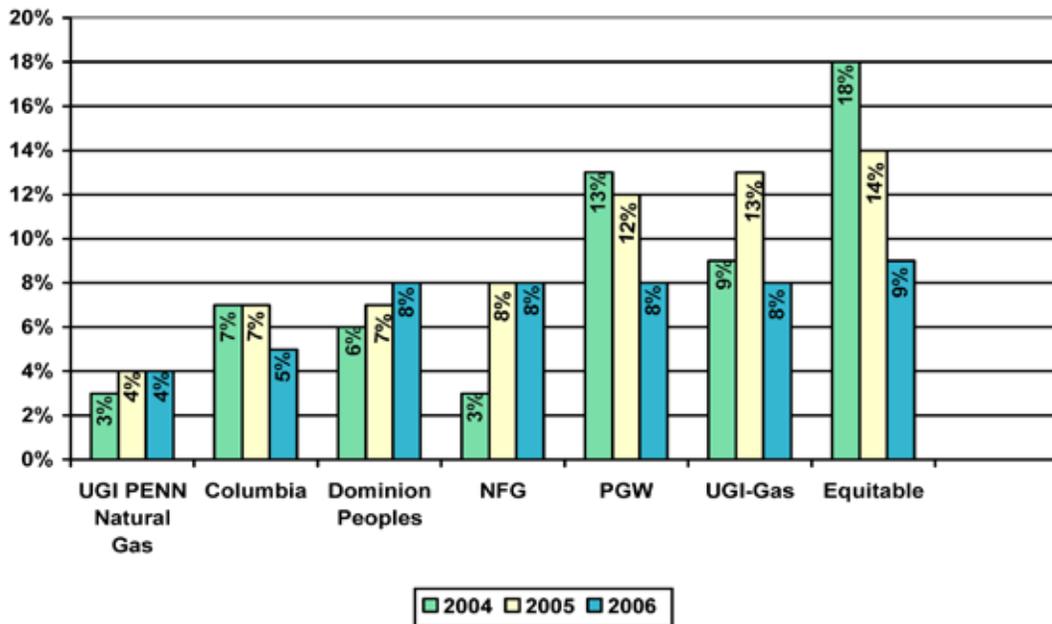
* 12-month average.

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

The above statistics show a call abandonment rate that either improved or remained the same for all the NGDs in 2006. In reporting 2006 data, Allegheny Power discovered that it incorrectly reported the 2005 average call abandonment rate as 3 percent, when it should have been reported as .03 percent. The chart shows the corrected 2005 rate. Allegheny notes that the call abandonment rate remained consistent throughout 2006. PECO again reported an improved call abandonment rate, also noting the 4 percent rate was driven largely by heavy storm activity. After a steady increase in its call-abandonment rate from 4 percent in 2003 to 13 percent in 2005, UGI-Electric reported an improved rate of 8 percent for 2006.

The chart on the following page presents the 2006 call abandonment rates for the major NGDCs.

Natural Gas Distribution Companies Call Abandonment Rate* 2004-06



* 12-month average.

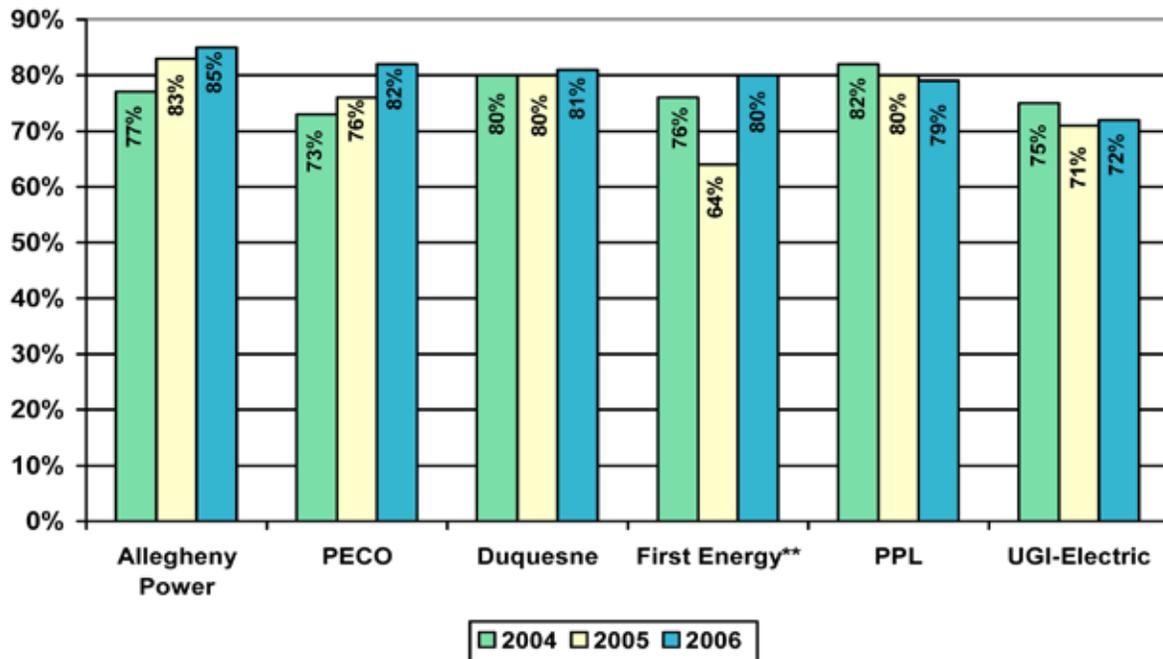
Only one of the seven NGDCs, Dominion Peoples, had a higher average call abandonment rate in 2006 than in 2005. Equitable reported the highest call abandonment rate for the third year in a row, but does show an improvement from 14 percent to 9 percent. Equitable explains that during 2006, all customer calls, with the exception of emergency calls, were moved to an external location. Equitable notes that after experiencing some degradation of service during the implementation period, service levels have stabilized. UGI PENN Natural Gas (formerly PG Energy) still has the best rate of all the gas companies.

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 2004, 2005 and 2006, 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* 2004-06



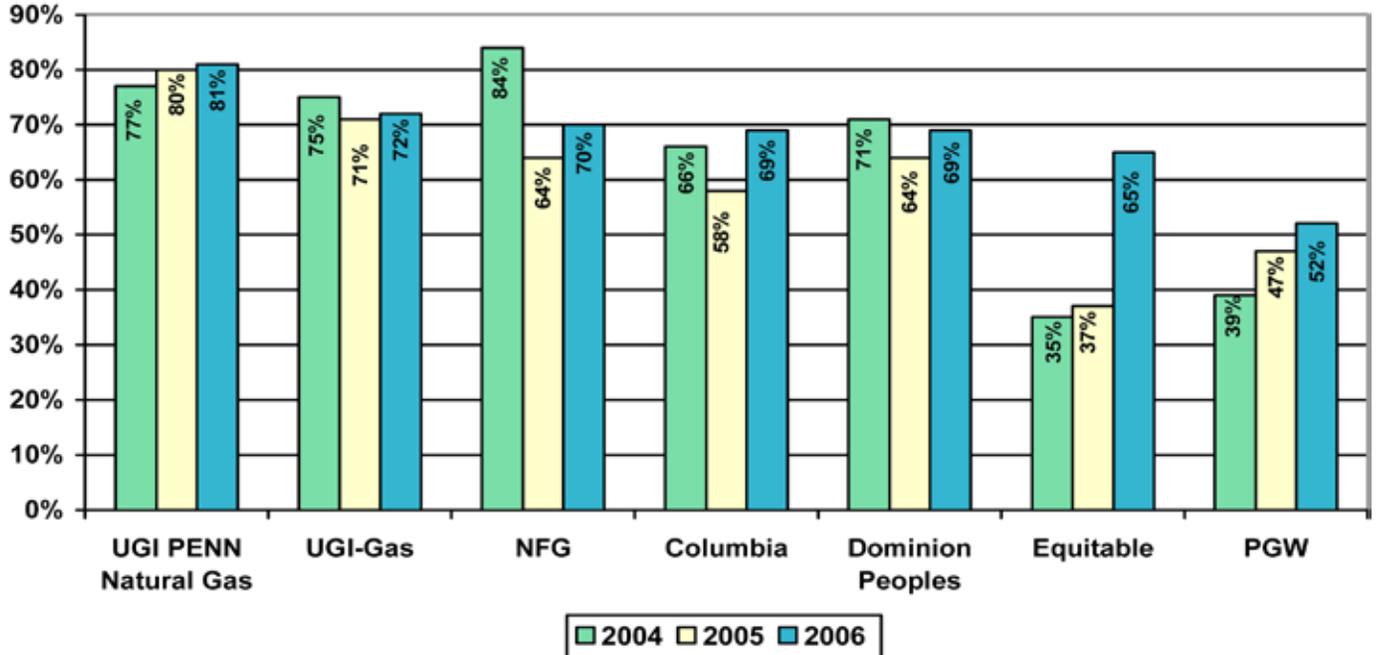
* 12-month average.

