

CONSUMER SERVICES
ACTIVITY REPORT
1979

MAY 1980

PENNSYLVANIA PUBLIC UTILITY COMMISSION
BUREAU OF CONSUMER SERVICES
JOSEPH W. FARRELL, DIRECTOR

INTRODUCTION

The Bureau of Consumer Services (BCS) was mandated by Act 216 of 1976 to provide responsive, efficient, and accountable management of consumer complaints. The Bureau began investigating utility customer complaints in April, 1977. Unsolicited complaints can provide error signals, because they provide unbiased information about utilities' effectiveness at meeting consumer needs and complying with Commission standards. The Bureau maintains a computer-based consumer information system which permits complaints to be aggregated and analyzed.* Information from this system is used to identify patterns and trends in utility consumer problems. This report highlights BCS activity for the year 1979. Future reports will focus on specific functional areas and industries and will also provide detailed comparative evaluations of companies' performance.

I. OVERALL ACTIVITY

The Bureau received 25,183 contacts which required investigation from utility customers in 1979. Almost 98% of these cases involved individual citizens. The Bureau's cases fall into 3 basic categories: consumer complaints, mediation requests, and inquiries.** The 10,207 consumer complaints involved complaints about utilities' actions related to billing, service delivery, repairs, etc. Mediation requests, of which there were 14,976, came from customers who needed help in concluding payment arrangements with their utilities in order to avoid termination of service. The Bureau also received approximately 15,000 inquiries and information requests, which did not require investigation. Finally, the Bureau was responsible for tracking the 27,000 contacts from citizens who protested various aspects of the Three Mile Island accident.

Mediation Requests

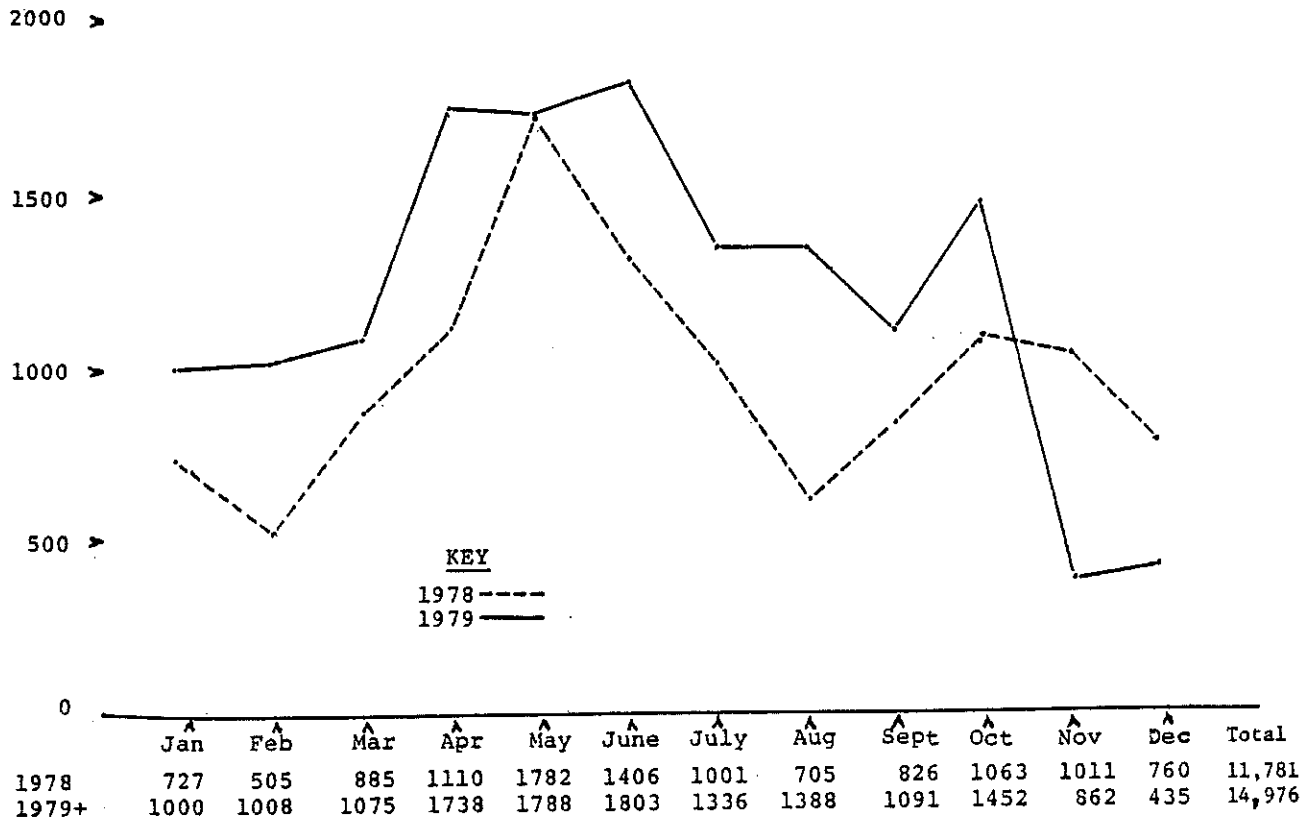
The patterns for the two types of cases were quite different. Mediation requests during 1979 increased by about 27% over 1978. Figure 1 shows that the same general seasonal pattern applied in 1979 as in 1978. This pattern can be attributed to the restraints on service termination during the winter heating season (December through March). As a result of curtailed cold weather terminations, mediation services are less frequently requested. However, terminations are permitted to resume in April, and the number of mediation cases increases sharply. The bulk of the overdue accounts are settled within the next 3 months, and subsequently the number of mediation requests declined. The small peak in the fall of each year may be caused by companies seeking to resolve seriously overdue accounts in anticipation of winter termination restrictions. The consistent pattern of cases depicted for the past 2 years in Figure 1 should assert itself in the future if winter termination restraints continue. In short, it

* A discussion of the background of the Bureau and its information system can be found in Appendix A.

