

**Philadelphia Gas Works**  
Craig White  
Acting Chief Operating Officer



**ORIGINAL**

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April 30, 2002

James McNulty, Secretary  
PA Public Utility Commission  
Commonwealth Keystone Bldg., 2nd Fl.  
Harrisburg, PA 17120

Re: Pennsylvania Public Utility Commission v. Philadelphia Gas Works  
Docket No. R-00005654

**DOCUMENT  
FOLDER**

Dear Secretary McNulty:

In accordance with the PUC's February 22, 2001 Order approving the Joint Petition for Full Settlement in the above-referenced proceeding,<sup>1</sup> enclosed is PGW's "Monthly Progress Report" for January, February, and March 2002 concerning implementation of the unmodified conditions imposed by the Commission in PGW's Interim Rates proceeding. This report includes quarterly data (January - March 2002) concerning commitments #3 and #5 as well as six-month data for commitment #5. The report is being served on all parties of record.

If the Commission requires further clarification on this report, please contact me immediately or contact PGW counsel Margaret Flores at 215-684-6631.

Very truly yours,

**RECEIVED**

cc: As per Certificate of Service  
Veronica Smith, Esq., Executive Director  
Karen Moury, Esq., Deputy Executive Director  
Robert Rosenthal, Bureau of Fixed Utility Services  
Mitch Miller, Bureau of Consumer Services  
Glenn Bartron, Bureau of Audits  
Joe Farley, Bureau of Consumer Services

APR 30 2002  
PA PUBLIC UTILITY COMMISSION  
SECRETARY'S BUREAU

<sup>1</sup> "[T]he Commission's approval of the terms and conditions set forth in the Joint Petition is expressly conditioned upon PGW's acceptance of the unmodified conditions in the November 22, 2000 Order." February 22, 2001 Order at Ordering ¶1.

# Philadelphia Gas Works

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**Monthly Progress Report to the  
Pennsylvania Public Utility Commission**

**Docket No. R-00005654**

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PA PUBLIC UTILITY COMMISSION  
SECRETARY'S BUREAU

**April 30, 2002**

## PGW Commitment #1<sup>1</sup>

“PGW will commit to its "Transition to Excellence" plan for improvement and make a demonstration throughout the interim rate period that it is providing safe and adequate service.”

### **RESPONSE:**

#### March 2002

The “Transition to Excellence” program has elements that have been completed as set forth in the prior reports. Other ongoing elements are described below:

#### Regulatory

On March 4, 2002, the Commission issued a Secretarial Letter indicating that it would consider PGW's request for extraordinary rate relief in Docket No. R - 00017034 at its Public Meeting scheduled for April 11, 2002. A prehearing conference was held on March 7, 2002, with Administrative Law Judge Cynthia Williams Fordham presiding. An informal discovery session of all interested parties was held at PGW's headquarters in Philadelphia on March 13, 2002. Revised testimony was filed of behalf of PGW witnesses. A hearing was held on March 26, 2002, in Philadelphia.

Hearings on the Extraordinary Rate Petition were held on March 26, 2002. Memos by the parties are due the week of April 1, 2002. PGW anticipates a decision by the PaPUC on the Petition for Extraordinary Rate Relief at its April 11, 2002 meeting.

Filed March 1, 2002, Tariff SUPPLEMENT NO. 19 to Tariff Gas - Pa. P.U.C. No. 1 at Docket No. R-00027133. This Annual GCR Filing for Fiscal Year 2002-2003 Gas Cost Rate (GCR) Proceeding is pursuant to the Commission's Order at Docket No, R-00016378 entered on September 11, 2001. It proposes to increase the Gas Cost Rate from \$2.0203 to \$2.0443 per Mcf, effective September 1, 2002.

Filed March 4 2002, Tariff SUPPLEMENT NO. 21 to Tariff Gas - Pa. P.U.C. No. 1 at Docket No. R-00016927. This Tariff Supplement Makes changes in various regulations to conform to 52 Pa. Code § 56, Standards and Billing Practices for Residential Utility Service and is filed in compliance with Pennsylvania Utility Commission's February 1, 2002 Order. This Tariff Supplement was effective March 5, 2002.

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PUBLIC UTILITY COMMISSION  
SECRETARY'S BUREAU

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<sup>1</sup> Unmodified condition of Ordering Paragraph #4, 11/22/00 Order.

Regulatory (continued)

Filed Tariff SUPPLEMENT NO. 22 to Tariff Gas - Pa. P.U.C. No. 1 at Docket No. R-00006042 on March 26, 2002 in compliance with PUC Opinion and Order entered on March 6, 2001. This Tariff Supplement has two new rate schedules, RATE SCHEDULE DB - P and RATE SCHEDULE IT-P, which are a component of a pilot customer transportation program. Service will be initially offered to gas suppliers serving Rate LBS, BPS, or CG interruptible customers or to qualifying new interruptible customers or existing load that can be curtailed or interrupted. In addition, is applicable to all transportation only customer gas, on or after September 1, 2002.

Filed Tariff SUPPLEMENT NO. 23 to Tariff Gas - Pa. P.U.C. No. 1 at Docket No. R-00017034 on March 26, 2002 in compliance with PUC Opinion and Order entered on March 14, 2002. This tariff supplement suspends rates proposed in Supplement No. 17 until November 26, 2002. Issued in compliance with Title 66 Pa C.S. § 1308(d).

Customer Service Oversight is ongoing with a comprehensive Customer Service Initiative (CSI) Program that began on June 25, 2001. PGW last met with the PUC's Bureau of Consumer Services staff on March 7, 2002, and provided an update on its efforts. An overview was provided on PGW's upcoming collection activity. The status of credit and collection events for customers on PGW's Customer Responsibility Program (CRP) was also discussed.

The Philadelphia Gas Commission held hearings on PGW's Operating and Capital Budgets on November 8, 9, 14, and 15, 2001. Briefs by the parties were filed and recommended decisions by the Hearing Examiners on PGW's FY 2002 Operating and Capital Budgets were issued on December 18, 2001.

Exceptions by the parties were filed on January 3, 2002. The Philadelphia Gas Commission approved PGW's FY 2002 Operating Budget on January 23, 2002. A compliance filing was submitted on February 4, 2002.

Nearly 375 interrogatories have been received from the hearing examiner and the Philadelphia Public Advocate concerning PGW's FY 2002 Operating and Capital Budgets filed with the Philadelphia Gas Commission. PGW has responded to these data requests.

PGW's FY 2002 Capital Budget is anticipated to have a favorable recommendation for approval by the Philadelphia Gas Commission with a transmittal in February 2002 to the Philadelphia City Council. Final approval of PGW's FY 2002 Capital Budget by the Philadelphia City Council is expected in late spring.

## Regulatory (continued)

### Strategy and Planning

PGW filed its updated Three-Year Financial and Management Plan (previously reported as Strategic Plan & Financial Forecast) with the Philadelphia Gas Commission in September 2001 as required. In November 2001, public hearings were held before the Philadelphia Gas Commission.

The Philadelphia Gas Commission did not act on the Three-Year Financial and Management Plan during the month of February 2002. The Hearing Examiner issued a supplemental recommended decision on March 22, 2002, with exceptions by the parties due on April 3, 2002. Final disposition by the PGC is anticipated in April 2002.

### Stabilization

Programming changes have been implemented or are currently in testing for all the improvements previously identified in the Billing System stabilization project plan. PGW expects that implementation of the new Payment Arrangement module will be completed in May 2002. Additionally, PGW continues to review business processes to identify system and training issues that must be addressed to realize additional efficiencies. Any system issues identified are reviewed and, if viable, are scheduled for future implementation.

### Call Center

PGW has made major strides in improving the productivity and efficiency in its Call Center. PGW has been consistently meeting the 80/30 standard on a daily basis for the last month and has met the standard six of the last seven months. Every week at the PGW website ([www.pgworks.com](http://www.pgworks.com)), new information will be posted on the number of calls received, the number of calls answered, and the average waiting time. These numbers will be displayed on graphs, which will also show the goals that have been set by PGW and the PUC so that visitors to the site can easily see what's being done to make dealing with PGW a fast and more pleasant experience.

## **PGW Commitment #2<sup>2</sup>**

“PGW must achieve a 1% replacement rate in its mains replacement program, as provided for in the Company’s base case capital budget.”

### **Response:**

#### **March 2002**

PGW is proceeding with the above project and is on schedule to reduce its inventory of cast iron pipe by the 1% rate. The Distribution Department continues to develop and review a list of prioritized targeted main replacements, based on the determinants of the Navigant Study. With the assistance of the Engineering Department, appropriate designs are being completed and construction plans drawn.

To date, PGW and Outside Contractor crews have replaced abandoned or rehabilitated 9.8 miles of cast iron main. Fifty-four percent (54%) of the total project is complete. PGW anticipates successful project completion by the end of Fiscal Year 2002.

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<sup>2</sup> Unmodified condition of Ordering Paragraph #5, 11/22/00 Order.

### PGW Commitment #3<sup>3</sup>

“PGW must commit to correcting the problems with its BCCS system, particularly the need to rectify the budget billing problems, providing quarterly reports to the PUC's Bureau of Consumer Services, on the progress it is making in correcting its BCCS problems.”

#### Response:

#### March 2002

PGW continues daily monitoring of the Billing Credit Collection System. Any anomalies are immediately investigated to insure system integrity. Changes to the Payment Arrangement module are underway. The new Payment Arrangement module is scheduled to go into production in May 2002. Customer Responsibility Program (CRP) credit and collection events start in late April. This will be the first credit and collection event activity on these accounts since November 1998. CRP customers who are two full payments in arrears will receive a reminder notice and personal contact by telephone or field visit and a final notice prior to being removed from the program.

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<sup>3</sup> Unmodified condition of Ordering Paragraph #6, 11/22/00 Order.