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

The 2006 results show better access for all but one company. Twice as many electric companies show an 80 percent or higher percentage in 2006 than in the two previous years. As noted with the increase in its call abandonment and busy-out rates, PPL attributes its 2006 call center access to a 32 percent increase in collection calls with 25,000 more customers in collections compared with 2005. FirstEnergy reports that it initiated a structured effort to increase agent productivity, align staffing to forecasted call volumes and provide training in order to reduce agent handle time. With an increase of 16 percentage points, FirstEnergy shows the most significant improvement from 2005 to 2006.

PECO's 12-month average for the year 2006 is 82 percent, a 6 percentage point improvement over the 12-month average of 76 percent in 2005. PECO notes that factors such as staffing adjustments to better optimize resources, lower call volume in the financial call center, and a focus on first call resolution contributed to the improvement.

Natural Gas Distribution Companies Percent of Calls Answered Within 30 Seconds* 2004-06



* 12-month average.

The percent of calls answered within 30 seconds varies depending on call volume and the number of employees available to take calls. Only one of the natural gas companies reached a rate of 80 percent of calls answered within 30 seconds. UGI PENN Natural Gas reported 81 percent of calls answered within 30 seconds in 2006, and is the only NGDC to reach 80 percent in 2005 as well. Five companies show rates within a seven percentage point range from 72 percent to 65 percent. PGW reports the lowest rate of calls answered within 30 seconds, 52 percent, a slight increase over 2005.

On the positive side, all of the NGDCs reported rates that improved from one to 28 percentage points. Equitable shows the most significant increase from 37 percent in 2005 to 65 percent in 2006. The company explains that during 2006, all customer calls, with the exception of emergency calls, were moved to an external location. Equitable reports that it experienced some degradation of service during the implementation period, but service levels have stabilized.

Columbia also reported a marked improvement from 58 percent in 2005 to 69 percent in 2006. Columbia attributes this improvement to its implementation of new technologies to assist the call center representatives (CSRs) in handling consumer calls in a more efficient manner. In addition, the company reports that it implemented a new workforce management system that improved the scheduling of personnel to meet high volume call peaks.

NFG, after showing the biggest decrease in calls answered within 30 seconds from 2004 (84 percent) to 2005 (64 percent), shows an improvement of 6 percentage points from 2005 to 2006. The company explains that there was a slight decrease in volume of calls in 2006 and that it added staff during the year to continue improvement in telephone answering performance.

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 2004, 2005 and 2006.

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

Company	2004		2005		2006	
	Number	Percent	Number	Percent	Number	Percent
Allegheny Power	74	.01%	94	.01%	23	.00%
Duquesne Light	0	0%	0	0%	0	0%
Met-Ed	73	.02%	22	.01%	20	.00%
PECO	28	.00%	21	.00%	130	.00%
Penelec	64	.01%	29	.01%	21	.00%
Penn Power	22	.02%	11	.01%	6	.00%
PPL	102	.01%	42	.00%	45	.00%
UGI-Electric	2	.00%	1	.00%	1	.00%

* 12-month average.

PECO's average of 130 residential bills not rendered once every billing period represents a decline from 2005 to 2006. PECO points out that the monthly average number of residential and small business customer bills not rendered once every billing period continues to fall below 1 percent. The company explains that the rise in the residential average from 21 to 130 occurred in the last quarter 2006 as a direct result of the system conversion the company effected in October of 2006. PECO reports that it has a "work down plan" in effect to bring performance back to the level of quality prior to the system conversion.

Allegheny Power reports that the average monthly percent of bills not rendered once every billing period improved from 2005 to 2006 dropping from 94 to 23 bills. PPL is the only other electric company to show an increase in this average from 2005 to 2006.

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

Company	2004		2005		2006	
	Number	Percent	Number	Percent	Number	Percent
Columbia	7	.00%	7	.00%	167	.00%
Dominion Peoples	24	.01%	28	.01%	162	.05%
Equitable	158	.07%	242	.10%	45	.02%
NFG	9	.00%	17	.01%	23	.01%
PGW	4,156	1.00%	4,227	1.00%	56	.01%
UGI-Gas	4	.00%	1	.00%	0	0%
UGI PENN Natural Gas	0	0%	0	0%	0	0%

* 12-month average.

Columbia notes that in 2006, the total number of deferred bills for both residential and small business customers increased when compared to the prior year's data. The company explains that the increase is the direct result of Columbia's transition of billing processes which created a backlog of billing investigations during a five-month period. According to Columbia, there was improvement in the third and fourth quarters of 2006, and the company expects performance in this measurement to improve even more during 2007.

Dominion Peoples notes that the company experienced an increase during the summer months in the number of bills not rendered once every billing period. During that period, the company explains, it implemented a new "prebill" audit process, which requires that more bills be manually reviewed. This implementation created an initial backlog the company had to work through.

PGW shows a significant reduction in the number of bills not rendered once every billing period. In October 2005, PGW placed a data base into production and began to track the completion of billing exceptions. According to the company, the database implementation that made the reporting accurate is the reason for the large decrease in the monthly number of bills not rendered compared to what the company reported in previous years.

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 300,000 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	2004		2005		2006	
	Number	Percent	Number	Percent	Number	Percent
Allegheny Power	44	.05%	36	.04%	8	.01%
Duquesne Light	0	0%	0	0%	0	0%
Met-Ed	38	.07%	11	.02%	10	.04%
PECO	4	.00%	2	.00%	61	.04%
Penelec	40	.05%	12	.02%	7	.01%
Penn Power	17	.09%	5	.03%	4	.02%
PPL	78	.05%	46	.03%	32	.02%
UGI-Electric	6	.01%	0	0%	0	0%

* 12-month average.

PECO notes, as it did with residential bills, that it was in the last quarter of 2006 that performance declined. The company explains that the increase in bills not rendered is a direct result of the system conversion effort the company undertook in October. PECO states that a work down plan is in effect to bring performance back to the level of quality prior to the system conversion. PECO is the only electric company that experienced an increase in the number of bills not rendered once a billing period. The other companies' performance in this area either improved or remained unchanged.

PPL Electric attributes its improvement to securing more actual readings from its automated meter reading (AMR) system and from directing more resources to follow up on billing issues.

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

Company	2004		2005		2006	
	Number	Percent	Number	Percent	Number	Percent
Columbia	3	.00%	11	.00%	22	.00%
Dominion Peoples	3	.02%	3	.02%	14	.07%
Equitable	29	.24%	32	.30%	6	.05%
NFG	2	.02%	2	.02%	3	.03%
PGW	189	1.00%	208	1.00%	NA	NA
UGI-Gas	0	0%	0	0%	0	0%
UGI PENN Natural Gas	0	0%	0	0%	0	0%

* 12-month average.