** See Appendix B for definitions.

can be expected that roughly 45% of the annual volume of mediation cases would be received between April and July and about 55% during the remaining 8 months. This information will be used in planning, training, and the allocation of staff resources. In addition, this information should be of interest to utility company customer services managers.

Figure 1
MONTHLY MEDIATION REQUEST VOLUME
(1978-1979)

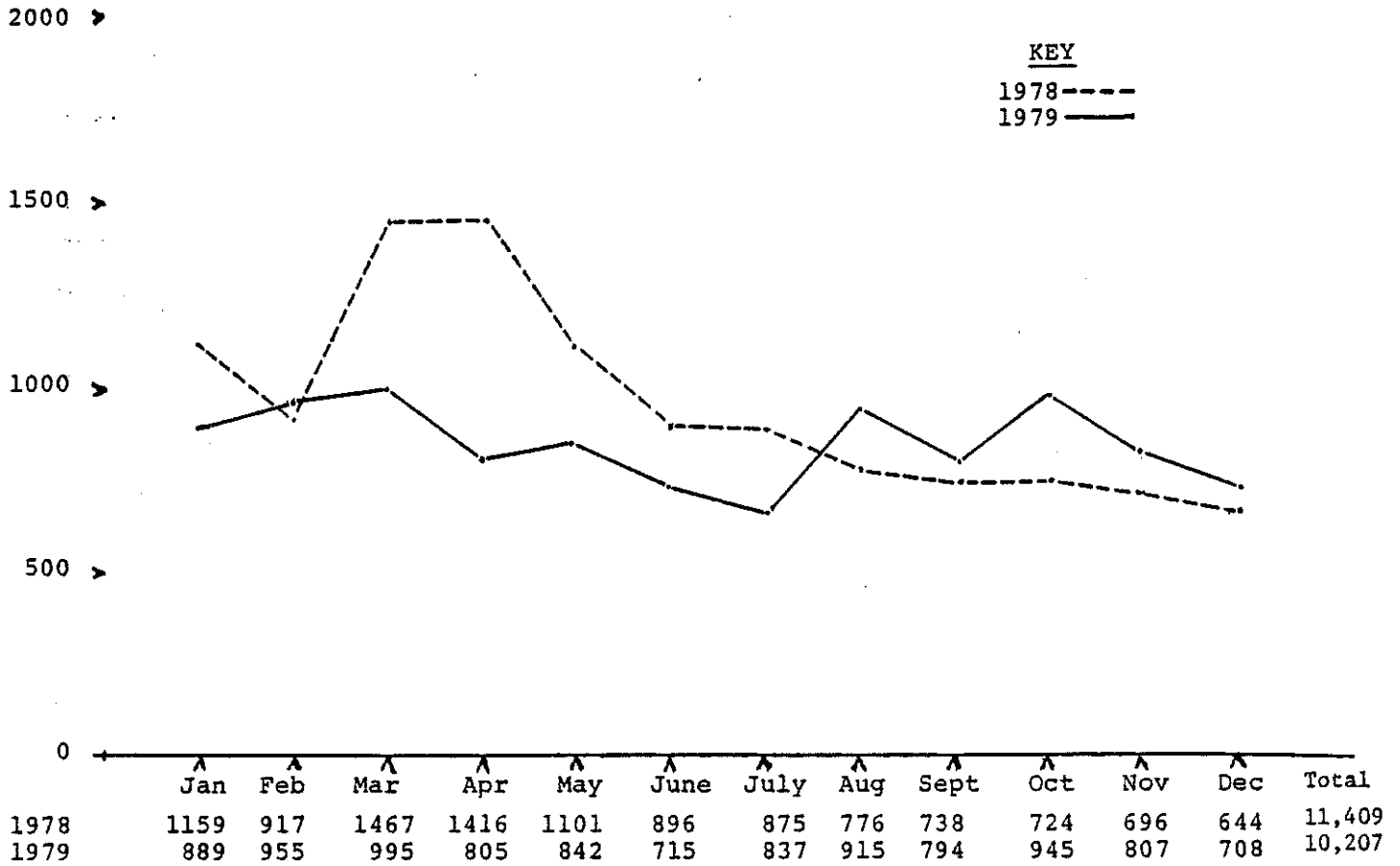


+Source: CSIS Monthly Activity Reports

Consumer Complaints

Unlike Mediations, there was an 11% decrease in complaints from 1978 to 1979. Figure 2 indicates that there were no radical month-to-month changes in the volume after June, 1978. In addition, there is no identifiable seasonal pattern of consumer complaints. The large number of complaints in March and April of 1978 accounts for the difference between the two annual totals. Commission regulations require that customers must seek to resolve problems directly with their utility company prior to registering a complaint with the Bureau. In this light a reduction in the number of complaints seems to indicate an improvement in utilities' complaint-handling operations.

Figure 2
MONTHLY CONSUMER COMPLAINT VOLUME
(1978 and 1979)



II. NATURE OF BCS CASES

The consumer complaints received by BCS involve billing problems (44%), service delivery complaints (19%), and service terminations (11%). (See Table 1) Billing problems include unclear calculation methods, disputed usage, poorly estimated bills, etc. Service termination cases not under the jurisdiction of the Mediation Unit include telephone terminations and service restorations. Service delivery complaints relate to utility unresponsiveness, poor quality of service, delays in repairs, etc. The remaining 27% are distributed among repairs, credit and deposits, and rates and tariff complaints.