**PGW Commitment #4<sup>4</sup>**

"PGW must proceed with its LNG Liquefaction Replacement Program to ensure supply and reliability are maintained."

**Response:**

**March 2002**

Installation of piping, instrument conduit and cable, power wiring, and junction boxes has continued through the month of March. The instrument air compressors and associated equipment have been installed. Plant lighting has been installed and equipment grounding has been completed. The installation of the Distributed Control System has commenced. The fabrication of the piping for the LNG fill and tail gas tie-in work has commenced. Total project is approximately 90% complete with plant construction near 85% complete. Plant start-up schedule has been revised to extend to the Summer 2002 period.

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<sup>4</sup> Unmodified condition of Ordering Paragraph #7, 11/22/00 Order.

**PGW Commitment #5<sup>5</sup>**

"PGW must show improvements in its customer service functions and report on its progress to the Commission on a quarterly basis. Such reports should include: monthly call center access reports for customer service and collection call centers (to include average speed of answer, average abandonment time, number of abandoned calls, average delay in queue and the percentage of calls answered); monthly consumer dispute reports (to include number of customer disputes filed, number and percentage of disputes responded to in under thirty days, and the average response time), the number and percentage of residential bills which PGW failed to render during the relevant billing cycles; the number and percentage of residential meters for which PGW has failed to obtain actual or customer supplied readings during the prior six months; and monthly reports showing the number and percentage of missed customer service appointments.

**Response:**

**March 2002**

Please see the attached reports: Monthly Call Center Access Reports; Monthly Consumer Dispute Reports; Billing Exceptions By Cycle; Residential Meters - Estimated and Non-Estimated Billing; and Missed Customer Service Appointments.

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<sup>5</sup> Unmodified condition of Ordering Paragraph #8, 11/22/00 Order.

**Monthly Call Center Access Reports for Customer Service and Collection Call Centers**

Philadelphia Gas Works			
Customer Service Department			
Call Center Statistics			
Monthly Call Volume- January-March 2002			
	January	February	March
Calls Received	109,175	87,013	99,014
Calls Answered	107,615	85,839	96,324
Calls Abandoned	1,560	1,174	2,690
% Of Calls Answered	99%	99%	97%
% Of Abandon Calls	1%	1%	3%
Average CTR'S Per Day	48	48	44
Average Speed Of Answer	:09	:09	:18
Average Abandon Time	1:02	1:07	1:24
Average Talk Time In Minutes	3:18	3:20	3:22
Legend			
*	Customer Telephone Representatives		

**Monthly Consumer Dispute Reports**

PGW												
Dispute Resolution Completed Jobs Statistics												
	<u>High Bills</u>				<u>Correspondence</u>				<u>Statements</u>			
<u>Year</u>	<u>Received</u>	<u>Completed</u>			<u>Received</u>	<u>Completed</u>			<u>Received</u>	<u>Completed</u>		
2002		Within	%	Average		Within	%	Average		Within	%	Average
		<=30		#		<=30		#		<=30		# Of
		Days		Of Days		Days		Of Days		Days		Days
JAN	365	78	21.4%	2.4	1347	1129	83.8%	1.00	80	69	86.3%	1.00
FEB	628	282	44.9%	4.6	903	825	91.4%	1.00	32	29	90.6%	1.00
MAR	1066	82	7.7%	8.9	791	718	90.8%	1.00	146	138	94.5%	1.00

**Number and Percentage of Residential Bills Not Rendered During Relevant Billing Cycles**

<b>PHILADELPHIA GAS WORKS BILLING EXCEPTIONS BY CYCLE</b>						
<b>2002</b>	<b>Total bills</b>		<b>% of bills</b>		<b>Average/Cycle (22)</b>	
	<b>not issued</b>	<b>issued</b>	<b>not issued</b>	<b>issued</b>	<b>not issued</b>	<b>issued</b>
<b>January</b>	2,898	525,083	0.55%	99.45%	132	23,867
<b>February</b>	3046	525,070	0.58%	99.42%	138	23,866
<b>March</b>	2,774	524,875	0.53%	99.47%	126	23,858

Billing Exceptions: Number of bills, which failed to issue during the relevant, billing cycle.  
 Manual issuance occurred in most cases approximately 3 to 5 days after report of the exception.

Total bills issued includes Commercial and Industrial Accounts.

**Number and Percentage of Residential Meters Without Actual or Customer Supplied Readings - Prior Six Months**

<b>PHILADELPHIA GAS WORKS RESIDENTIAL METERS ESTIMATED &amp; NON ESTIMATED BILLING</b>						
<b>2001/2002</b>	<b>October</b>	<b>November</b>	<b>December</b>	<b>January</b>	<b>February</b>	<b>March</b>
<b>Total Accounts Billed</b>	497,490	492,890	492,479	493,674	493,328	497,914
<b>Non Estimated Bills</b>	464,808	460,770	459,697	462,582	463,550	468,439
<b>Estimated Bills</b>	32,682	32,120	32,782	31,092	29,778	29,475
<b>% Estimated Bills</b>	6.57%	6.52%	6.66%	6.29%	6.03%	5.91%

Note:

Estimated and Non-Estimated Billing is the first time the system produces a combination of all meter reads obtained including customer-supplied readings.

Philadelphia Gas Works Customer Service Field Appointments Made & Completed January – March 2002				
	A	B	C = B/A	D = 100%-C
	All	Appointments	Percentage	Percentage
Month	Appointments	Made / Completed	Made / Completed	Missed *
January	22,383	14,599	65%	35%
February	19,141	13,049	68%	32%
March	20,179	13,593	67%	33%

Legend

The information stated above reflects service order appointments arrived within the requested appointment window. It represents the metrics used by PGW to measure service appointments made and completed.

Leak calls, previously included in this report are no longer included. Leak response is reported monthly in the "Analysis of Emergency Call Outs" report to the PUC.

\* When a Philadelphia Gas Works ("PGW") service person arrives at the property and the customer is not home or responding or the service person cannot access the meter, the service person marks the account "can't get in or "CGI" ". The Pennsylvania Public Utility Commission define CGI's as missed appointments

## PGW Commitment #6<sup>1</sup>

“In addition to the management arrangements referred to above, PGW shall convene a "best practices" working group. The purpose of the working group is to solicit cost cutting steps from other entities such as natural gas distribution companies (NGDCs), industry associations and comparable municipal organizations.”

### Response:

#### March 2002

To date the following groups are collecting data or have association relationships as follows:

Customer Affairs: PGW has received the final report of the PA Benchmarking 2001 "Customer Services Best Practices Survey." PGW has been reviewing the report to determine where its performance falls short of meeting industry standards. The report will also be used to review areas in which PGW was unable to provide statistical analysis. PGW will determine if implementation of a statistical measurement in those areas would be useful in providing improved customer service in a more cost effective manner.

Distribution: Various Distribution Department employees are active members of the following industry related organizations to keep informed of current industry standards and best practices:  
AGA – Distribution Best Practices Group  
AGA - Plastics Material Committee - Currently serve as 1st Vice Chairman  
AGA - Corrosion Control Committee  
AGA - Distribution & Transmission Engineering Committee  
National Association of Corrosion Engineers (NACE)  
Pennsylvania One Call System, Inc

Fleet Operations: The Chatham Consulting Group Benchmarking Survey – triennial, is being used by Fleet Operations to evaluate and improve PGW's operation. The PGW Fleet Operations working group visited the SEPTA transportation operations center in February. SEPTA's fleet management operating system and shop work processes were reviewed. Information gathered during this visit will be utilized to aid in launching a new Fleet Operations work management operating system at PGW in 2002.

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<sup>1</sup> Unmodified condition of Ordering Paragraph #11, 11/22/00 Order.

**March 2002 Response (continued)**

Gas Processing: Gas Processing Department personnel participate in the LNG Consortium, an annual meeting of LNG plant operators to share and discuss experiences and best practices.

Current member of the AGA Operating Section – Supplemental Gas Committee.

Participation in Best Practices for the Supplemental Gas Committee.

Engineering: Personnel in the Engineering Department participate in the LNG Consortium.

Current member of the AGA Operating Section - Automation & Telecommunications Committee

Field Services: Current member of the following AGA Operating Section Committees:  
Building Codes and Energy Standards Committee  
Customer Service & Utilization Committee  
Distribution Measurement Committee

Environmental: Current member of the AGA Operating Section – Environmental Matters Committee

PGW reviews the recommendations provided and, when practical, implements those that improve productivity, efficiency and cost control. PGW also evaluates newly introduced products and services to ascertain their applicability to improving PGW's Operations.

Due to February 25, 2002 Extraordinary Rate Case Filing, attendance at all committee and association meetings will be based on adequacy of financial resources as determined by the disposition of the request.

**PGW Commitment #7<sup>2</sup>**

“In addition to the management arrangements referred to above, PGW must commit to address and implement the management, operational, service and other improvement measures ultimately recommended in the management audit, unless otherwise directed by the Commission.”

**Response:**

**March 2002**

On March 27, 2002, PGW filed its second Progress Report on the Implementation of the Recommendations in the Stratified Management and Operations Audit.

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<sup>2</sup> Unmodified condition of Ordering Paragraph #12, 11/22/00 Order.