As with its residential billings, Columbia explains that the increase is the direct result of the company's transition of billing processes which created a backlog of billing investigations during a five-month period. PGW reports that it was not able to extract this data from its system for 2006.

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	2004		2005		2006	
	Number	Percent	Number	Percent	Number	Percent
Allegheny Power	65	.01%	72	.01%	35	.01%
Duquesne Light	6	.00%	4	.00%	3	.00%
Met-Ed	319	.08%	321	.08%	312	.07%
PECO	811	.05%	1,999	.13%	1,046	.07%
Penelec	385	.08%	403	.08%	301	.06%
Penn Power	120	.08%	79	.05%	72	.05%
PPL	70	.01%	30	.00%	15	.00%
UGI-Electric	1	.00%	1	.00%	1	.00%

* 12-month average.

Seven of the eight electric companies show improvement in this measure. UGI-Electric remains the same. PECO shows significant improvement, cutting almost in half the percentage of meters not read by the company, or a customer in six months. PECO attributes this improvement to the company's enforcing the notice process for hard to access meters in addition to using "proactive customer contact strategies allowing for increased access to metering equipment." Penelec reports that in 2006 it took additional initiatives, including a standardized report to assist the company with making phone calls to help resolve no access issues.

PPL Electric reports that the average number of residential meters not read every six months declined by 50 percent in 2005. The company attributes this positive result to stabilizing the AMR system, enhancing working processes and gaining more operating experience with the system.

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

Company	2004		2005		2006	
	Number	Percent	Number	Percent	Number	Percent
Columbia	781	.21%	776	.21%	776	.21%
Dominion Peoples	1,014	.31%	819	.25%	512	.19%
Equitable	5,538	2.00%	3,906	1.70%	2,458	1.06%
NFG	828	.41%	491	.24%	570	.29%
PECO (Gas)	428	.10%	769	.18%	373	.08%
PGW	3,005	1.00%	1,290	.27%	713	.14%
UGI-Gas	1,380	.43%	1,039	.32%	1,510	.45%
UGI PENN Natural Gas	4	.00%	0	0%	1	.00%

* 12-month average.

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 2004, 2005 and 2006.

The number of residential meters Equitable reported as not read in accordance with §56.12(4)(ii) in 2006 is 37 percent lower than the number of meters not read in 2005. Although the company has not reached the low of 417 reported in 2003, there is a pattern of improvement since it began installation of the AMR devices.

Dominion Peoples explains that the number of residential meters not read as required by 56.12(4)(ii), as well as the number of residential meters not read as required by 56.12(4)(iii) are incomplete. According to the company, data was not provided for January and February. The company says there was a mistake during the transition of key personnel and the data for these two months was not captured.

PGW reports that it has completed the installation of all non-AMR residential meters with AMR devices. According to PGW, it is because of this that the number of meters not read has diminished considerably.

UGI-Gas reports a decrease in performance in this measure. The average number of meters not read in six months increased by almost 500 from 2005 to 2006. The company points out that the overall percent is still under 1 percent of the total meters. The company explains that it implemented an AMR project and attributes the decline in performance to that.

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 following table 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	2004		2005		2006	
	Number	Percent	Number	Percent	Number	Percent
Allegheny Power	68	.01%	4	.00%	1	.00%
Duquesne	2	.00%	1	.00%	0	0%
Met-Ed	97	.02%	71	.02%	70	.02%
PECO	2,936	.19%	1,135	.07%	561	.04%
Penelec	81	.02%	60	.01%	60	.01%
Penn Power	23	.01%	11	.01%	14	.01%
PPL	0	0%	0	0%	0	0%
UGI-Electric	0	0%	0	0%	0	0%

* 12-month average.

PECO reports that the company reduced its number of meters not read within 12 months by 50 percent from 2005 to 2006. As with the improvement in the number of meters not read in six months, the company states that this improvement is a result of enforcing the notice process for hard-to-access meters, in addition to proactive customer contact strategies allowing for increased access to metering equipment. The other EDCs show little difference in this measure from 2005 to 2006.

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

Company	2004		2005		2006	
	Number	Percent	Number	Percent	Number	Percent
Columbia	268	.10%	260	.07%	251	.07%
Dominion Peoples	97	.03%	324	.08%	102	.04%
Equitable	2,118	1.00%	810	.40%	814	.40%
NFG	375	.19%	350	.17%	581	.30%
PECO (Gas)	737	.17%	319	.07%	201	.05%
PGW	2,349	.49%	851	.18%	372	.00%
UGI-Gas	510	.16%	293	.09%	321	.10%
UGI PENN Natural Gas	0	0%	0	0%	0	0%

* 12-month average.

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 number of residential meters not read as required by 56.12(4)iii), as well as the number of residential meters not read as required by 56.12(4)(ii) are incomplete. According to the company, data was not provided for January and February. The company says there was a mistake during the transition of key personnel and the data for these two months was not captured.

Equitable notes that, although the yearly average for meters not read within 12 months did not change significantly from 2005 to 2006, the results that are reported for May 2006 through December 2006, show significant improvement. The company claims that these results will be sustained due to the installation of the AMR devices.

NFG shows a 66 percent increase in the number of meters not read in 12 months; from 350 in 2005, to 581 in 2006. The company explains that a decrease in the number of AMR devices contributed to this change.

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. However, 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.

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

Company	2004		2005		2006	
	Number	Percent	Number	Percent	Number	Percent
Duquesne	0	0%	0	0%	0	0%
Met-Ed	1	.01%	0	0%	0	0%
Penelec	0	0%	0	0%	0	0%
UGI-Electric	0	0%	0	0%	0	0%
PECO**	NA	NA	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.

Half of the electric companies report that they have no remote meters. The other half of the electric companies show zero remote meters not read in five years.

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

Company	2004		2005		2006	
	Number	Percent	Number	Percent	Number	Percent
PGW	0	0%	0	0%	0	0%
Dominion Peoples	0	0%	1	.07%	0	0%
UGI-Gas	313	2.04%	110	.68%	13	.00%
NFG	38	1.90%	13	.70%	2	.14%
Columbia**	0	0%	NA	NA	NA	NA
Equitable**	377	4.92%	NA	NA	NA	NA
UGI PENN Natural Gas**	NA	NA	NA	NA	NA	NA

* 12-month average.

** No remotely read meters.

Two of the Natural Gas Distribution Companies reported residential remote meters not read in 2005 as required by §56.12(5)(i).

Dominion Peoples, UGI-Gas and NFG show an improvement from 2005 to 2006, with Dominion Peoples showing zero remote readers not read. UGI-Gas shows the biggest decrease from 110 meters in 2005, down to 13 in 2006.

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 following two tables 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	2004	2005	2006
Allegheny Power	131	48	45
Duquesne	3	19	6
Met-Ed	10	77	0
PECO	2	26	2
Penelec	14	62	0
Penn Power	10	19	0
PPL	1,023	293	297
UGI-Electric	0	0	0

Six of the eight EDCs reported a decrease from 2005 to 2006 in the number of disputes not responded to within 30 days. PPL reported a slight increase. UGI-Electric remains at zero.

The three FirstEnergy companies -- Met-Ed, Penelec and Penn Power -- reported that all disputes were issued a company report within 30 days in 2006. FirstEnergy explains that it integrated an extensive tracking and reporting system to track the number of days elapsed since a dispute was filed. In addition, the company assembled a dedicated dispute team, generally consisting of off-shift representatives, to provide daily monitoring. According to the company, once a dispute has been open 15 days, this system escalates it to insure that the field works the related orders, and that the representatives are following through with the process. The new tracking system generates reports that allow supervision to track trends of customer calling behavior. This in turn allows the supervisor to identify areas of improvement for the representative helping them gain efficiency in the process. Analysis of the report data enables the company to identify issues quickly and provide timely information to representatives concerning specific call types such as rates, billing, and weather impact. FirstEnergy states that, although there are still areas for improvement relating to adherence to correct dispute procedures, the company is addressing these areas in its agent training program.