TABLE 1

NATURE OF CALL
CONSUMER COMPLAINTS
1979

	N	% of Total
Billing and Payment Disputes	4307	44%
Service Delivery	1872	19%
Service Terminations*	1076	11%
Repairs	793	8%
Credit and Deposits	707	7%
Rates and Tariffs	465	5%
Other	648	7%
Total	9868***	101%**

*Mediation of telephone accounts and of other utility customers who for procedural reasons are ineligible for help from Mediation Unit.

**Error due to rounding.

***Does not include missing values

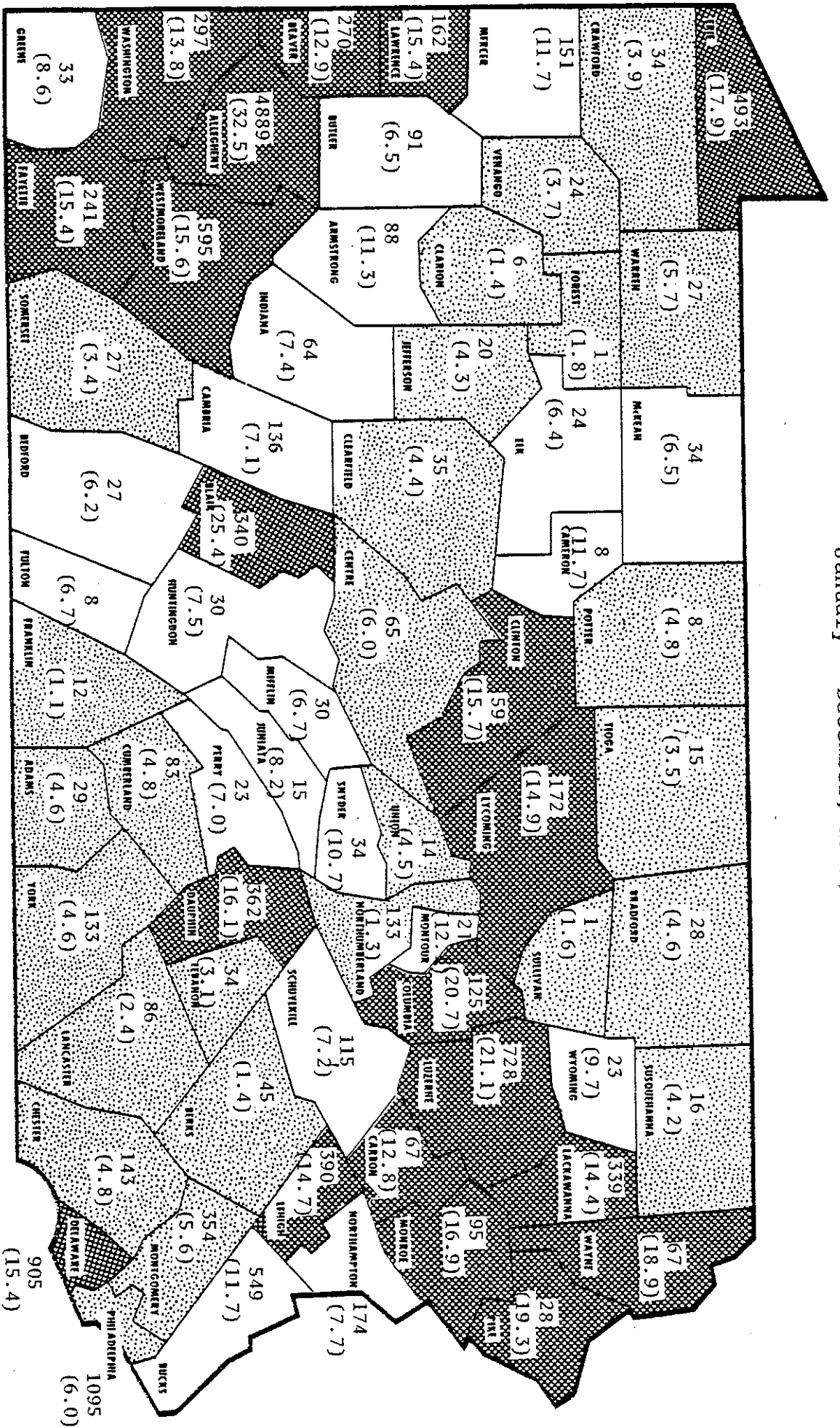
III. GEOGRAPHIC DISTRIBUTION OF BUREAU ACTIVITY

Geographic variations in mediation requests and informal complaints are depicted in Figures 3 and 4. The calculation of cases per 10,000 residents - basically, a condensed per capita rate-permits comparison between large and small counties. The accompanying maps indicate which counties have average, well above average, or well below average case rates. (Appendix C provides detailed comparison between the 1978 and 1979 geographic data.)

Mediation

The average state-wide mediation rate jumped from 7.2 per 10,000 residents in 1978 to 9.3 in 1979. The number of mediation requests in 1979 ranged from 1 in Sullivan County to 4,889 in Allegheny County. Allegheny County had the highest rate of mediation requests - 32.5 per 1,000 residents. Other counties with high mediation rates were Blair, Columbia, and Luzerne with over 20 calls per 10,000 residents. The number of requests from Carbon, Huntingdon, Lehigh, Monroe, Schuylkill, and Wayne Counties has more than doubled from 1978 to 1979. Among the counties with the highest mediation rates, certain companies were most frequently involved. For example, Equitable Gas and Duquesne Light accounted for about 75% of the mediation activity from Allegheny County. Pennsylvania Power and Light was the primary contributor to the relatively large number of mediation requests from Carbon, Columbia, and Lehigh Counties.