CERTIFICATE OF SERVICE

I hereby certify that I have this day served a true copy of the foregoing report upon the participants listed below in accordance with the requirements of § 1.54 (relating to service by a participant) VIA FIRST CLASS MAIL

Tanya McCloskey, Esq.  
Steve Keene, Esq.  
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555 Walnut Street  
Harrisburg, PA 17101-1921

Steven Gray, Esq.  
Office of Small Business Advocate  
Commerce Building, Suite 1102  
300 North 2nd Street  
Harrisburg, PA 17101

Johnnie Simms, Esq.  
Office of Trial Staff  
PA Public Utility Commission  
P.O. Box 3265  
Harrisburg, PA 17105-3265

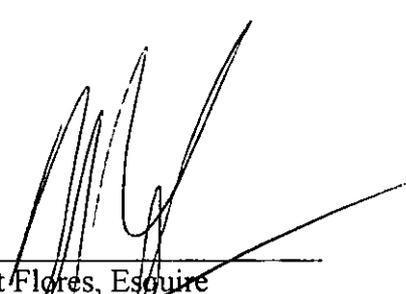
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Office of Small Business Advocate  
Commerce Building, Suite 1102  
300 North 2nd Street  
Harrisburg, PA 17101



Margaret Flores, Esquire  
Counsel for Philadelphia Gas Works

Dated: April 30, 2002



**Philadelphia Gas Works**  
Craig White  
Acting Chief Operating Officer

800 W. Montgomery Avenue, Philadelphia, PA 19122  
Telephone: 215.684.6746 – Fax 215.684.6101  
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May 10, 2002

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PA PUBLIC UTILITY COMMISSION  
SECRETARY'S BUREAU

James McNulty, Secretary  
PA Public Utility Commission  
Commonwealth Keystone Bldg., 2nd Fl.  
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In accordance with the PUC's February 22, 2001 Order approving the Joint Petition for Full Settlement in the above-referenced proceeding,<sup>1</sup> enclosed is PGW's "Monthly Progress Report" for April 2002 concerning implementation of the unmodified conditions imposed by the Commission in PGW's Interim Rates proceeding. The report is being served on all parties of record.

If the Commission requires further clarification on this report, please contact me immediately or contact PGW counsel Margaret Flores at 215-684-6631.

Very truly yours,

Craig E. White  
Interim Chief Operating Officer for:  
Philadelphia Gas Works

- cc: As per Certificate of Service
- Veronica Smith, Esq., Executive Director
- Karen Moury, Esq., Deputy Executive Director
- Robert Rosenthal, Bureau of Fixed Utility Services
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<sup>1</sup> "[T]he Commission's approval of the terms and conditions set forth in the Joint Petition is expressly conditioned upon PGW's acceptance of the unmodified conditions in the November 22, 2000 Order." February 22, 2001 Order at Ordering ¶1.

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# Philadelphia Gas Works

**DOCKETED**  
JUN 01 2002

**DOCUMENT**

## Monthly Progress Report to the Pennsylvania Public Utility Commission

**Docket No. R-00005654**

**RECEIVED**  
MAY 10 2002  
PA PUBLIC UTILITY COMMISSION  
SECRETARY'S BUREAU

**May 10, 2002**

## PGW Commitment #1<sup>1</sup>

“PGW will commit to its "Transition to Excellence" plan for improvement and make a demonstration throughout the interim rate period that it is providing safe and adequate service.”

### **RESPONSE:**

#### April 2002

The “Transition to Excellence” program has elements that have been completed as set forth in the prior reports. Other ongoing elements are described below:

#### Regulatory

On March 4, 2002, the Commission issued a Secretarial Letter indicating that it would consider PGW's request for \$44.0 million in extraordinary rate relief in Docket No. R - 00017034 at its Public Meeting scheduled for April 11, 2002. A prehearing conference was held on March 7, 2002, with Administrative Law Judge Cynthia Williams Fordham presiding. An informal discovery session of all interested parties was held at PGW's headquarters in Philadelphia on March 13, 2002. Revised testimony was filed of behalf of PGW witnesses the week of March 11. A hearing was held on March 26, 2002, in Philadelphia.

Hearings on the Extraordinary Rate Petition were held on March 26, 2002. Memos by the parties were filed the week of April 1, 2002. The PaPUC, at its April 11, 2002 meeting, approved a \$36.0 million increase in base rates of the requested \$44.0 million in PGW's Petition for Extraordinary Rate Relief. The remaining portion of PGW's \$60.0 million base rate increase proceeding is scheduled to proceed with hearings and a final decision expected in the fall of 2002. Public Input Hearings are scheduled for May 6 and 7, 2002.

On April 15, 2002, PGW filed Tariff SUPPLEMENT NO. 24 to Tariff Gas - Pa. P.U.C. No. 1 at Docket No. R-00017034F0002 in compliance with the Commission's April 12, 2002 Order. The PUC Opinion and Order, entered on April 12, 2002, was issued in compliance with Title 66 Pa C.S. § 1308(e), for Extraordinary Rate Relief. This Tariff Supplement increases commodity charges for Residential, Public Housing Authority, Commercial, and Industrial Customers served by Rate GS and increases commodity charges for Public Housing Authority Customers served by Rate PHA.

Customer Service Oversight is ongoing with a comprehensive Customer Service Initiative (CSI) Program that began on June 25, 2001. PGW last met with the PUC's Bureau of Consumer Services staff on April 11, 2002, and provided an update on its efforts.

---

<sup>1</sup> Unmodified condition of Ordering Paragraph #4, 11/22/00 Order.

## Regulatory (continued)

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Exceptions by the parties were filed on January 3, 2002. The Philadelphia Gas Commission approved PGW's FY 2002 Operating Budget on January 23, 2002. A compliance filing was submitted on February 4, 2002.

Nearly 375 interrogatories were received from the hearing examiner and the Philadelphia Public Advocate concerning PGW's FY 2002 Operating and Capital Budgets filed with the Philadelphia Gas Commission. PGW has responded to these data requests.

PGW has proposed amendments to its previously filed FY 2002 Capital Budget and a hearing has been set up by the PGC Hearing Examiner for final disposition of the matter. PGW's revised FY 2002 Capital Budget is anticipated to have a favorable recommendation for approval by the Philadelphia Gas Commission with a transmittal in May 2002 to the Philadelphia City Council. Final approval of PGW's FY 2002 Capital Budget by the Philadelphia City Council is expected in June 2002.

## Strategy and Planning

PGW filed its updated Three-Year Financial and Management Plan (previously reported as Strategic Plan & Financial Forecast) with the Philadelphia Gas Commission in September 2001 as required. In November 2001, public hearings were held before the Philadelphia Gas Commission. The Hearing Examiner issued a supplemental recommended decision on March 22, 2002, with exceptions by the parties due on April 3, 2002. The Philadelphia Gas Commission issued an order approving a revised financial forecast on April 16, 2002. PGW filed a compliance financial forecast with the PGC on April 23, 2002.

## Stabilization

Programming changes have been implemented or are currently in testing for all the improvements previously identified in the Billing System stabilization project plan. PGW expects that implementation of the new Payment Arrangement module will be completed in May 2002. Additionally, PGW continues to review business processes to identify system and training issues that must be addressed to realize additional efficiencies. Any system issues identified are reviewed and, if viable, are scheduled for future implementation.

## Regulatory (continued)

### Call Center

PGW has made major strides in improving the productivity and efficiency in its Call Center. PGW has been consistently meeting the 80/30 standard on a daily basis for the last month and has met the standard six of the last eight months. The Call Center experienced several high call volume days at the beginning of April because the winter operating period ended and credit and collection activity started. The Grade of Service for April was 77%. PGW utilized 1 to 1 Contact Centers to enhance our ability to meet service level standards and to provide the opportunity for customers to enter into BCS payment arrangements as required. Every week at the PGW website ([www.pgworks.com](http://www.pgworks.com)), new information will be posted on the number of calls received, the number of calls answered, and the average waiting time. These numbers will be displayed on graphs, which will also show the goals that have been set by PGW and the PUC so that visitors to the site can easily see what's being done to make dealing with PGW a fast and more pleasant experience.

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### **Response:**

#### **April 2002**

PGW is proceeding with the above project and is on schedule to reduce its inventory of cast iron pipe by the 1% rate. The Distribution Department continues to develop and review a list of prioritized targeted main replacements, based on the determinants of the Navigant Study. With the assistance of the Engineering Department, appropriate designs are being completed and construction plans drawn.

To date, PGW and Outside Contractor crews have replaced, abandoned or rehabilitated 13 miles of cast iron main. Seventy Two percent (72%) of the total project is complete. PGW anticipates successful project completion by the end of Fiscal Year 2002.

---

<sup>2</sup> Unmodified condition of Ordering Paragraph #5, 11/22/00 Order.

**PGW Commitment #3<sup>3</sup>**

“PGW must commit to correcting the problems with its BCCS system, particularly the need to rectify the budget billing problems, providing quarterly reports to the PUC's Bureau of Consumer Services, on the progress it is making in correcting its BCCS problems.”

**Response:**

**April 2002**

The fifth quarterly report is due July 9, 2002. PGW will report on its BCCS system corrections for the months of April – June 2002 in that report.

---

<sup>3</sup> Unmodified condition of Ordering Paragraph #6, 11/22/00 Order.

**PGW Commitment #4<sup>4</sup>**

"PGW must proceed with its LNG Liquefaction Replacement Program to ensure supply and reliability are maintained."

**Response:**

**April 2002**

Installation of piping, field instruments, instrument conduit and cable, and power wiring has continued through the month of April 2002. The instrument air compressors and associated equipment have been commissioned. The absorbent material has been loaded into the three treater vessels. The installation of the Distributed Control System and loop checking of the control circuits has continued through the month. Classroom operator training has commenced this month. Total project is approximately 93% complete with plant start-up scheduled to be in July 2002.

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<sup>4</sup> Unmodified condition of Ordering Paragraph #7, 11/22/00 Order.

### **PGW Commitment #5<sup>5</sup>**

"PGW must show improvements in its customer service functions and report on its progress to the Commission on a quarterly basis. Such reports should include: monthly call center access reports for customer service and collection call centers (to include average speed of answer, average abandonment time, number of abandoned calls, average delay in queue and the percentage of calls answered); monthly consumer dispute reports (to include number of customer disputes filed, number and percentage of disputes responded to in under thirty days, and the average response time), the number and percentage of residential bills which PGW failed to render during the relevant billing cycles; the number and percentage of residential meters for which PGW has failed to obtain actual or customer supplied readings during the prior six months; and monthly reports showing the number and percentage of missed customer service appointments."