Duquesne reports that in 2006 an average of only 0.5 disputes per month exceeded the 30-day response measure. Performance in 2005 was 1.6 disputes per month. The company attributes the improvement to increased training and process improvement efforts between customer services and revenue cycle services.

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

Company	2004	2005	2006
Columbia	63	81	109
Dominion Peoples	575	0	112
Equitable	939	154	249
NFG	2	2	7
PGW	330	803	596
UGI-Gas	59	2	0
UGI PENN Natural Gas	0	0	0

Of the seven NGDCs, four reported more disputes not responded to within 30 days in 2006 than in 2005. Two companies reported fewer disputes not responded to within 30 days and one reported the same as in 2005.

Analysis of the data submitted by Dominion Peoples for 2006 shows that all of the residential disputes that did not receive a response within 30 days were recorded in the last two months of 2006. The company explains that it experienced a carry-over of disputes in November and December, due to a short-term, and since resolved, staffing issue.

Columbia attributes its increase in the number of customer disputes that went beyond the 30-day response time to the higher number of billing disputes filed, as a result of the higher gas costs in place during the first quarter of 2006. The company explains that it increased staffing levels to assist with this correspondence.

Equitable states that, although the average number of disputes over 30 days increased from 2005 to 2006, the second half of 2006 shows a significant and sustained improvement in performance. Analysis of the monthly data supports this; the monthly average of disputes not responded to as required is 40 for the first half of 2006, and two per month for the second half.

PGW reports that the number of customer disputes not issued a response within 30 days has decreased from 2005. The company notes that its new complaint response system, implemented in 2007, should further improve timely response to disputes.

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 third year that all of the major EDCs and NGDCs used a common survey company. This report also presents PGW survey data for the third 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.

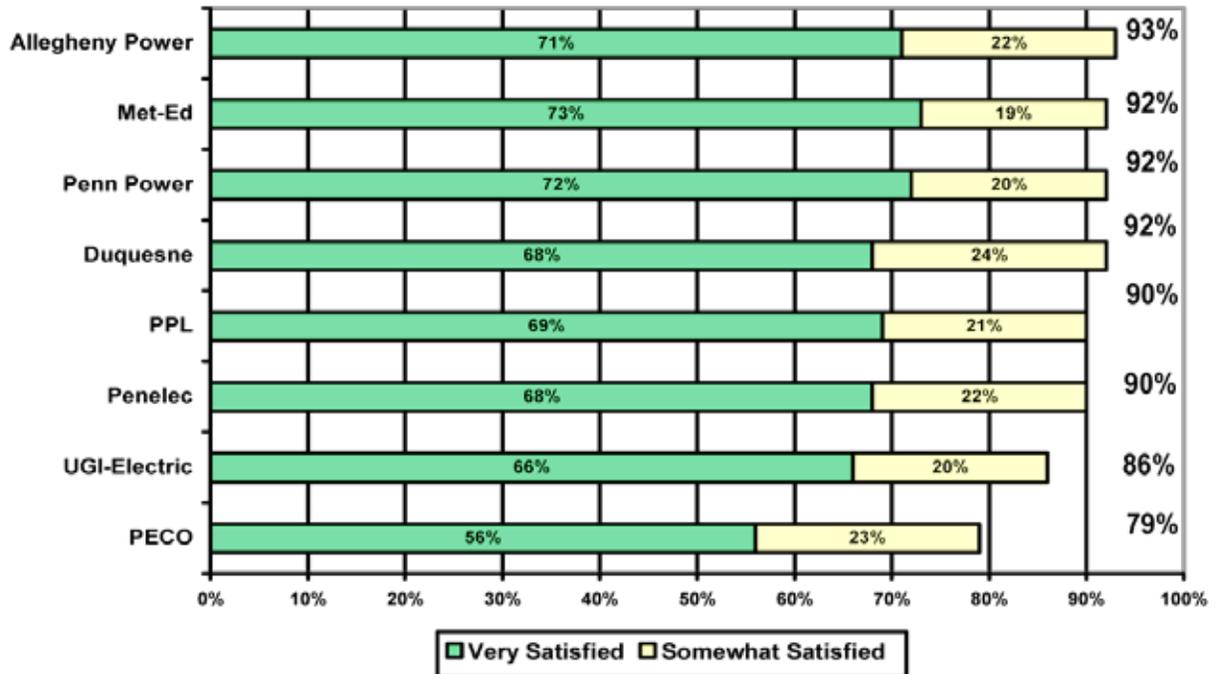
Survey working group members from both industries agreed the 700 completed surveys should include 200 contacts about credit and collection issues and 500 contacts about all other types of issues. Under this plan, the credit and collection contacts do not dominate survey results. Credit and collection 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 2004-06 EDC survey data and the 2004-06 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 2006 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 2006 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.

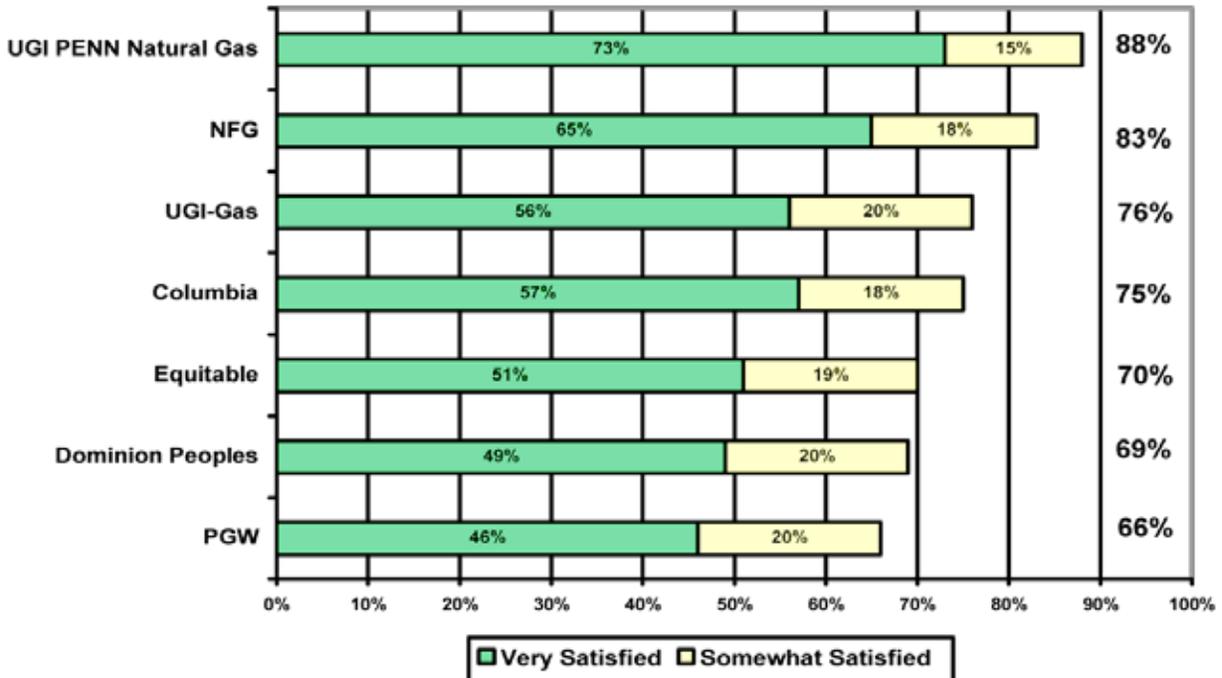
A. Reaching the Company

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 2006, 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 2005 and 2004 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 75 percent. The NGDC survey results from the 2005 and 2004 surveys are available in Appendix B, Table 1.