Figure 3
 COUNTY DISTRIBUTION OF MEDIATION REQUESTS
 January - December, 1979



KEY:
 -Above Average
 -Average* (mean= 9.3 cases/ 10,000 residents)
 -Below Average

*Average based on complaint rate
 + or - one-half S.D.

The sharp increase in mediation cases in Delaware County involved Philadelphia Electric Company. The variations in mediation rates await further investigation and analysis. The extent of regulated utility service, degree of urbanization, and relative economic well-being, may be factors which affect mediation requests. However, some companies' problematic termination practices have also lead to increases in mediation requests.

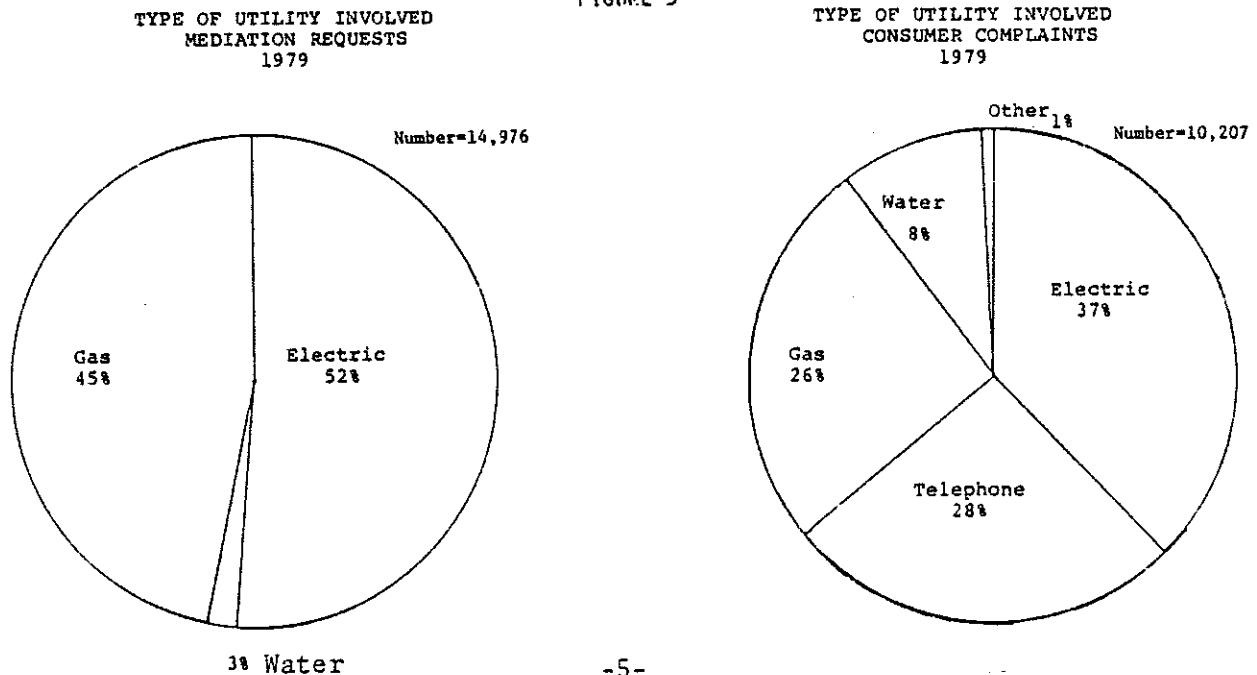
Informal Complaints

Informal complaints varied from a low of 3 in Juniata County to a high of 2,543 in Allegheny County. The average complaint rate was 8.6 cases per 10,000 residents. Complaint rates were highest in Dauphin and Pike Counties (respectively 26.9 and 26.8 cases per 10,000 residents). It may be significant that there were above-average complaint rates for three of the four counties where the Bureau's regional offices are located. In other words, the Bureau's visability in Allegheny, Erie, and Dauphin Counties may be a factor in high complaint rates. In part, the low complaint rate in Philadelphia may be due to the absence of Commission-regulated gas service. Only in Allegheny County is there a clear link between the complaint rate and the problems related to an individual company - Duquesne Light. Thus, more detailed analysis - in a forthcoming report - will be necessary to explain variations in complaint rates.

IV. TYPE OF UTILITIES INVOLVED

Almost all mediation cases involved electric (52 percent) or gas companies (45 percent). Only 3% (246 cases) of mediations stemmed from termination of water service. (See Figure 5) Telephone companies are not covered by the Commission's termination regulations, so there are no telephone termination mediation cases. Electric companies were involved in 37% of the consumer complaints. Telephone and gas companies accounted for 28% and 26% of all complaints. Eight percent of the complaints were against water companies. There were only 72 complaints against steam heat, sewage, and transportation companies.

FIGURE 5



V. MAJOR COMPANIES

The calculation of "cases per 1,000 residential customers" permits comparisons to be made between utilities. Some variations may be attributed to dissimilar customer populations, geographic locations, and utility rates. However, unusually high mediation and complaint rates are reliable indicators of situations which require investigation. The discussion below provides an overview of Bureau activity along with some basic findings. Further analysis will be completed in future reports with a view toward explaining variations in mediation and complaint rates. This will include the comparative evaluation of utility performance.

Consumer Complaints

The Commission has established a dispute process in which the companies play the primary role in handling consumer complaints. The Bureau normally does not become involved in consumer complaints until negotiations between the customer and the company fail. Thus, high rates of complaints to the Bureau can indicate a company's failure to resolve consumer problems, and this is a source of concern.