### **Response:**

#### **April 2002**

The fourth quarterly report is due July 9, 2002. PGW will report on its progress in improving its customer service functions for the months of April – June 2002 in that report.

---

<sup>5</sup> Unmodified condition of Ordering Paragraph #8, 11/22/00 Order.

## PGW Commitment #6<sup>1</sup>

“In addition to the management arrangements referred to above, PGW shall convene a "best practices" working group. The purpose of the working group is to solicit cost cutting steps from other entities such as natural gas distribution companies (NGDCs), industry associations and comparable municipal organizations. ”

### Response:

#### April 2002

To date the following groups are collecting data or have association relationships as follows:

Customer Affairs: PGW has received the final report of the PA Benchmarking 2001 "Customer Services Best Practices Survey." PGW has been reviewing the report to determine where its performance falls short of meeting industry standards. The report will also be used to review areas in which PGW was unable to provide statistical analysis. PGW will determine if implementation of a statistical measurement in those areas would be useful in providing improved customer service in a more cost effective manner. PGW recently joined the Energy Association of Pennsylvania. PGW anticipates membership will give PGW additional insight on how to potentially improve operations in customer service.

Distribution: Various Distribution Department employees are active members of the following industry related organizations to keep informed of current industry standards and best practices:  
AGA – Distribution Best Practices Group  
AGA - Plastics Material Committee - Currently serve as 1st Vice Chairman  
AGA - Corrosion Control Committee  
AGA - Distribution & Transmission Engineering Committee  
National Association of Corrosion Engineers (NACE)  
Pennsylvania One Call System, Inc

Fleet Operations: The Chatham Consulting Group Benchmarking Survey – triennial, is being used by Fleet Operations to evaluate and improve PGW’s operation. The PGW Fleet Operations working group has scheduled a site visit/meeting in May with CSI Maximus, software vendor for the transportation work management system. Information gathered during this visit will be utilized to aid in upgrading the Fleet Operations work management operating system at PGW in 2002.

---

<sup>1</sup> Unmodified condition of Ordering Paragraph #11, 11/22/00 Order.

**Commitment #6 April 2002 Response (continued)**

Gas Processing: Gas Processing Department personnel participate in the LNG Consortium, an annual meeting of LNG plant operators to share and discuss experiences and best practices.

Current member of the AGA Operating Section – Supplemental Gas Committee.

Participation in Best Practices for the Supplemental Gas Committee.

Engineering: Personnel in the Engineering Department participate in the LNG Consortium.

Current member of the AGA Operating Section - Automation & Telecommunications Committee.

Field Services: Current member of the following AGA Operating Section Committees:  
Building Codes and Energy Standards Committee  
Customer Service & Utilization Committee  
Distribution Measurement Committee

Environmental: Current member of the AGA Operating Section – Environmental Matters Committee.

PGW reviews the recommendations provided and, when practical, implements those that improve productivity, efficiency and cost control. PGW also evaluates newly introduced products and services to ascertain their applicability to improving PGW's Operations.

Due to February 25, 2002 Extraordinary Rate Case Filing, attendance at all committee and association meetings will be based on adequacy of financial resources as determined by the disposition of the request.

**PGW Commitment #7<sup>2</sup>**

“In addition to the management arrangements referred to above, PGW must commit to address and implement the management, operational, service and other improvement measures ultimately recommended in the management audit, unless otherwise directed by the Commission.”

**Response:**

**April 2002**

On March 27, 2002, PGW filed its second Progress Report on the Implementation of the Recommendations in the Stratified Management and Operations Audit.

---

<sup>2</sup> Unmodified condition of Ordering Paragraph #12, 11/22/00 Order.

**CERTIFICATE OF SERVICE**

I hereby certify that I have this day served a true copy of the foregoing report upon the participants listed below in accordance with the requirements of § 1.54 (relating to service by a participant) **VIA FIRST CLASS MAIL**

Tanya McCloskey, Esq.  
Steve Keene, Esq.  
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Harrisburg, PA 17101-1921

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Harrisburg, PA 17101

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PA Public Utility Commission  
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Angela Jones, Esq.  
Office of Small Business Advocate  
Commerce Building, Suite 1102  
300 North 2nd Street  
Harrisburg, PA 17101

Dated: May 10, 2002

  
\_\_\_\_\_  
Margaret Flores, Esquire  
Counsel for Philadelphia Gas Works

**Philadelphia Gas Works**  
Craig White  
Acting Chief Operating Officer



800 W. Montgomery Avenue, Philadelphia, PA 19122  
Telephone: 215.684.6746 -- Fax 215.684.6101  
Email: Craig.White@pgworks.com

**ORIGINAL**

June 7, 2002

James McNulty, Secretary  
PA Public Utility Commission  
Commonwealth Keystone Bldg., 2nd Fl.  
Harrisburg, PA 17120

KUR

RECEIVED  
2002 JUN 10 AM 9:24  
SECRETARY'S BUREAU

Re: Pennsylvania Public Utility Commission v. Philadelphia Gas Works  
Docket No. R-00005654

DOCUMENT FOLDED

Dear Secretary McNulty,

In accordance with the PUC's February 22, 2001 Order approving the Joint Petition for Full Settlement in the above-referenced proceeding,<sup>1</sup> enclosed is PGW's "Monthly Progress Report" for May 2002 concerning implementation of the unmodified conditions imposed by the Commission in PGW's Interim Rates proceeding. The report is being served on all parties of record.

If the Commission requires further clarification on this report, please contact me immediately or contact PGW counsel Margaret Flores at 215-684-6631.

Very truly yours,

  
Craig E. White  
Interim Chief Operating Officer for:  
Philadelphia Gas Works

cc: As per Certificate of Service  
Veronica Smith, Esq., Executive Director  
Karen Moury, Esq., Deputy Executive Director  
Robert Rosenthal, Bureau of Fixed Utility Services  
Mitch Miller, Bureau of Consumer Services  
Glenn Bartron, Bureau of Audits  
Joe Farley, Bureau of Consumer Services

<sup>1</sup> "[T]he Commission's approval of the terms and conditions set forth in the Joint Petition is expressly conditioned upon PGW's acceptance of the unmodified conditions in the November 22, 2000 Order." February 22, 2001 Order at Ordering ¶1.

25

# Philadelphia Gas Works

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2002 JUN 10 AM 9:24  
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## Monthly Progress Report to the Pennsylvania Public Utility Commission

Docket No. R-00005654

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JUL 1 2002

DOCUMENT FOLLO...

June 7, 2002

## PGW Commitment #1<sup>1</sup>

“PGW will commit to its "Transition to Excellence" plan for improvement and make a demonstration throughout the interim rate period that it is providing safe and adequate service.”

### **RESPONSE:**

#### May 2002

The “Transition to Excellence” program has elements that have been completed as set forth in the prior reports. Other ongoing elements are described below:

#### Regulatory

Commission issued a Secretarial Letter indicating that it would consider PGW's request for \$44.0 million in extraordinary rate relief in Docket No. R - 00017034 at its Public Meeting scheduled for April 11, 2002. A prehearing conference was held on March 7, 2002, with Administrative Law Judge Cynthia Williams Fordham presiding. An informal discovery session of all interested parties was held at PGW's headquarters in Philadelphia on March 13, 2002. Revised testimony was filed of behalf of PGW witnesses the week of March 11.

Hearings on the Extraordinary Rate Petition were held on March 26, 2002. Memos by the parties were filed the week of April 1, 2002. The PaPUC, at its April 11, 2002 meeting, approved a \$36.0 million increase in base rates of the requested \$44.0 million in PGW's Petition for Extraordinary Rate Relief. The remaining portion of PGW's \$60.0 million base rate increase proceeding is scheduled to proceed with hearings and a final decision expected in the fall of 2002. Public Input Hearings were held on May 6, 2002.

On May 31, 2002, PGW filed the June 1, 2002 Quarterly GCR update and Tariff SUPPLEMENT NO. 26 to Tariff Gas - Pa. P.U.C. No. 1 pursuant to Docket No. R-00016378 entered on September 11, 2001. It proposes to increase the Gas Cost Rate from \$2.0203 to \$2.7932 per Mcf, effective June 1, 2002

On May 31, 2002, filed the Philadelphia Gas Works' Annual Resources Planning Report, Forms 3-9 and the Summary Report. This report was filed pursuant to Title 52, Pennsylvania Code Section 59.81.

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<sup>1</sup> Unmodified condition of Ordering Paragraph #4, 11/22/00 Order.

## Regulatory (continued)

On May 24, 2002, Philadelphia Gas Works, the Office of Trial Staff, the Office of Consumer Advocate, the Office of Small Business Advocate, UGI Energy Services, Inc. and the Philadelphia Industrial and Commercial Gas Users Group filed a Joint Petition for Full Settlement of the issues concerning PGW's filed Revised Supplement No. 22 to Tariff Gas – Pa. PUC No. 1. This purpose of this filing is to implement the rules for the Pilot Program produced by the collaborative process specified in Docket No. R-00027249 and Docket No. R-00027249C0001.

Customer Service Oversight is ongoing with a comprehensive Customer Service Initiative (CSI) Program that began on June 25, 2001. PGW last met with the PUC's Bureau of Consumer Services staff on May 2, 2002, and provided an update on its efforts.

PGW has proposed amendments to its previously filed FY 2002 Capital Budget and a hearing has been set up by the PGC Hearing Examiner for final disposition of the matter. PGW's revised FY 2002 Capital Budget is anticipated to have a favorable recommendation for approval by the Philadelphia Gas Commission with a transmittal in May 2002 to the Philadelphia City Council. Final approval of PGW's FY 2002 Capital Budget by the Philadelphia City Council is expected in June 2002.