Satisfaction with the Ease of Reaching the Electric Distribution Company 2006



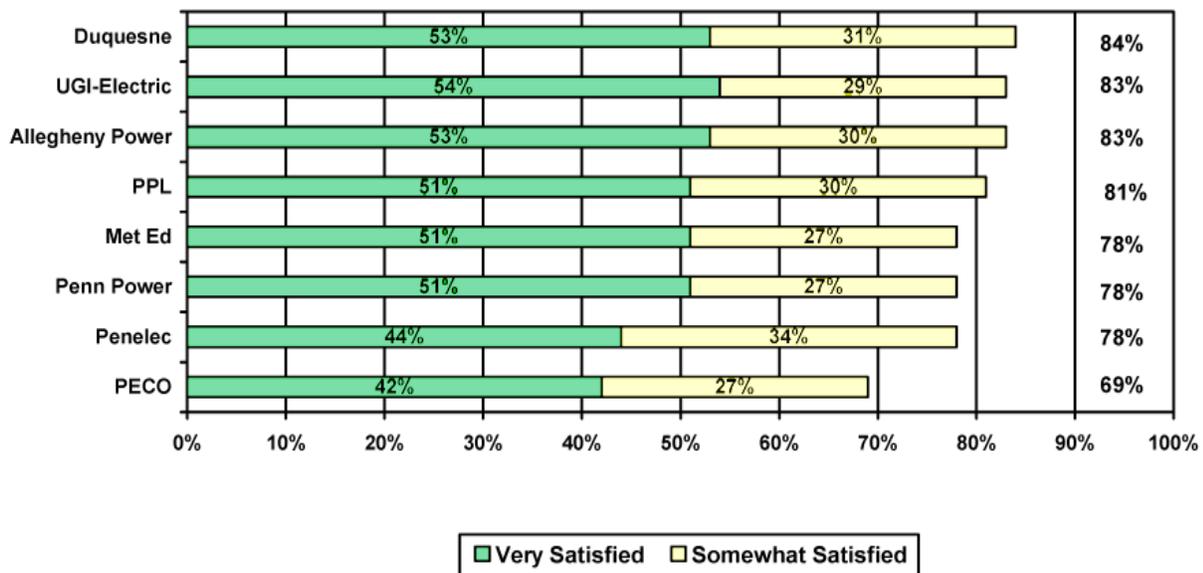
Satisfaction with the Ease of Reaching the Natural Gas Distribution Company 2006



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 EDC or NGDC automated telephone systems.

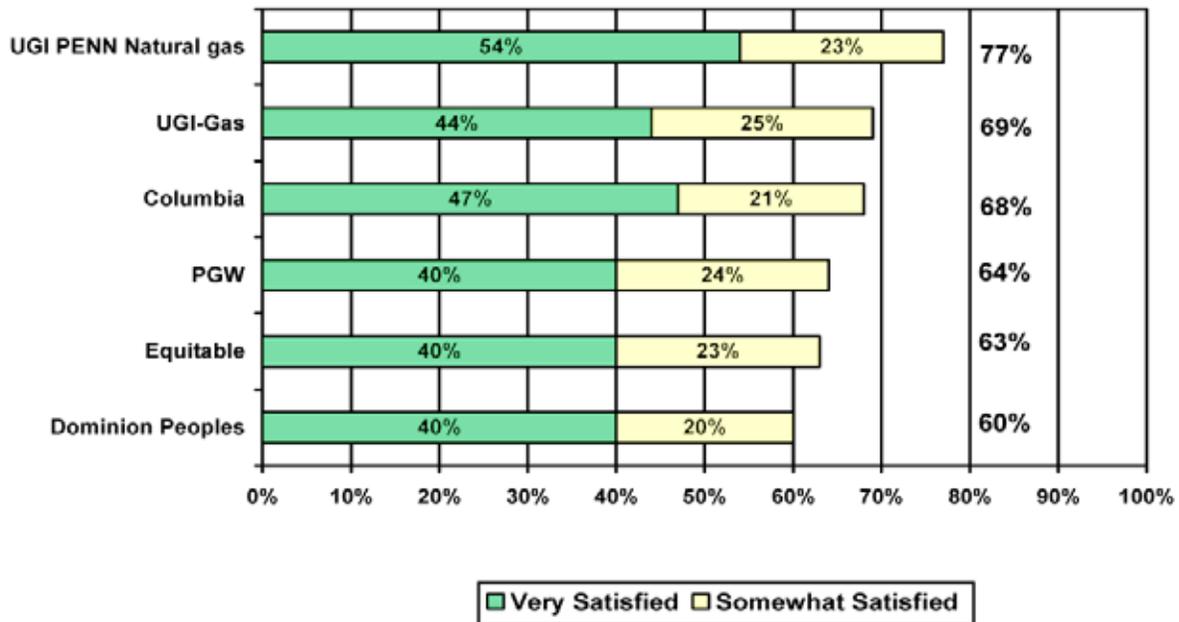
Satisfaction with Using an Electric Distribution Company's Automated Phone System 2006



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 following chart presents the survey findings regarding the perceptions of NGDC consumers regarding the NGDC telephone systems. It shows that, for the major NGDCs, 67 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.

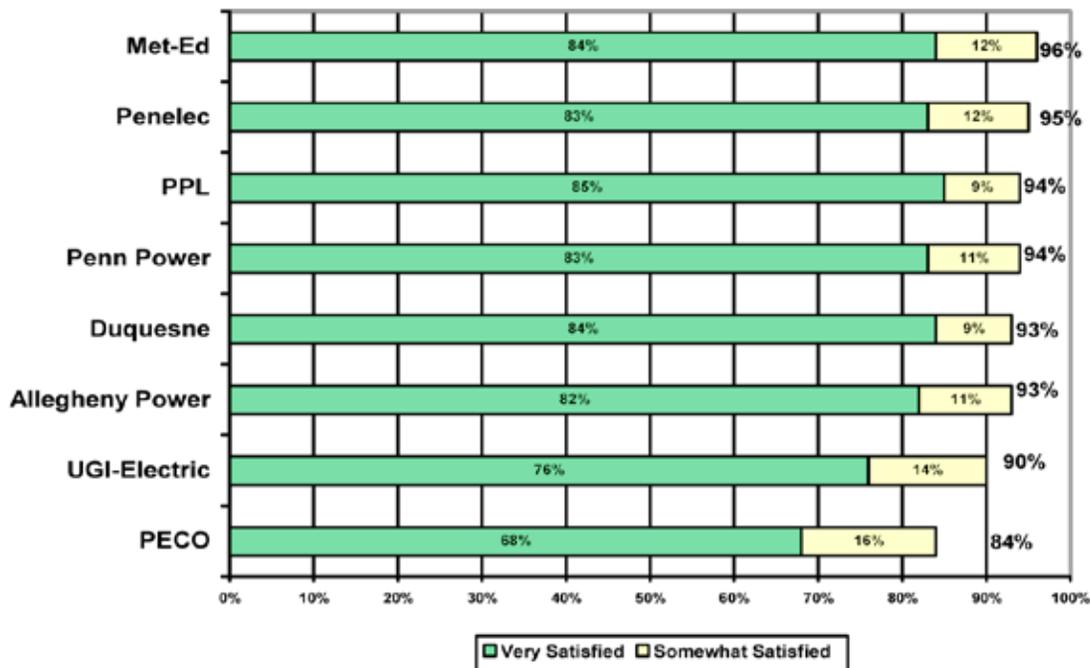
Satisfaction with Using a Natural Gas Distribution Company's Automated Phone System 2006



C. Company Representatives

As indicated in Appendix A, Table 6, an average of 86 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.