Gas Utilities

There were 14 percent fewer complaints against gas utilities in 1979 than in 1978. As the discussion below indicates, this change was not reflected consistently across the industry. (See Table 2)

- ✱ National Fuel Gas (NFG) experienced an increase of 47 percent in complaints to the Commission. The Bureau opened a regional office in Erie in early 1979. The extensive publicity and increased BCS visibility related to this may in part explain the increase in complaints. An in-depth analysis will be undertaken to examine this situation carefully.
- ✱ As in 1978, Equitable Gas was the industry leader with an unusually high complaint rate (3.0 vs. 1.9 for the industry). However, there was a substantial decrease in complaints against this company. This may have been due to a series of problem solving meetings between the utility and the Bureau's staff. In any event, even the improved 1979 complaint rate argues that the company should continue to review its complaint-handling.
- ✱ Explanations for Peoples Gas' increased complaint rate (1.8 in 1979 vs. 1.6 in 1978) await further analyses by the Bureau.
- ✱ Pennsylvania Gas and Water's review of its customer relations efforts seems to have contributed to its decreased complaint rate. The company should continue to attempt to improve its complaint handling since its 2.2 complaint rate is still one of the gas industry's highest.

- ⌘ Columbia Gas experienced a substantial reduction in complaints - from 624 to 421. A future report will examine the causes of this improvement.

TABLE 2
CONSUMER COMPLAINTS
MAJOR GAS COMPANIES

(January - December 1979)

Company	Number 1979	Cases per 1,000* Customers	Percent Change in Number of Complaints (1978 to 1979)
Equitable Gas Co.	684	3.0	-35%
Peoples Natural Gas Co.	525	1.8	+16%
Columbia Gas Co.	421	1.4	-33%
National Fuel Gas Dist.	318	1.7	+47%
U.G.I. Corp.	251	1.4	- 5%
Pa. Gas & Water	200	2.2	-24%
Others	220		
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Total	2,619	1.9 average	-14%

* Based on monthly averages of residential customers

Electric Utilities

There were about 4 percent fewer complaints against electric companies in 1979 than in 1978. The average complaint rate for electric companies was about half of that for gas companies (compare Tables 2 and 3). No clear explanation for this difference is available.

- ⌘ Duquesne Light was the only electric company to show a substantial increase in complaints - from 504 to 859. As a result, Duquesne's 1.7 complaint rate was by far the highest in the industry. Serious system-wide accounting and billing problems were the source of many of these complaints.
- ⌘ West Penn Power exhibited the most significant improvement, with 250 fewer complaints to the Bureau in 1979 than in 1978. This decrease of almost 40 percent can be attributed to the success of the company's system-wide program for the reduction of complaints.
- ⌘ Metropolitan Edison and Pennsylvania Electric's moderately increased complaint rates (17 and 25 percent respectively) may have in part been due to increased customer dissatisfaction following the TMI accident.

⌘ There were fewer complaints this year against Penn Power, PP&L, and Philadelphia Electric. These companies each had .7 complaints per 1,000 customers, a rate considerably below the industry average.

TABLE 3
CONSUMER COMPLAINTS
MAJOR ELECTRIC COMPANIES
(January - December 1979)

Company	Number 1979	Cases per 1,000* Customers	Percent Change in Number of Complaints (1978 to 1979)
Philadelphia Elec.	911	.7	- 1%
Duquesne Light	859	1.7	+70%
Pa. Power & Light	635	.7	-27%
Pa. Electric	517	1.1	+25%
West Penn Power	424	.9	-37%
Metropolitan Edison	316	1.0	+17%
Pa. Power	73	.7	-19%
Other Electric Co.	50	-	-
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Total	3,785	1.0 average	- 4%

* Based on monthly averages of residential customers

Telephone Utilities

Complaints about telephone companies increased by about 10 percent from 1978 to 1979. This contrasts sharply with the decrease in complaints against gas and electric companies. There are several reasons for concern regarding the increase in telephone industry complaints. First, telephone billing, credit and deposits, collections, and complaint handling activities are covered briefly or not at all under each company's tariff. As a result, rights enjoyed by electric and gas customers under Commission regulations are either unavailable to telephone customers or exist at the discretion of each company. In this context, economic pressures, management changes, or policy alterations can lead to arbitrary or unequal treatment for some customers. Also, in contrast to other utilities, many phone companies' policies do not include the Commission as an avenue for redress of customer grievances. Customers are not informed that the Commission may be able to help when they are dissatisfied with the company processing of their complaints. Thus, the number of telephone industry complaints might be substantially higher if customers were made aware that the Bureau could help them. Among highlights of the past year (Also see Table 4):

⌘ There were so few complaints against North Pittsburgh Telephone in 1978 that the company was not covered in the 1978 complaint report. Billing and service quality

problems caused complaints to almost double in 1979. North Pittsburgh's complaint rate is now over twice the industry average (2.4 vs. 1.1).

- * Bell Telephone and General Telephone each experienced a moderate increase in consumer complaints to the Bureau. Despite this, both companies' complaint rates are below the industry average. As in 1978, Bell's complaint rate was the lowest among major companies.
- * Commonwealth Telephone, which undertook a complete evaluation of its complaint handling, reduced its Commission complaints from 140 to 88, a reduction of 37 percent.

TABLE 4
NUMBER OF CONSUMER COMPLAINTS
MAJOR TELEPHONE COMPANIES
(January - December 1979)

Company	Number 1979	Cases per 1,000* Customers	Percent Change in Number of Complaints (1978 to 1979)
Bell Telephone	1,727	.5	+14%
General Telephone	267	.9	+15%
United Telephone	118	.6	- 4%
Mid Penn Telephone	99	1.1	+ 7%
Commonwealth	88	.7	-37%
North Pittsburgh	68	2.4	+89%
Continental	52	1.7	- 5%
Others	341		
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Total	2,760	1.1 average	+10%

* Based on monthly averages of residential customers

Mediation Requests

The Bureau's service termination procedures protect utility customers' rights and provide companies with effective collection tools. The Bureau only intervenes at the customer's request after direct negotiations between customer and their company have failed. The number of mediation requests per 1,000 overdue residential customers - the mediation rate - is used to permit cross-company comparison.+ The mediation rate can be used as an evaluation of companies' effectiveness at making payment agreements. Unusually high or low rates, or sizable changes in rates reflect company performance. Some tentative explanations for the differences in the mediation statistics are offered below.