PGW filed its FY 2003 Capital Budget and Forecast with the Philadelphia Gas Commission on May 15, 2002. The Hearing Examiner is in the process of developing a schedule for the review of the Capital Budget including hearing dates for testimony from the Company's and Public Advocate witnesses.

## Stabilization

Programming changes have been implemented or are currently in testing for all the improvements previously identified in the Billing System stabilization project plan. The new Payment Arrangement module was placed into production on May 17, 2002. This module allows PGW to intake the information required for BCS payment arrangements. Additionally, PGW continues to review business processes to identify system and training issues that must be addressed to realize additional efficiencies. Any system issues identified are reviewed and, if viable, are scheduled for future implementation.

## Call Center

PGW has made major strides in improving the productivity and efficiency in its Call Center. PGW has been consistently meeting the 80/30 standard on a daily basis for the last month and has met the standard seven of the last nine months. Every week at the PGW website ([www.pgworks.com](http://www.pgworks.com)), new information will be posted on the number of calls received, the number of calls answered, and the average waiting time. These numbers will be displayed on graphs, which will also show the goals that have been set by PGW and the PUC so that visitors to the site can easily see what's being done to make dealing with PGW a fast and more pleasant experience.

**PGW Commitment #2<sup>2</sup>**

“PGW must achieve a 1% replacement rate in its mains replacement program, as provided for in the Company’s base case capital budget.”

**Response:**

**May 2002**

PGW is proceeding with the above project and is on schedule to reduce its inventory of cast iron pipe by the 1% rate. The Distribution Department continues to develop and review a list of prioritized targeted main replacements, based on the determinants of the Navigant Study. With the assistance of the Engineering Department, appropriate designs are being completed and construction plans drawn.

As of May 2002, PGW and Outside Contractor crews have replaced abandoned or rehabilitated 14 miles of cast iron main. Seventy Eight percent (78%) of the total project is complete. PGW anticipates successful project completion by the end of Fiscal Year 2002.

---

<sup>2</sup> Unmodified condition of Ordering Paragraph #5, 11/22/00 Order.

**PGW Commitment #3<sup>3</sup>**

“PGW must commit to correcting the problems with its BCCS system, particularly the need to rectify the budget billing problems, providing quarterly reports to the PUC's Bureau of Consumer Services, on the progress it is making in correcting its BCCS problems.”

**Response:**

**May 2002**

The fifth quarterly report is due July 9, 2002. PGW will report on its BCCS system corrections for the months of April – June 2002 in that report.

---

<sup>3</sup> Unmodified condition of Ordering Paragraph #6, 11/22/00 Order.

**PGW Commitment #4<sup>4</sup>**

"PGW must proceed with its LNG Liquefaction Replacement Program to ensure supply and reliability are maintained."

**Response:**

**May 2002**

Construction of the new plant is approximately 99% complete with only filling the cold box with perlite insulating material and punch list items remaining. Instrumentation calibration, loop checking of the control circuits, and validation of plant shutdowns have been ongoing through May 2002. Total project is approximately 96% complete with commissioning of instrument systems and other equipment scheduled for June and plant start-up for July 2002.

---

<sup>4</sup> Unmodified condition of Ordering Paragraph #7, 11/22/00 Order.

### **PGW Commitment #5<sup>5</sup>**

"PGW must show improvements in its customer service functions and report on its progress to the Commission on a quarterly basis. Such reports should include: monthly call center access reports for customer service and collection call centers (to include average speed of answer, average abandonment time, number of abandoned calls, average delay in queue and the percentage of calls answered); monthly consumer dispute reports (to include number of customer disputes filed, number and percentage of disputes responded to in under thirty days, and the average response time), the number and percentage of residential bills which PGW failed to render during the relevant billing cycles; the number and percentage of residential meters for which PGW has failed to obtain actual or customer supplied readings during the prior six months; and monthly reports showing the number and percentage of missed customer service appointments."

### **Response:**

#### **May 2002**

The fourth quarterly report is due July 9, 2002. PGW will report on its progress in improving its customer service functions for the months of April – June 2002 in that report.

---

<sup>5</sup> Unmodified condition of Ordering Paragraph #8, 11/22/00 Order.

**PGW Commitment #6<sup>1</sup>**

“In addition to the management arrangements referred to above, PGW shall convene a "best practices" working group. The purpose of the working group is to solicit cost cutting steps from other entities such as natural gas distribution companies (NGDCs), industry associations and comparable municipal organizations.”

**Response:**

**May 2002**

To date the following groups are collecting data or have association relationships as follows:

Customer Affairs: PGW has received the final report of the PA Benchmarking 2001 "Customer Services Best Practices Survey." PGW has been reviewing the report to determine where its performance falls short of meeting industry standards. The report will also be used to review areas in which PGW was unable to provide statistical analysis. PGW will determine if implementation of a statistical measurement in those areas would be useful in providing improved customer service in a more cost effective manner. PGW recently joined the Energy Association of Pennsylvania. PGW anticipates membership will give PGW additional insight on how to potentially improve operations in customer service.

Distribution: Various Distribution Department employees are active members of the following industry related organizations to keep informed of current industry standards and best practices:  
AGA – Distribution Best Practices Group  
AGA - Plastics Material Committee - Currently serve as 1st Vice Chairman  
AGA - Corrosion Control Committee  
AGA - Distribution & Transmission Engineering Committee  
National Association of Corrosion Engineers (NACE)  
Pennsylvania One Call System, Inc  
Energy Association of Pennsylvania (EAPA) – Gas Transmission and Distribution Committees.

---

<sup>1</sup> Unmodified condition of Ordering Paragraph #11, 11/22/00 Order.

Commitment #6 May 2002 Response (continued)

Fleet Operations: The Chatham Consulting Group Benchmarking Survey -- triennial, is being used by Fleet Operations to evaluate and improve PGW's operation. The Fleet Operations Manager attended the Energy Association of PA's Motor Transportation Committee meeting in May, which provided the opportunity to interact with fleet managers from across the state on topics of mutual interest.

Current member of EAPA – Motor Transportation Committee

Gas Processing: Gas Processing Department personnel participate in the LNG Consortium, an annual meeting of LNG plant operators to share and discuss experiences and best practices.

Current member of the AGA Operating Section – Supplemental Gas Committee.

Participation in Best Practices for the Supplemental Gas Committee.

Engineering: Personnel in the Engineering Department participate in the LNG Consortium.

Current member of the AGA Operating Section - Automation & Telecommunications Committee.

Field Services: Current member of the following AGA Operating Section Committees:  
Building Codes and Energy Standards Committee  
Customer Service & Utilization Committee  
Distribution Measurement Committee

Current member of EAPA – Gas Transmission and Distribution Committees

**Commitment #6 May 2002 Response (continued)**

Environmental: Current member of the AGA Operating Section – Environmental Matters Committee.

Current member of EAPA - Environmental Committee

Director of Operations Compliance and Technical Services attended the Energy Association of PA's Environmental Committee meeting in May, which involved a review and discussion of current environmental issues and legislative initiatives, along with the sharing of business practices and regulatory actions with members from other gas and electric utilities.

PGW reviews the recommendations provided and, when practical, implements those that improve productivity, efficiency and cost control. PGW also evaluates newly introduced products and services to ascertain their applicability to improving PGW's Operations.

Attendance at all committee and association meetings will be based on adequacy of financial resources as determined by the disposition of the request.

**PGW Commitment #7<sup>2</sup>**

“In addition to the management arrangements referred to above, PGW must commit to address and implement the management, operational, service and other improvement measures ultimately recommended in the management audit, unless otherwise directed by the Commission.”

**Response:**

**May 2002**

On March 27, 2002, PGW filed its second Progress Report on the Implementation of the Recommendations in the Stratified Management and Operations Audit.

---

<sup>2</sup> Unmodified condition of Ordering Paragraph #12, 11/22/00 Order.

CERTIFICATE OF SERVICE

I hereby certify that I have this day served a true copy of the foregoing report upon the participants listed below in accordance with the requirements of § 1.54 (relating to service by a participant) VIA FIRST CLASS MAIL

Tanya McCloskey, Esq.  
Steve Keene, Esq.  
Office of Consumer Advocate  
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555 Walnut Street  
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Angela Jones, Esq.  
Office of Small Business Advocate  
Commerce Building, Suite 1102  
300 North 2nd Street  
Harrisburg, PA 17101

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SECRETARY'S BUREAU

  
Margaret Flores, Esquire  
Counsel for Philadelphia Gas Works

Dated: June 7, 2002



ORIGINAL

**Philadelphia Gas Works**  
Craig White  
Acting Chief Operating Officer

800 W. Montgomery Avenue, Philadelphia, PA 19122  
Telephone: 215.684.6746 – Fax: 215.684.6101  
Email: Craig.white@pgworks.com

July 16, 2002

James McNulty, Secretary  
PA Public Utility Commission  
Commonwealth Keystone Bldg., 2nd Fl.  
Harrisburg, PA 17120

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JUL 16 2002

KJR PA PUBLIC UTILITY COMMISSION  
SECRETARY'S BUREAU

Re: Pennsylvania Public Utility Commission v. Philadelphia Gas Works  
Docket No. R-00005654

DOCUMENT  
FOLDER

Dear Secretary McNulty,

In accordance with the PUC's February 22, 2001 Order approving the Joint Petition for Full Settlement in the above-referenced proceeding,<sup>1</sup> enclosed is PGW's "Monthly Progress Report" for April, May and June 2002 concerning implementation of the unmodified conditions imposed by the Commission in PGW's Interim Rates proceeding. This report includes quarterly data (April – June 2002) concerning commitments #3 and #5 as well as six-month data for commitment #5. The report is being served on all parties of record.

If the Commission requires further clarification on this report, please contact me immediately or contact PGW counsel Margaret Flores at 215-684-6631.