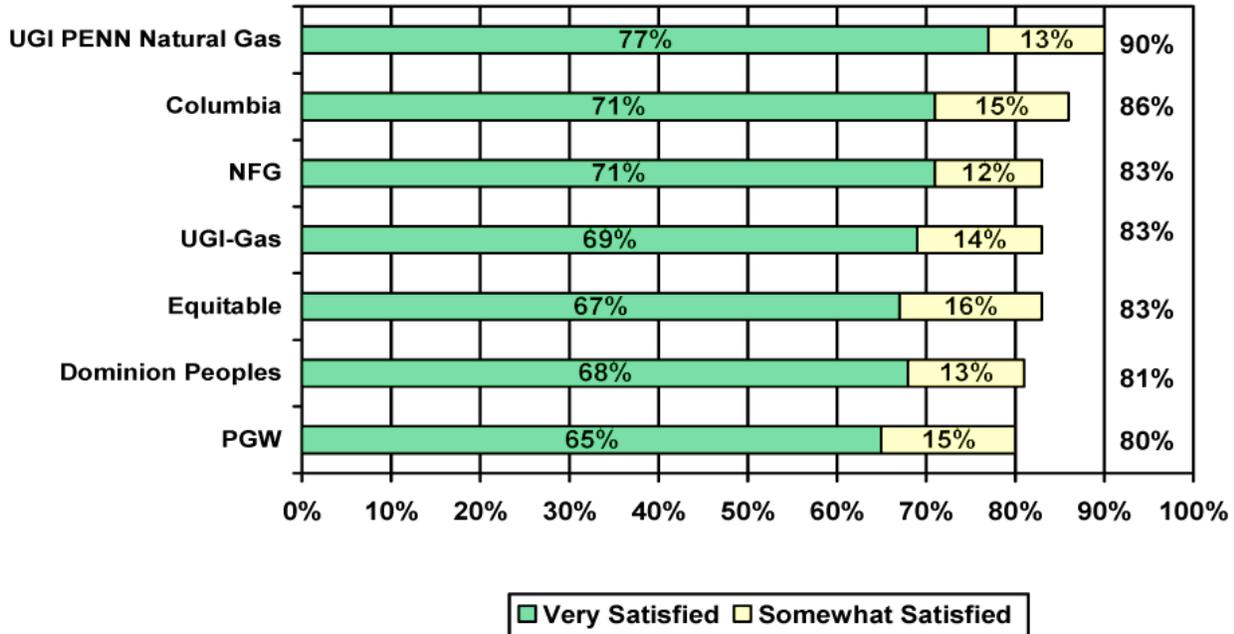
Satisfaction with the Electric Distribution Company Representative's Handling of the Contact 2006



On average in 2006, 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 2004 through 2006 regarding consumer satisfaction with how EDC representatives handled the contact to the EDC.

The following chart shows that in 2006, on average, 84 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 2004 through 2006 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 2006



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' 2006 ratings of these attributes of the company representatives with whom they interacted. Appendix A, Table 4, provides a comparison of 2004, 2005 and 2006 ratings of EDC representatives. Appendix B, Table 4, provides a comparison of 2004, 2005 and 2006 ratings of NGDC representatives.

Consumer Ratings of Electric Distribution Company Representatives 2006

Company	Call Center Representative's Courtesy		Call Center Representative's Knowledge	
	Somewhat Courteous	Very Courteous	Somewhat Knowledgeable	Very Knowledgeable
Allegheny Power	5%	91%	12%	84%
Duquesne	7%	89%	11%	85%
Met-Ed	5%	92%	12%	83%
PECO	14%	78%	17%	73%
Penelec	6%	92%	14%	82%
Penn Power	8%	89%	14%	82%
PPL	6%	92%	10%	87%
UGI-Electric	11%	84%	11%	82%
Average	8%	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 2006

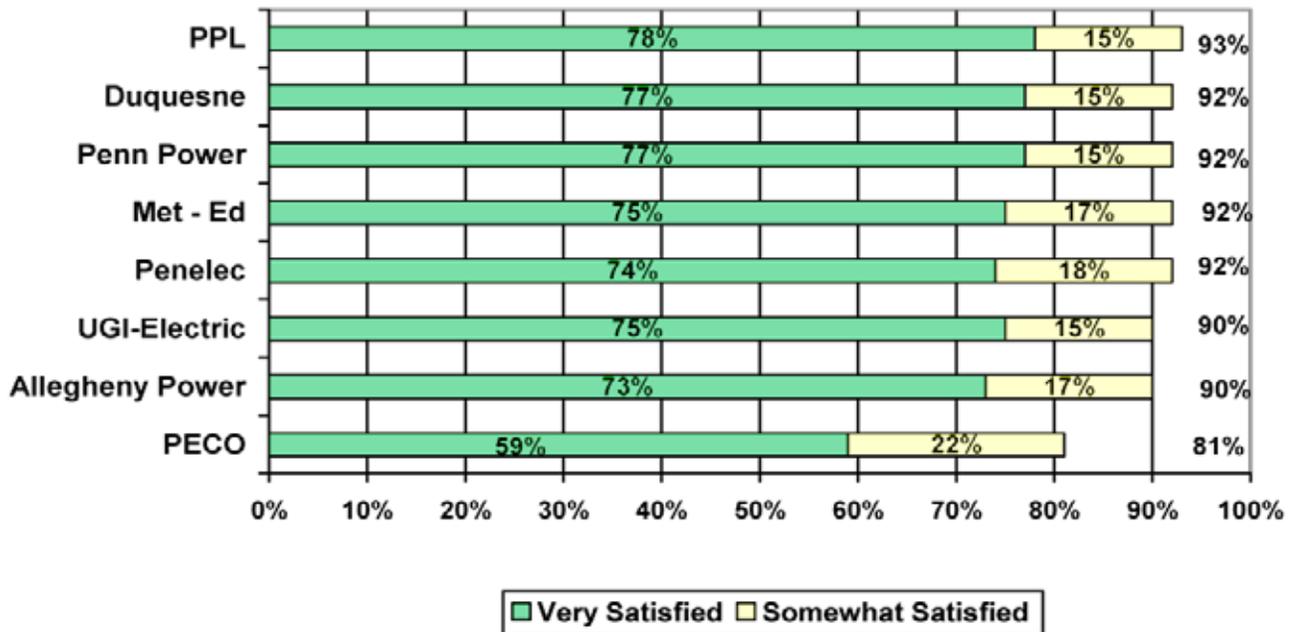
Company	Call Center Representative's Courtesy		Call Center Representative's Knowledge	
	Somewhat Courteous	Very Courteous	Somewhat Knowledgeable	Very Knowledgeable
Columbia	10%	81%	13%	75%
Dominion Peoples	10%	79%	14%	70%
Equitable	11%	76%	15%	68%
NFG	14%	75%	15%	71%
PGW	14%	71%	16%	69%
UGI-Gas	13%	78%	15%	73%
UGI PENN Natural Gas	9%	85%	13%	79%
Average	11%	78%	15%	72%

On average, 89 percent of consumers rated NGDC representatives as either “very courteous” or “somewhat courteous.” In addition, 87 percent of NGDC consumers rated company representatives as either “very knowledgeable” or “somewhat knowledgeable.”