Gas Utilities

Declining economic conditions are reflected in the 27 percent increase in mediation cases. As indicated in Table 5, the distribution of mediation requests varied widely.

- ★ Columbia Gas was the only company which did not experience a significant growth in the number of mediation cases.
- ★ National Fuel Gas' mediation rate increased by 42 percent (See Table 5). The opening of the Erie office and a number of public forums helped to expand public awareness of the BCS and its roles. Coupled with a substantial increase in the number of overdue customers, this factor partially explains the increased mediation rate.
- ★ UGI's mediation rate increased in equal proportion to NFG's. UGI did not have appreciably more overdue customers in 1979 than in 1978, so no clear explanation for the changed rate is apparent. Future analyses will examine the causes of this change. In any event, UGI's mediation rate (1.2 per 1,000 overdue customers) is still by far the lowest among gas companies.
- ★ Equitable Gas' mediation rate (7.0 vs. 2.9 for the industry) is more than twice that of any other major fixed utility company. Economic, geographic, and other conditions cannot fully explain a difference of this magnitude. It is important that Equitable continue to evaluate its collection practices.

+ See Appendix D for a discussion of the use of the mediation rate.

TABLE 5

MEDIATION REQUESTS
MAJOR GAS COMPANIES

(January - December 1979)

Company	Number 1979	Cases per 1,000* Overdue Customers	% Change Cases per 1000 Overdue Customers (1978 to 1979)
Equitable Gas	2,719	7.0	+ 4
Peoples Natural Gas	1,445	3.3	+26
Columbia Gas	335	1.5	**
Pa. Gas & Water	591	2.7	**
National Fuel Gas	470	1.7	+42
U.G.I. Gas Co.	395	1.2	+43
Other Gas Co.	212	-	-
Total	6667	2.9 - Average	

- * Based on monthly service termination information supplied by each company.
 ** The company did not report sufficient data to permit calculation of this statistic.

Electric Utilities

The electric companies' average mediation rate was about one third of the gas industry's (1.0 vs. 2.9). None of these explanations for this difference which are normally offered - extent of heating penetration, poverty among customer populations, etc. - have been found to be satisfactory. Among the preliminary findings:

- ⌘ PP&L's mediation requests almost doubled from 1978 to 1979. The company's mediation rate (2.0 per 1,000 overdue customers) is now twice the electric industry average (see Table 6). These figures are particularly significant since the company actually had fewer overdue customers in 1979 than in 1978. The large majority of the increased mediation requests originated in the company's Lehigh and North East districts.
- ⌘ Duquesne Light also experienced a considerable worsening of its mediation statistics (from .8 per 1,000 in 1978 to 1.3 in 1979). Although there were fewer overdue customers in 1979 than in 1978, 38 percent more customers contacted the Mediation Unit. In other words,

Duquesne's ability to work out payment arrangements with its customers declined in 1979.

- * Metropolitan Edison maintained a basically stable mediation rate (.5 per 1,000 overdue customers) despite a 27 percent increase in overdue customers. This mediation rate is one quarter of PP&L's and about a third of Duquesne's.
- * Pennsylvania Electric's mediation rate declined by 12 percent even though it had 11 percent more overdue customers in 1979 than in 1978. In other words, Pennsylvania Electric was apparently very effective at preventing unnecessary BCS arbitrations of payment agreements.

Increased overdue accounts did not result in increased mediation rates for those companies which have developed effective practices and procedures related to overdue accounts.

TABLE 6
MEDIATION REQUESTS
MAJOR ELECTRIC COMPANIES
(January - December 1979)

Company	Number 1979	Cases per 1,000* Overdue Customers	% Change Cases per 1000 Overdue Customers (1978 to 1979)
Philadelphia Elec.	2,863	1.1	+ 35
Pa. Power & Light	1,971	2.0	+ 86
Duquesne Light	1,141	1.3	+ 72
West Penn Power	707	1.0	- 2
Pa. Electric	603	.7	-12
Metropolitan Edison	234	.5	- 4
Pa. Power	143	.5	**
Other Electric Co.	58	-	-
Total	7,720	1.0	+33

*Based on monthly service termination information supplied by each company.

**The company did not report sufficient information during 1978 to permit calculation of this statistic.

CONCLUSION

This report has provided an overview and a preliminary analysis of BCS activity during 1979. The complaint and mediation rates are quantitative measures of utility company performance in various customer relations areas. Future reports will combine these measures with various qualitative statistics in order to provide a more complete and detailed evaluation of each company's performance. The tentative explanations and analyses presented above will be refined in order to provide the companies and the Bureau with information which can be used to improve mediation activities and complaint handling. Reports which are planned, or are being prepared, include: evaluative reviews of informal complaints and termination mediation cases from 1979, an analysis of telephone industry problems, and a report on utility companies' non-compliance with Commission regulations.