Very truly yours,

*Craig E. White*  
Craig E. White

- cc: As per Certificate of Service
- Veronica Smith, Esq., Executive Director
- Karen Moury, Esq., Deputy Executive Director
- Robert Rosenthal, Bureau of Fixed Utility Services
- Mitch Miller, Bureau of Consumer Services
- Glenn Bartron, Bureau of Audits
- Joe Farley, Bureau of Consumer Services

<sup>1</sup> "[T]he Commission's approval of the terms and conditions set forth in the Joint Petition is expressly conditioned upon PGW's acceptance of the unmodified conditions in the November 22, 2000 Order." February 22, 2001 Order at Ordering ¶1.

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JUL 16 2002

PA PUBLIC UTILITY COMMISSION  
SECRETARY'S BUREAU

# Philadelphia Gas Works

## Monthly Progress Report to the Pennsylvania Public Utility Commission

Docket No. R-00005654

DOCUMENT  
FOLDER

DOCKETED

JUL 22 2002

June 30, 2002

## **PGW Commitment #1**<sup>1</sup>

“PGW will commit to its "Transition to Excellence" plan for improvement and make a demonstration throughout the interim rate period that it is providing safe and adequate service.”

### **RESPONSE:**

#### **June 2002**

The “Transition to Excellence” program has elements that have been completed as set forth in the prior reports. Other ongoing elements are described below:

#### **Regulatory**

PGW continued to work toward its July 1, 2002, restructuring filing. On June 18, 2002, PGW gave an informal presentation on its filing to the OCA, OTS, OSBA, PICGUG and CEPA. The presentation documents were also provided to the PUC Commissioner’s staffs.

On June 28, 2002, PGW, OTS, OCA, OSBA and PICGUG filed a Joint Petition for Settlement of Philadelphia Gas Works’ 2002 Base Rate Proceeding in Docket No. R-00017034. CEPA, et al., PECO Energy Company, and the Service Employees International Union, Local 686, indicated to the Commission that they were not opposed to the Joint Petition.

Customer Service Oversight is ongoing with a comprehensive Customer Service Initiative (CSI) Program that began on June 25, 2001. PGW last met with the PUC's Bureau of Consumer Services staff on June 20, 2002, and provided an update on its efforts. An update was provided on PGW’s collection activity. The status of credit and collection events for customers on PGW’s Customer Responsibility Program (CRP) was also discussed.

Philadelphia City Council has approved a FY 2002 Capital Budget for PGW that incorporated the impact of PGW’s original budget amendment request. This disposition of a second amendment request is still in the process of being finalized with the PGC Hearing Examiner prior to submission to City Council for final approval.

PGW filed its FY 2003 Capital Budget and Forecast with the Philadelphia Gas Commission on May 15, 2002. The Hearing Examiner is in the process of developing a schedule for the review of the Capital Budget including hearing dates for testimony from the Company's and Public Advocate’s witnesses.

---

<sup>1</sup> Unmodified condition of Ordering Paragraph #4, 11/22/00 Order.

## Regulatory (continued)

### Strategy and Planning

PGW filed its updated Three-Year Financial and Management Plan (previously reported as Strategic Plan & Financial Forecast) with the Philadelphia Gas Commission in September 2001 as required. In November 2001, public hearings were held before the Philadelphia Gas Commission. The Hearing Examiner issued a supplemental recommended decision on March 22, 2002, with exceptions by the parties due on April 3, 2002. The Philadelphia Gas Commission issued an order approving a revised financial forecast on April 16, 2002. PGW filed a compliance financial forecast with the PGC on April 23, 2002.

### Stabilization

Programming changes have been implemented or are currently in testing for all the improvements previously identified in the Billing System stabilization project plan. PGW expects that the write off module will be placed in production in July 2002.. Additionally, PGW continues to review business processes to identify system and training issues that must be addressed to realize additional efficiencies. Any system issues identified are reviewed and, if viable, are scheduled for future implementation.

### Call Center

PGW has made major strides in improving the productivity and efficiency in its Call Center. PGW has been consistently meeting the 80/30 standard on a daily basis for the last month and has met the standard eight of the last ten months. As a result of this effort, the PUC order to outsource Call Center operations was rescinded on June 13, 2002. Every week at the PGW website ([www.pgworks.com](http://www.pgworks.com)), new information will be posted on the number of calls received, the number of calls answered, and the average waiting time. These numbers will be displayed on graphs, which will also show the goals that have been set by PGW and the PUC so that visitors to the site can easily see what's being done to make dealing with PGW a fast and more pleasant experience.

**PGW Commitment #2<sup>2</sup>**

“PGW must achieve a 1% replacement rate in its mains replacement program, as provided for in the Company’s base case capital budget.”

**Response:**

**June 2002**

PGW is proceeding with the above project and is on schedule to reduce its inventory of cast iron pipe by the 1% rate. The Distribution Department continues to develop and review a list of prioritized targeted main replacements, based on the determinants of the Navigant Study. With the assistance of the Engineering Department, appropriate designs are being completed and construction plans drawn.

As of June 2002, PGW and Outside Contractor crews have replaced abandoned or rehabilitated 16.1 miles of cast iron main. Eighty-nine percent (89%) of the total project is complete. PGW anticipates successful project completion by the end of Fiscal Year 2002.

---

<sup>2</sup> Unmodified condition of Ordering Paragraph #5, 11/22/00 Order.

**PGW Commitment #3<sup>3</sup>**

“PGW must commit to correcting the problems with its BCCS system, particularly the need to rectify the budget billing problems, providing quarterly reports to the PUC's Bureau of Consumer Services, on the progress it is making in correcting its BCCS problems.”

**Response:**

**June 2002**

PGW continues daily monitoring of the Billing Credit Collection System. Any anomalies are immediately investigated to insure system integrity. All previous outstanding issues have now been addressed. All system changes required for the next 18 months will be the result of restructuring and deregulation implementation.

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<sup>3</sup> Unmodified condition of Ordering Paragraph #6, 11/22/00 Order.

**PGW Commitment #4<sup>4</sup>**

"PGW must proceed with its LNG Liquefaction Replacement Program to ensure supply and reliability are maintained."

**Response:**

**June 2002**

Construction of the new plant is 99% complete. Calibration of instrumentation, control system validations and punch list items are expected to be complete by mid-July, 2002. Total project is approximately 98% complete with final tie-in work to live electrical, instrumentation and piping plant facilities in progress. Operator training and on-site familiarization with the plant are ongoing and will continue through start-up. Operating and maintenance procedures are being developed and finalized. Start-up and performance testing has been re-scheduled for late September into early October, 2002 when operating conditions will allow the plant to be tested continuously at full rate to insure contract performance requirements are met.

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<sup>4</sup> Unmodified condition of Ordering Paragraph #7, 11/22/00 Order.

**PGW Commitment #5<sup>5</sup>**

"PGW must show improvements in its customer service functions and report on its progress to the Commission on a quarterly basis. Such reports should include: monthly call center access reports for customer service and collection call centers (to include average speed of answer, average abandonment time, number of abandoned calls, average delay in queue and the percentage of calls answered); monthly consumer dispute reports (to include number of customer disputes filed, number and percentage of disputes responded to in under thirty days, and the average response time), the number and percentage of residential bills which PGW failed to render during the relevant billing cycles; the number and percentage of residential meters for which PGW has failed to obtain actual or customer supplied readings during the prior six months; and monthly reports showing the number and percentage of missed customer service appointments.

**Response:**

**June 2002**

Please see the attached reports: Monthly Call Center Access Reports; Monthly Consumer Dispute Reports; Billing Exceptions By Cycle; Residential Meters - Estimated and Non-Estimated Billing; and Missed Customer Service Appointments.

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<sup>5</sup> Unmodified condition of Ordering Paragraph #8, 11/22/00 Order.

**Monthly Call Center Access Reports for Customer Service and Collection Call Centers**

Philadelphia Gas Works			
Customer Service Department			
Call Center Statistics			
Monthly Call Volume- April-June 2002			
	April	May	June
Calls Received	105,312	87,605	72,487
Calls Answered	100,058	85,291	71,623
Calls Abandoned	5,254	2,314	864
% Of Calls Answered	95%	97%	99%
% Of Abandon Calls	5%	3%	1%
Average CTR'S Per Day	47	43	47
Average Speed Of Answer	:39	:15	:08
Average Abandon Time	2:54	1:13	1:13
Average Talk Time In Minutes	3:21	3:19	3:24
Legend			
*	Customer Telephone Representatives		

**Monthly Consumer Dispute Reports**

PGW												
Dispute Resolution Completed Jobs Statistics												
	<u>High Bills</u>				<u>Correspondence</u>				<u>Statements</u>			
<u>Year</u>	<u>Received</u>	<u>Completed</u>			<u>Received</u>	<u>Completed</u>			<u>Received</u>	<u>Completed</u>		
2002		Within	%	Average		Within	%	Average		Within	%	Average
		<=30	< 30	#		<=30	< 30	#		<=30	< 30	# Of
		Days	Days	Of Days		Days	Days	Of Days		Days	Days	Days
April	1944	103	5.30%	7	1870	994	53.16%	1.2	284	69	89.08%	1.0
May	1055	120	11.30%	6.5	1489	828	55.61%	7.1	199	29	91.96%	1.8
June	469	99	21.11%	7.2	1180	1003	85.00%	1.0	105	138	94.29%	1.3

**Note: Percentage completed reflects number of inquiries received and completed in 30 days or less.**

**Number and Percentage of Residential Bills Not Rendered During Relevant Billing Cycles**

PHILADELPHIA GAS WORKS BILLING EXCEPTIONS BY CYCLE						
	Total bills		% of bills		Average/Cycle (22)	
	not issued	issued	not issued	issued	not issued	issued
<b>April</b>	3,687	525,949	0.70%	99.30%	168	23,907
<b>May</b>	3,705	524,096	0.70%	99.30%	168	23,822
<b>June</b>	3,667	524,034	0.69%	99.31%	167	23,820

Billing Exceptions: Number of bills which failed to issue during the relevant billing cycle.  
Manual issuance occurred in most cases approximately 3 to 5 days after report of the exception.