D. Overall Satisfaction

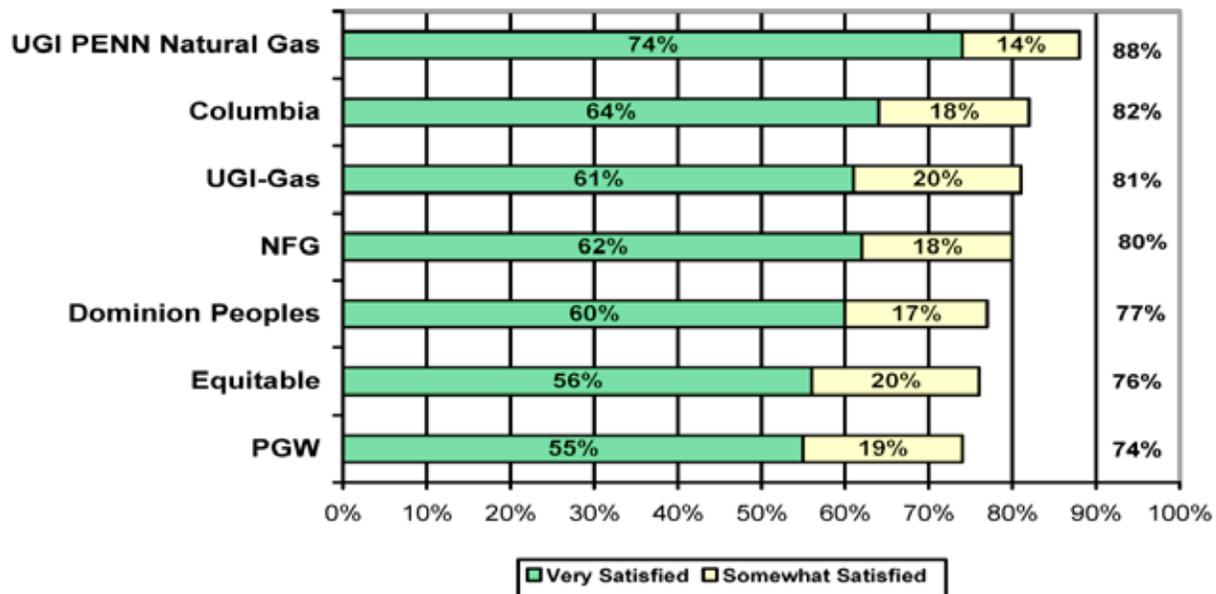
Consumers use a variety of factors to determine their overall level of satisfaction about a contact with a utility company. The ease of reaching the company may be the initial factor. Other factors include the use of the company’s automated telephone system, the wait to speak to a company representative, 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 2006 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 2006



The previous chart 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 2006, 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 2004, 2005 and 2006 results regarding EDC overall customer satisfaction.

Overall Satisfaction with Natural Gas Distribution Company's Quality of Service During Recent Contact 2006



In 2006, the fifth year of the NGDC survey, the industry average for overall satisfaction with NGDC customer contacts is 80 percent (62 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 2004, 2005 and 2006 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 three 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 five out of the seven NGDCs, customers rated their satisfaction slightly higher on other types of contacts in 2006 rather than on credit and collection 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 is 80 percent while the average percentage who were either “very satisfied” or “somewhat satisfied” with their credit and collections contacts is 78 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 2004-06.

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 Feb. 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 UCARE report will again provide statistics associated with 2006 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, 2006 data on informal complaint and payment arrangement requests filed with the Commission were reported in the Commission's annual UCARE report in August 2007. 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 EDC and NGDC 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 disputes 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 2004-06

Table 1A

Company	Satisfaction w/Ease of Reaching the Company*			Satisfaction with Using EDCs Automated Phone System*		
	2004	2005	2006	2004	2005	2006
Allegheny Power	91%	91%	93%	84%	82%	83%
Duquesne	87%	88%	92%	77%	80%	84%
Met-Ed	91%	90%	92%	85%	77%	78%
PECO	82%	84%	79%	74%	80%	69%
Penelec	92%	90%	90%	81%	79%	78%
Penn Power	91%	90%	92%	78%	77%	78%
PPL	91%	90%	90%	83%	78%	71%
UGI-Electric	91%	85%	86%	83%	81%	83%
Average	89%	89%	89%	81%	79%	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.

EDC Survey Results (continued) 2004-06

Table 1B

Company	Satisfaction with EDC Representative's Handling of Contact*			Overall Satisfaction with Quality of Contact with EDC		
	2004	2005	2006	2004	2005	2006
Allegheny Power	92%	92%	93%	90%	90%	90%
Duquesne	92%	93%	93%	90%	91%	92%
Met-Ed	94%	93%	96%	91%	90%	92%
PECO	85%	86%	84%	82%	83%	81%
Penelec	96%	94%	95%	92%	91%	92%
Penn Power	95%	95%	94%	90%	92%	92%
PPL	94%	96%	94%	92%	92%	93%
UGI-Electric	91%	88%	90%	89%	90%	90%
Average	92%	92%	92%	90%	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.

** 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.

**Overall Satisfaction with Contact:
EDC Credit/Collection Calls v. Other Calls*
2004-06**

Table 2

Company	Credit/Collection			Other			Overall		
	2004	2005	2006	2004	2005	2006	2004	2005	2006
Allegheny Power	91%	90%	87%	90%	91%	92%	90%	90%	90%
Duquesne	91%	87%	95%	89%	90%	91%	90%	91%	92%
Met-Ed	96%	94%	97%	89%	91%	90%	91%	90%	92%
PECO	84%	84%	77%	81%	83%	82%	82%	83%	81%
Penelec	96%	94%	94%	91%	92%	92%	92%	91%	92%
Penn Power	94%	98%	92%	89%	87%	93%	90%	92%	92%
PPL	96%	98%	96%	91%	88%	92%	92%	92%	93%
UGI-Electric	89%	91%	86%	89%	87%	90%	89%	90%	90%
Average	92%	92%	91%	89%	89%	90%	90%	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.

Contacting an EDC 2004-06

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**		
	2004	2005	2006	2004	2005	2006	2004	2005	2006
Allegheny Power	90%	84%	86%	89%	87%	88%	90%	87%	90%
Duquesne	82%	84%	88%	85%	84%	86%	83%	83%	88%
Met-Ed	89%	81%	83%	87%	83%	86%	93%	89%	91%
PECO	84%	86%	73%	80%	82%	73%	82%	81%	80%
Penelec	89%	85%	81%	89%	86%	83%	92%	89%	80%
Penn Power	85%	83%	86%	84%	82%	85%	93%	90%	89%
PPL	87%	83%	87%	89%	83%	88%	90%	88%	91%
UGI-Electric	90%	85%	84%	89%	86%	85%	88%	82%	92%
Average	87%	84%	83%	86%	84%	84%	89%	86%	88%

* 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.

Consumer Ratings of EDC Representatives 2004-06

Table 4

Company	Call Center Representative's Courtesy*			Call Center Representative's Knowledge*		
	2004	2005	2006	2004	2005	2006
Allegheny Power	95%	96%	96%	96%	94%	96%
Duquesne Light	95%	96%	96%	94%	96%	96%
Met-Ed	97%	98%	97%	95%	95%	95%
PECO	93%	93%	92%	90%	91%	90%
Penelec	98%	97%	98%	96%	95%	96%
Penn Power	97%	98%	97%	96%	96%	96%
PPL	96%	97%	98%	96%	96%	97%
UGI-Electric	94%	93%	95%	94%	95%	93%
Average	96%	96%	96%	95%	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 2004-06

Table 5A

Company	Overall Satisfaction with Way Premise Visit Handled*			Satisfaction that Work Completed Promptly*			Field Rep's Courtesy**		
	2004	2005	2006	2004	2005	2006	2004	2005	2006
Allegheny Power	96%	90%	79%	84%	67%	82%	100%	79%	96%
Duquesne Light	95%	90%	83%	89%	89%	90%	96%	100%	98%
Met-Ed	95%	96%	85%	91%	83%	95%	100%	100%	100%
PECO	94%	89%	83%	69%	78%	62%	97%	98%	89%
Penelec	96%	96%	82%	90%	85%	93%	98%	100%	100%
Penn Power	95%	97%	78%	84%	89%	96%	100%	100%	100%
PPL	96%	90%	90%	82%	89%	84%	100%	91%	100%
UGI-Electric	93%	91%	75%	88%	86%	75%	97%	97%	100%
Average	95%	92%	82%	85%	83%	85%	98%	96%	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 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.

**Premise Visit from an EDC Field Representative
(continued)
2004-06**

Table 5B

Company	Field Rep's Knowledge			Field Rep's Respect for Property**			Satisfaction that Work Completed in a Timely Manner*		
	2004	2005	2006	2004	2005	2006	2004	2005	2006
Allegheny Power	98%	90%	100%	97%	91%	100%	87%	77%	83%
Duquesne Light	96%	97%	94%	100%	98%	99%	95%	94%	91%
Met-Ed	96%	100%	100%	97%	100%	98%	90%	94%	93%
PECO	97%	95%	96%	97%	97%	86%	66%	79%	64%
Penelec	100%	94%	97%	100%	98%	97%	91%	88%	93%
Penn Power	100%	100%	100%	100%	98%	99%	96%	91%	90%
PPL	97%	100%	96%	100%	100%	100%	92%	84%	94%
UGI-Electric	100%	98%	100%	100%	98%	96%	96%	91%	84%
Average	98%	97%	98%	99%	97%	97%	89%	87%	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.