Appendix A

The Bureau of Consumer Services has 4 regional offices (Harrisburg, Pittsburgh, Philadelphia, and Erie) which are responsible for investigating utility consumer complaints and recording protests regarding actions pending before the Commission. The Bureau's Service Termination Mediation Unit, located in Harrisburg, arbitrates payment agreements for customers who are threatened with termination of service. The Bureau also contains a research and information unit which is responsible for evaluation of both utilities customer service performance and their compliance with regulations. The Bureau's Consumer Services Information System (CSIS) is based on extensive coded data for each case investigated by the Bureau. The data base currently contains data on over 50,000 cases from 1978 to the present. The CSIS is used to produce regular utility evaluation and management information reports. The system also provides special reports related to rate cases, legislative requests, and generic analyses. Finally, the Bureau maintains a contractual relationship with Pennsylvania State University for the purposes of data processing, policy analysis, and research consultation.

Questions and responses should be directed to Joseph W. Farrell or Mitchell Miller, Room G-11 North Office Building, Harrisburg, PA 17120 (Telephone 717-783-5391)

Appendix B

Mediation Requests - In the absence of extenuating circumstances, an electric, gas, water, or steam heat customer may call the Bureau's Mediation Unit only if these conditions have been satisfied:

1. The customer has received a termination notice
2. Service has not been terminated
3. The company has refused to agree to payment terms which the customer feels are reasonable

The mediation cases discussed in this report conform, in general, to these criteria.

Consumer Complaints - This data category encompasses any dispute that requires BCS investigation. The vast majority of these problems are informal complaints pursuant to 52 PA Code Chapter 56.

COUNTY DISTRIBUTION OF MEDIATION REQUESTS
(1978 & 1979)

<u>County</u>	<u>Number of Mediation Requests 1978</u>	<u>Mediation* Rate 1978</u>	<u>Number of Mediation Requests 1979</u>	<u>Mediation* Rate 1979</u>	<u>Percent Change In Mediation Rate 1978-1979</u>
Adams	29	4.6	29	4.6	0
Allegheny	4167	27.8	4889	32.5	+ 17
Armstrong	84	10.9	88	11.3	+ .4
Beaver	207	9.9	270	12.9	+ 30
Bedford	17	3.9	27	6.2	+ 58.9
Berks	36	1.2	45	1.4	+ 17
Blair	218	16.3	340	25.4	+ 55.8
Bradford	28	4.6	28	4.6	=
Bucks	335	7.1	549	11.7	+ 64.8
Butler	115	8.2	91	6.5	- 21
Cambria	103	5.5	136	7.1	+ 29.1
Cameron	0	-	8	11.7	+ 11.7
Carbon	25	4.8	67	12.8	+166.7
Centre	64	5.9	65	6.0	+ 1.7
Chester	109	3.7	143	4.8	+ 29.7
Clarion	9	2.2	6	1.4	- 36
Clearfield	30	3.8	35	4.4	+ 15.7
Clinton	32	8.6	59	15.7	+ 82.5
Columbia	66	11.0	125	20.7	+ 88.2
Crawford	67	7.8	34	3.9	- 50
Cumberland	75	4.4	83	4.8	+ 9.1
Dauphin	234	10.4	362	16.1	+ 54.8
Delaware	524	8.9	905	15.4	+ 73
Elk	14	3.8	24	6.4	+ 68.4
Erie	294	10.7	493	17.9	+ 67.3
Fayette	292	18.8	241	15.4	- 18.1
Forest	3	5.7	1	1.8	-216
Franklin	19	1.8	12	1.1	- 38.8
Fulton	5	4.2	8	6.7	+ 59.5
Greene	38	9.9	33	8.6	- 13.1
Huntingdon	13	3.3	30	7.5	+127.3
Indiana	66	7.7	64	7.4	- 3.8
Jefferson	20	4.3	20	4.3	-
Juniata	11	6.1	15	8.2	+ 34.4
Lackawanna	181	7.7	339	14.4	+ 87
Lancaster	96	2.8	86	2.4	- 14.3
Lawrence	150	14.3	162	15.4	+ 7.7
Lebanon	20	1.9	34	3.1	+ 63
Lehigh	136	5.1	390	14.7	+188
Luzerne	378	11.0	728	21.1	+ 91.8
Lycoming	117	10.2	172	14.9	+ 46.1
McKean	65	12.6	34	6.5	- 40.4
Mercer	78	6.1	151	11.7	+ 91
Mifflin	17	3.9	30	6.7	+ 71.8
Monroe	39	7.0	95	16.9	+141.4
Montgomery	235	3.7	354	5.6	+ 51.4
Montour	18	10.4	21	12.1	+ 16.3
Northampton	104	4.6	174	7.7	+ 67.4
Northumberland	114	11.2	133	1.3	- 88.4
Perry	22	6.8	23	7.0	+ 2.9

*Based on cases per 10,000 residents

<u>County</u>	<u>Number of Mediation Requests 1978</u>	<u>Mediation* Rate 1978</u>	<u>Number of Mediation Requests 1979</u>	<u>Mediation* Rate 1979</u>	<u>Percent Change In Mediation Rate 1978-1979</u>
Philadelphia	907	5.0	1095	6.0	+ 20
Pike	17	15.2	28	19.3	+ 26.9
Potter	13	7.8	8	4.8	- 38.5
Schuylkill	34	2.1	115	7.2	+242
Snyder	18	5.7	34	10.7	+ 87.7
Somerset	29	3.7	27	3.4	- 8.1
Sullivan	1	1.7	1	1.6	- 5.8
Susquehanna	23	6.1	16	4.2	- 31
Tioga	9	2.1	15	3.5	+ 66.6
Union	19	6.1	14	4.5	- 26.2
Venango	15	2.3	24	3.7	- 69.9
Warren	32	6.8	27	5.7	- 16.2
Washington	275	12.8	297	13.8	+ 7.81
Wayne	26	7.4	67	18.9	+155.4
Westmoreland	430	11.3	595	15.6	+ 38
Wyoming	19	8.1	23	9.7	+ 19.7
York	81	2.8	133	4.6	+ 64.3
Average		7.2		9.3	+ 29