Total bills issued includes Commercial and Industrial Accounts.

**Number and Percentage of Residential Meters Without Actual or Customer Supplied Readings - Prior Six Months**

PHILADELPHIA GAS WORKS RESIDENTIAL METERS ESTIMATED & NON ESTIMATED BILLING						
	01/2002	02/2002	03/2002	04/2002	05/2002	06/2002
<b>Total Accounts Billed</b>	493,674	493,328	497,914	494,611	494,900	492,625
<b>Non Estimated Bills</b>	462,582	463,550	468,439	468,238	470,589	470,198
<b>Estimated Bills</b>	31,092	29,778	29,475	26,373	24,311	22,427
<b>% Estimated Bills</b>	6.298%	6.036%	5.920%	5.332%	4.912%	4.553%

Note:

Estimated and Non-Estimated Billing is the first time the system produces a combination of all meter reads obtained including customer-supplied readings.

Philadelphia Gas Works Customer Service Field Appointments Made & Completed April – June 2002				
	A	B	$C = B/A$	$D = 100\%-C$
	<b>All</b>	<b>Appointments</b>	<b>Percentage</b>	<b>Percentage</b>
<b>Month</b>	<b>Appointments</b>	<b>Made / Completed</b>	<b>Made / Completed</b>	<b>Missed *</b>
<b>April</b>	20,677	13,855	67%	33%
<b>May</b>	23,230	15,711	68%	32%
<b>June</b>	21,015	13,991	67%	33%

Legend

The information stated above reflects service order appointments arrived within the requested appointment window. It represents the metrics used by PGW to measure service appointments made and completed.

Leak calls, previously included in this report are no longer included. Leak response is reported monthly in the “Analysis of Emergency Call Outs” report to the PUC.

\* When a Philadelphia Gas Works (“PGW”) service person arrives at the property and the customer is not home or not responding or the service person cannot access the meter, the service person marks the account “ ‘Can’t Get In’ or ‘CGI’ ”. The Pennsylvania Public Utility Commission define CGI’s as missed appointments.

**PGW Commitment #6<sup>1</sup>**

“In addition to the management arrangements referred to above, PGW shall convene a "best practices" working group. The purpose of the working group is to solicit cost cutting steps from other entities such as natural gas distribution companies (NGDCs), industry associations and comparable municipal organizations. ”

**Response:**

**June 2002**

To date the following groups are collecting data or have association relationships as follows:

Customer Affairs: PGW has received the final report of the PA Benchmarking 2001 "Customer Services Best Practices Survey." PGW has been reviewing the report to determine where its performance falls short of meeting industry standards. The report has been used to review areas in which PGW was unable to provide statistical analysis. PGW will determine if implementation of a statistical measurement in those areas would be useful in providing improved customer service in a more cost effective manner. PGW recently joined the Energy Association of Pennsylvania. We have attended several meetings and anticipate membership will give PGW additional insight on how to potentially improve operations in customer service.

Distribution: Various Distribution Department employees are active members of the following industry related organizations to keep informed of current industry standards and best practices:  
AGA – Distribution Best Practices Group  
AGA - Plastics Material Committee - Currently serve as 1st Vice Chairman  
AGA - Corrosion Control Committee  
AGA - Distribution & Transmission Engineering Committee  
National Association of Corrosion Engineers (NACE)  
Pennsylvania One Call System, Inc  
Energy Association of Pennsylvania (EAPA) – Gas Transmission and Distribution Committees.

Fleet Operations: The Chatham Consulting Group Benchmarking Survey – triennial, is being used by Fleet Operations to evaluate and improve PGW’s operation.

Current member of EAPA – Motor Transportation Committee

---

<sup>1</sup> Unmodified condition of Ordering Paragraph #11, 11/22/00 Order.

**June 2002 Response (continued)**

Gas Processing: Gas Processing Department personnel participate in the LNG Consortium, an annual meeting of LNG plant operators to share and discuss experiences and best practices.

Current member of the AGA Operating Section – Supplemental Gas Committee.

Participation in Best Practices for the Supplemental Gas Committee.

Engineering: Personnel in the Engineering Department participate in the LNG Consortium.

Current member of the AGA Operating Section - Automation & Telecommunications Committee

Field Services: Current member of the following AGA Operating Section Committees:  
Building Codes and Energy Standards Committee  
Customer Service & Utilization Committee  
Distribution Measurement Committee

Current member of EAPA – Gas Transmission and Distribution Committees.

Environmental: Current member of the AGA Operating Section – Environmental Matters Committee.

Current member of EAPA – Environmental Committee

Director of Operations Compliance and Technical Services attended the Energy Association of PA's Environmental Committee meeting in May, which involved a review and discussion of current environmental issues and legislative initiatives, along with the sharing of business practices and regulatory actions with members from other gas and electric utilities.

PGW reviews the recommendations provided and, when practical, implements those that improve productivity, efficiency and cost control. PGW also evaluates newly introduced products and services to ascertain their applicability to improving PGW's Operations.

Attendance at all committee and association meetings will be based on adequacy of financial resources as determined by the disposition of the request.

**PGW Commitment #7<sup>2</sup>**

“In addition to the management arrangements referred to above, PGW must commit to address and implement the management, operational, service and other improvement measures ultimately recommended in the management audit, unless otherwise directed by the Commission.”

**Response:**

**June 2002**

On March 27, 2002, PGW filed its second Progress Report on the Implementation of the Recommendations in the Stratified Management and Operations Audit. The next Progress Report is due in October 2002.

---

<sup>2</sup> Unmodified condition of Ordering Paragraph #12, 11/22/00 Order.

**CERTIFICATE OF SERVICE**

I hereby certify that I have this day served a true copy of the foregoing report upon the participants listed below in accordance with the requirements of § 1.54 (relating to service by a participant) **VIA FIRST CLASS MAIL**

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Harrisburg, PA 17101

  
\_\_\_\_\_  
Margaret Flores, Esquire  
Counsel for Philadelphia Gas Works

Dated: July 16, 2002



# ORIGINAL

**Philadelphia Gas Works**  
Craig White  
Acting Chief Operating Officer

800 W. Montgomery Avenue, Philadelphia, PA 19122  
Telephone: 215.684.6746 - Fax: 215.684.6101  
Email: Craig.white@pgworks.com

August 9, 2002

RECEIVED

James McNulty, Secretary  
PA Public Utility Commission  
Commonwealth Keystone Bldg., 2nd Fl.  
Harrisburg, PA 17120

**DOCUMENT FOLDER**

AUG 09 2002

PA PUBLIC UTILITY COMMISSION  
SECRETARY'S BUREAU

Re: Pennsylvania Public Utility Commission v. Philadelphia Gas Works  
Docket No. R-00005654

Dear Secretary McNulty,

In accordance with the PUC's February 22, 2001 Order approving the Joint Petition for Full Settlement in the above-referenced proceeding,<sup>1</sup> enclosed is PGW's "Monthly Progress Report" for July 2002 concerning implementation of the unmodified conditions imposed by the Commission in PGW's Interim Rates proceeding. The report is being served on all parties of record.

If the Commission requires further clarification on this report, please contact me immediately or contact PGW counsel Margaret Flores at 215-684-6631.

Very truly yours,



Craig White

cc: As per Certificate of Service  
Veronica Smith, Esq., Executive Director  
Karen Moury, Esq., Deputy Executive Director  
Robert Rosenthal, Bureau of Fixed Utility Services  
Mitch Miller, Bureau of Consumer Services  
Glenn Bartron, Bureau of Audits  
Joe Farley, Bureau of Consumer Service

BTL

<sup>1</sup> "[T]he Commission's approval of the terms and conditions set forth in the Joint Petition is expressly conditioned upon PGW's acceptance of the unmodified conditions in the November 22, 2000 Order." February 22, 2001 Order at Ordering ¶1.

# Philadelphia Gas Works

**DOCKETED**

SEP 24 2002

**RECEIVED**

AUG 09 2002

**DOCUMENT FOLDER**

PA PUBLIC UTILITY COMMISSION  
SECRETARY'S BUREAU

## Monthly Progress Report to the Pennsylvania Public Utility Commission

Docket No. R-00005654

August 9, 2002

## PGW Commitment #1<sup>1</sup>

“PGW will commit to its "Transition to Excellence" plan for improvement and make a demonstration throughout the interim rate period that it is providing safe and adequate service.”

### **Response:**

#### July 2002

The “Transition to Excellence” program has elements that have been completed as set forth in the prior reports. Other ongoing elements are described below:

#### Regulatory

PGW Supplement No. 27 which makes changes to the regulations regarding suspension and reinstatement in the CRP Program was filed July 10, 2002 with an effective date of July 11, 2002. The supplement was filed at the suggestion of the BCS so that PGW’s tariff was consistent with the new collection initiative for CRP customers as well as the CRP Release Program.

Philadelphia Gas Works (PGW) filed a comprehensive restructuring plan with the Pennsylvania Public Utilities Commission (PUC) on July 1, 2002 in Docket No. M-00021612. Under the Natural Gas Choice and Competition Act (“Gas Choice Act”), PGW came under the jurisdiction of the PUC in July 2000. The Gas Choice Act required PGW to make a restructuring filing with the PUC no later than July 1, 2002. PGW presented a plan for the unbundling of PGW’s customer rates and services to be effective by September 1, 2003. The restructuring filing is comprised of the Proposed Gas Service and Choice Supplier Tariffs.

Customer Service Oversight is ongoing with a comprehensive Customer Service Initiative (CSI) Program that began on June 25, 2001. PGW last met with the PUC’s Bureau of Consumer Services staff on July 18, 2002, and provided an update on its efforts. An update was also provided on PGW’s collection activity. The status of credit and collection events for customers on PGW’s Customer Responsibility Program (CRP) was also discussed.