Characteristics of 2006 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	94%	6%	70%	84%	13%
Duquesne Light	700	97%	3%	79%	84%	13%
Met-Ed	700	99%	1%	70%	90%	9%
PECO	700	96%	4%	78%	79%	11%
Penelec	700	97%	3%	73%	93%	13%
Penn Power	700	97%	3%	67%	92%	14%
PPL	700	98%	2%	72%	75%	9%
UGI-Electric	700	94%	6%	63%	95%	10%
Average	700	97%	3%	71%	86%	11%

Average Number of Residential Customers 2006

Table 7

Electric Distribution Company	Average Number of Residential Customers
Allegheny Power	607,934
Duquesne	524,273
Met-Ed	474,664
Penelec	505,566
PECO	1,404,421
Penn Power	139,114
PPL	1,187,372
UGI-Electric	54,065

Appendix B

NGDC Survey Results 2004-06

Table 1A

Company	Satisfaction w/ Ease of Reaching the Company*			Satisfaction with Using NGDC's Automated Phone System*		
	2004	2005	2006	2004	2005	2006
Columbia	88%	78%	75%	80%	73%	68%
Dominion Peoples	87%	77%	69%	77%	69%	60%
Equitable	63%	66%	70%	60%	59%	63%
NFG	93%	85%	83%	NA	NA	NA
PGW	77%	70%	66%	73%	68%	64%
UGI-Gas	86%	79%	76%	75%	69%	69%
UGI PENN Natural Gas	91%	87%	88%	82%	79%	77%
Average	84%	77%	75%	75%	70%	66%

* 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.

NGDC Survey Results (continued) 2004-06

Table 1B

Company	Satisfaction with NGDC Representative's Handling of Contact*			Overall Satisfaction with Quality of Contact with NGDC		
	2004	2005	2006	2004	2005	2006
Columbia	90%	88%	86%	88%	86%	82%
Dominion Peoples	90%	84%	81%	87%	78%	77%
Equitable	83%	81%	83%	75%	75%	76%
NFG	91%	86%	83%	90%	82%	80%
PGW	88%	83%	80%	77%	74%	74%
UGI-Gas	90%	85%	83%	88%	83%	81%
UGI PENN Natural Gas	91%	91%	90%	91%	88%	88%
Average	89%	85%	84%	85%	81%	80%

* 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.

**Overall Satisfaction with Contact:
NGDC Credit/Collection Calls v. Other Calls
2004-06**

Table 2

Company	Credit/Collection			Other			Overall		
	2004	2005	2006	2004	2005	2006	2004	2005	2006
Columbia	91%	87%	82%	88%	85%	81%	88%	86%	82%
Dominion Peoples	85%	78%	80%	88%	79%	76%	87%	78%	77%
Equitable	74%	70%	77%	75%	76%	76%	75%	75%	76%
NFG	87%	82%	73%	91%	81%	83%	90%	82%	80%
PGW	82%	73%	72%	78%	75%	75%	77%	74%	74%
UGI-Gas	91%	81%	78%	87%	84%	83%	88%	83%	81%
UGI PENN Natural Gas	87%	84%	84%	92%	90%	89%	91%	88%	88%
Average	85%	79%	78%	86%	81%	80%	85%	81%	80%

* Other calls include all categories of contacts to an NGDC other than those related to credit a 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.

Contacting an NGDC 2004-06

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		
	2004	2005	2006	2004	2005	2006	2004	2005	2006
Columbia	85%	79%	73%	86%	79%	71%	87%	76%	75%
Dominion Peoples	86%	76%	66%	83%	76%	75%	84%	71%	67%
Equitable	70%	69%	66%	69%	69%	66%	62%	62%	71%
NFG	NA	NA	NA	NA	NA	NA	94%	87%	83%
PGW	81%	76%	73%	78%	76%	72%	75%	66%	65%
UGI-Gas	80%	76%	72%	80%	75%	73%	85%	76%	75%
UGI PENN Natural Gas	86%	81%	81%	85%	85%	81%	90%	85%	86%
Average	81%	76%	72%	80%	77%	71%	82%	75%	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.

Consumer Ratings of NGDC Representatives 2004-06

Table 4

Company	Call Center Representative's Courtesy*			Call Center Representative's Knowledge		
	2004	2005	2006	2004	2005	2006
Columbia	94%	92%	91%	92%	90%	88%
Dominion Peoples	94%	92%	89%	93%	88%	84%
Equitable	88%	88%	87%	86%	85%	83%
NFG	93%	89%	89%	95%	89%	86%
PGW	91%	88%	85%	90%	88%	85%
UGI-Gas	93%	91%	91%	93%	88%	88%
UGI PENN Natural Gas	94%	93%	94%	94%	91%	92%
Average	92%	90%	89%	92%	88%	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.

Premise Visit from an NGDC Field Representative 2004-06

Table 5A

Company	Overall Satisfaction w/Way Premise Visit Handled*			Satisfaction that Work Completed Promptly*			Field Rep's Courtesy**		
	2004	2005	2006	2004	2005	2006	2004	2005	2006
Columbia	97%	98%	92%	91%	86%	81%	98%	99%	95%
Dominion Peoples	100%	94%	99%	90%	91%	82%	100%	100%	98%
Equitable	100%	94%	90%	69%	78%	77%	100%	96%	94%
NFG	99%	94%	92%	81%	88%	80%	99%	97%	92%
PGW	92%	91%	88%	84%	75%	72%	92%	100%	91%
UGI-Gas	97%	95%	93%	93%	89%	81%	98%	97%	96%
UGI PENN Natural Gas	98%	96%	96%	91%	90%	89%	99%	97%	98%
Average	98%	95%	93%	86%	85%	80%	98%	98%	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.

** 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.

Premise Visit from an NGDC Field Representative (continued)
2004-06

Table 5B

Company	Field Rep's Knowledge			Field Rep's Respect for Property**			Satisfaction that Work Completed in a Timely Manner*		
	2004	2005	2006	2004	2005	2006	2004	2005	2006
Columbia	97%	99%	95%	99%	100%	98%	97%	88%	86%
Dominion Peoples	100%	95%	94%	100%	97%	100%	96%	90%	88%
Equitable	98%	96%	92%	97%	96%	98%	94%	85%	88%
NFG	98%	93%	96%	97%	97%	98%	92%	78%	78%
PGW	95%	96%	91%	96%	98%	93%		90%	78%
UGI-Gas	98%	93%	98%	98%	96%	97%	97%	89%	87%
UGI PENN Natural Gas	98%	97%	97%	98%	99%	98%	98%	93%	91%
Average	98%	96%	95%	98%	98%	97%	96%	88%	85%

* 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."

Characteristics of 2006 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%	68%	89%	20%
Dominion Peoples	700	99%	1%	69%	95%	20%
Equitable	700	95%	5%	64%	96%	14%
NFG*	700	99%	1%	N/A*	97%	17%
PGW	700	98%	2%	49%	96%	9%
UGI-Gas	700	98%	2%	56%	97%	19%
UGI PENN Natural Gas	700	99%	1%	48%	94%	54%
Average	700	98%	2%	58%	95%	21%

* NFG does not use an automated system.

Average Number of Residential Customers 2006

Table 7

Natural Gas Distribution Company	Average Number of Residential Customers
Columbia	364,309
Dominion Peoples	324,764
Equitable	232,039
NFG	193,179
PGW	478,594
UGI-Gas	284,270
UGI PENN Natural Gas	140,749