*Based on cases per 10,000 residents

COUNTY DISTRIBUTION OF CONSUMER COMPLAINTS
(1978 & 1979)

County	Number of Complaints 1978	Complaint* Rate 1978	Number of Complaints 1979	Complaint* Rate 1979	Percent Change in Complaint Rate 1978-1979
Adams	48	7.7	53	8.4	+ 9.1
Allegheny	2567	17.1	2543	16.9	- 1.2
Armstrong	69	8.9	83	10.7	+ 20.2
Beaver	146	7.0	174	8.3	+ 18.6
Bedford	25	5.8	25	5.7	- 1.72
Berks	139	4.5	133	4.3	- 4.4
Blair	123	9.2	196	14.6	+ 58.7
Bradford	35	5.8	29	4.8	- 17.2
Bucks	223	4.8	165	3.5	- 27.1
Butler	121	8.6	146	10.4	+ 20.9
Cambria	130	6.9	100	5.2	- 24.6
Cameron	11	16.2	6	8.8	- 45.7
Carbon	24	4.6	26	4.9	+ 6.52
Centre	131	12.1	82	7.5	- 38
Chester	130	4.4	121	4.0	- 9.1
Clarion	42	10.2	45	10.8	+ 5.9
Clearfield	52	6.6	54	6.8	+ 3
Clinton	38	10.2	29	7.7	- 24.5
Columbia	52	8.6	46	7.6	- 11.6
Crawford	53	6.2	68	7.9	+ 27.4
Cumberland	222	13.0	184	10.7	- 17.7
Dauphin	487	21.7	471	26.9	+ 23.9
Delaware	306	5.2	279	4.7	- 9.6
Elk	21	5.7	13	3.5	- 30.6
Erie	305	11.1	533	19.3	+ 73.9
Fayette	155	10.1	126	8.0	- 20.8
Forest	8	15.1	4	7.5	- 50.3
Franklin	50	4.6	34	3.1	- 32.6
Fulton	11	9.2	10	8.4	- 8.7
Greene	55	14.4	34	8.8	- 38.8
Huntingdon	31	7.8	42	10.5	+ 34.6
Indiana	64	7.4	46	5.3	- 28.4
Jefferson	34	7.3	31	6.6	- 9.6
Juniata	15	8.3	3	1.6	- 80.7
Lackawanna	282	12.6	282	11.9	- 5.5
Lancaster	227	6.6	185	5.3	- 19.9
Lawrence	95	9.1	80	7.6	- 16.5
Lebanon	71	6.6	59	5.5	- 16.6
Lehigh	164	6.2	104	3.9	- 37.1
Luzerne	292	8.5	260	7.5	- 11.7
Lycoming	146	12.7	100	8.6	- 32.3
McKean	60	11.6	44	8.4	- 27.6
Mercer	84	6.6	98	7.6	+ 15.2
Mifflin	18	4.1	38	8.5	+107.3
Monroe	107	19.1	98	17.5	- 8.4
Montgomery	305	4.8	297	4.7	- 2.1
Montour	12	6.5	9	5.2	- 20
Northampton	109	4.9	75	3.3	- 32.7
Northumberland	106	10.4	91	8.9	- 14.4
Perry	44	13.6	40	12.3	- 9.6

*Based on cases per 10,000 residents

<u>County</u>	<u>Number of Complaints 1978</u>	<u>Complaint* Rate 1978</u>	<u>Number of Complaints 1979</u>	<u>Complaint* Rate 1979</u>	<u>Percent Change In Complaint Rate 1978-1979</u>
Philadelphia	1065	5.9	954	5.2	- 18.9
Pike	37	25.5	39	26.8	+ 5.1
Potter	21	12.7	25	15.0	+ 10.1
Schuylkill	74	4.7	70	4.3	- 8.5
Snyder	36	11.4	30	9.4	- 17.5
Somerset	63	8.0	60	7.5	- 6.3
Sullivan	2	3.4	4	6.7	+ 97
Susquehanna	21	5.5	27	7.1	+ 29.1
Tioga	21	6.5	25	5.8	- 10.7
Union	39	12.6	30	9.6	- 23.8
Venango	33	5.1	59	9.1	+ 78.4
Warren	27	5.7	27	5.7	=
Washington	290	13.5	278	12.9	- 4.4
Wayne	46	13.0	49	13.8	+ 6.2
Westmoreland	329	8.6	249	6.5	- 24.4
Wyoming	21	8.9	28	11.8	+ 32.6
York	224	7.8	229	7.9	+ 1.28
Average		9.2		8.6	- 7

*Based on cases per 10,000 residents

Appendix D

The mediation rate is the ratio of mediation requests to thousands of overdue customers. The rate is calculated as follows:

$$\text{Rate} = \left\{ \frac{\text{N mediation requests}}{\left[\frac{\text{N overdue customers}}{1,000} \right]} \right\}$$

The number of overdue customers is used because it is not subject to company manipulation; that is, it is an independent basis for a proportional measure. The mediation rate will change only if the number of mediation requests and the number of overdue accounts change at different rates. In other words, if a 10 percent increase in mediation requests results from a 10 percent increase in overdue accounts, the mediation rate does not change. Company performance has kept pace - on a proportional basis - with overdue accounts. In contrast, if the number of overdue customers increases while the number of mediations remains stable, the mediation rate declines. The decline in the rate would represent an improvement in the company's effectiveness at handling its overdue accounts. Finally, if a company were ineffective at making payment arrangements, mediation requests would increase at a faster rate than overdue accounts. Then, the mediation rate would be seen to increase. The comparison of rates, especially against the industry average, permits a preliminary evaluation of companies' performances to be made.