Philadelphia City Council has approved a FY 2002 Capital Budget for PGW that incorporated the impact of PGW’s original budget amendment request. This disposition of a second amendment request is still in the process of being finalized with the Philadelphia Gas Commission and City Council.

---

<sup>1</sup> Unmodified condition of Ordering Paragraph #4, 11/22/00 Order.

## Regulatory (continued)

PGW filed its FY 2003 Capital Budget and Forecast with the Philadelphia Gas Commission on May 15, 2002 and filed its FY 2003 Operating Budget & Forecast on June 26, 2002. The Hearing Examiner is in the process of developing a schedule for the review of the Capital Budget including hearing dates for testimony from the Company's and Public Advocate's witnesses.

## Stabilization

Programming changes have been implemented or are currently in testing for all the improvements previously identified in the Billing System stabilization project plan. The Write Off module has been completed and will be placed into production at the end of August 2002 to coincide with the beginning of FY 2003. Additionally, PGW continues to review business processes to identify system and training issues that must be addressed to realize additional efficiencies. Any system issues identified are reviewed and, if viable, are scheduled for future implementation.

## Call Center

PGW has made major strides in improving the productivity and efficiency in its Call Center. PGW has been consistently meeting the 80/30 standard on a daily basis for the last month and has met the standard nine of the last eleven months. Every week at the PGW website ([www.pgworks.com](http://www.pgworks.com)), new information will be posted on the number of calls received, the number of calls answered, and the average waiting time. These numbers will be displayed on graphs, which will also show the goals that have been set by PGW and the PUC so that visitors to the site can easily see what's being done to make dealing with PGW a fast and more pleasant experience.

**PGW Commitment #2<sup>2</sup>**

“PGW must achieve a 1% replacement rate in its mains replacement program, as provided for in the Company’s base case capital budget.”

**Response:**

**July 2002**

PGW is proceeding with the above project and is on schedule to reduce its inventory of cast iron pipe by the 1% rate. The Distribution Department continues to develop and review a list of prioritized targeted main replacements, based on the determinants of the Navigant Study. With the assistance of the Engineering Department, appropriate designs are being completed and construction plans drawn.

As of July 2002, PGW and Outside Contractor crews have replaced, abandoned or rehabilitated 16.7 miles of cast iron main. Ninety-three percent (93%) of the total project is complete. PGW anticipates successful project completion by the end of Fiscal Year 2002.

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<sup>2</sup> Unmodified condition of Ordering Paragraph #5, 11/22/00 Order.

**PGW Commitment #3<sup>3</sup>**

“PGW must commit to correcting the problems with its BCCS system, particularly the need to rectify the budget billing problems, providing quarterly reports to the PUC's Bureau of Consumer Services, on the progress it is making in correcting its BCCS problems.”

**Response:**

**July 2002**

The sixth quarterly report is due October 9, 2002. PGW will report on its BCCS system corrections for the months of July – September 2002 in that report.

---

<sup>3</sup> Unmodified condition of Ordering Paragraph #6, 11/22/00 Order.

**PGW Commitment #4<sup>4</sup>**

"PGW must proceed with its LNG Liquefaction Replacement Program to ensure supply and reliability are maintained."

**Response:**

**July 2002**

Construction of the new LNG Expander Plant was completed during July, 2002. The primary construction contractor, Chicago Bridge & Iron, has vacated the facility after completion of instrumentation calibrations, control system validations and punch list items. Total project is approximately 99% complete with only the LNG product line to storage to be completed in August, 2002. Start-up and performance testing is scheduled for late September into early October, 2002 when load requirements will allow continuous full capacity operation to confirm contract performance guarantees. Operator training will continue through the summer into the start-up and testing period.

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<sup>4</sup> Unmodified condition of Ordering Paragraph #7, 11/22/00 Order.

**PGW Commitment #5<sup>5</sup>**

"PGW must show improvements in its customer service functions and report on its progress to the Commission on a quarterly basis. Such reports should include: monthly call center access reports for customer service and collection call centers (to include average speed of answer, average abandonment time, number of abandoned calls, average delay in queue and the percentage of calls answered); monthly consumer dispute reports (to include number of customer disputes filed, number and percentage of disputes responded to in under thirty days, and the average response time), the number and percentage of residential bills which PGW failed to render during the relevant billing cycles; the number and percentage of residential meters for which PGW has failed to obtain actual or customer supplied readings during the prior six months; and monthly reports showing the number and percentage of missed customer service appointments."

**Response:**

**July 2002**

The sixth quarterly report is due October 9, 2002. PGW will report on its progress in improving its customer service functions for the months of July – September 2002 in that report.

---

<sup>5</sup> Unmodified condition of Ordering Paragraph #8, 11/22/00 Order.

## PGW Commitment #6<sup>1</sup>

“In addition to the management arrangements referred to above, PGW shall convene a “best practices” working group. The purpose of the working group is to solicit cost cutting steps from other entities such as natural gas distribution companies (NGDCs), industry associations and comparable municipal organizations. ”

### Response:

#### July 2002

To date the following groups are collecting data or have association relationships as follows:

Customer Affairs: Customer Affairs employees are now actively participating in the following committees:

Energy Association of Pennsylvania (EAPA) - LIHEAP Task Force  
Energy Association of Pennsylvania (EAPA) - Consumer Services  
Energy Association of Pennsylvania (EAPA) - LIHEAP Advisory  
Committee (Department of Public Welfare)  
Energy Association of Pennsylvania (EAPA) - Universal Service Task  
Force (Public Utility Commission)

Management employees have recently attended the following conferences:

National Association of Credit Management  
National Low Income Energy Conference

Our attendance at these conferences and committee meetings has enabled PGW to reestablish industry connections and to gain a perspective on the latest developments and best practices in Customer Service.

Distribution: Various Distribution Department employees are active members of the following industry related organizations to keep informed of current industry standards and best practices:

AGA – Distribution Best Practices Group  
AGA - Plastics Material Committee - Currently serve as 1st Vice  
Chairman  
AGA - Corrosion Control Committee  
AGA - Distribution & Transmission Engineering Committee  
National Association of Corrosion Engineers (NACE)  
Pennsylvania One Call System, Inc  
Energy Association of Pennsylvania (EAPA) – Gas Transmission and  
Distribution Committees.

---

<sup>1</sup> Unmodified condition of Ordering Paragraph #11, 11/22/00 Order.

**Commitment #6 May 2002 Response (continued)**

Fleet Operations: The Chatham Consulting Group Benchmarking Survey – triennial, is being used by Fleet Operations to evaluate and improve PGW’s operation.

Current member of EAPA – Motor Transportation Committee

Gas Processing: Gas Processing Department personnel participate in the LNG Consortium, an annual meeting of LNG plant operators to share and discuss experiences and best practices.

Current member of the AGA Operating Section – Supplemental Gas Committee.

Participation in Best Practices for the Supplemental Gas Committee.

Engineering: Personnel in the Engineering Department participate in the LNG Consortium.

Current member of the AGA Operating Section - Automation & Telecommunications Committee.

Field Services: Current member of the following AGA Operating Section Committees:  
Building Codes and Energy Standards Committee  
Customer Service & Utilization Committee  
Distribution Measurement Committee

Current member of EAPA – Gas Transmission and Distribution Committees

**Commitment #6 May 2002 Response (continued)**

Environmental: Current member of the AGA Operating Section – Environmental Matters Committee.

Current member of EAPA - Environmental Committee

Director of Operations Compliance and Technical Services attended the Energy Association of PA's Environmental Committee meeting in May, 2002 which involved a review and discussion of current environmental issues and legislative initiatives, along with the sharing of business practices and regulatory actions with members from other gas and electric utilities.

PGW reviews the recommendations provided and, when practical, implements those that improve productivity, efficiency and cost control. PGW also evaluates newly introduced products and services to ascertain their applicability to improving PGW's Operations.

Attendance at all committee and association meetings will be based on adequacy of financial resources as determined by the disposition of the request.

**PGW Commitment #7<sup>2</sup>**

“In addition to the management arrangements referred to above, PGW must commit to address and implement the management, operational, service and other improvement measures ultimately recommended in the management audit, unless otherwise directed by the Commission.”

**Response:**

**July 2002**

On March 27, 2002, PGW filed its second Progress Report on the Implementation of the Recommendations in the Stratified Management and Operations Audit.

---

<sup>2</sup> Unmodified condition of Ordering Paragraph #12, 11/22/00 Order.

CERTIFICATE OF SERVICE

I hereby certify that I have this day served a true copy of the foregoing report upon the participants listed below in accordance with the requirements of § 1.54 (relating to service by a participant) VIA FIRST CLASS MAIL

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Johnnie Simms, Esq.  
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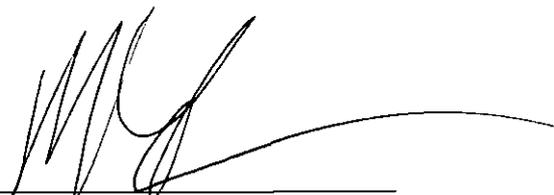
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\_\_\_\_\_  
Margaret Flores, Esquire  
Counsel for Philadelphia Gas Works

Dated: August 9, 2002

**Philadelphia Gas Works**



800 W. Montgomery Avenue, Philadelphia, PA 19122  
Telephone: (215) 236-0500

**RECEIVED**

**DOCUMENT FOLDER**

September 12, 2002

SEP 13 2002

James McNulty, Secretary  
PA Public Utility Commission  
Commonwealth Keystone Bldg., 2nd Fl.  
Harrisburg, PA 17120

**ORIGINAL**

PA PUBLIC UTILITY COMMISSION  
SECRETARY'S BUREAU

Re: Pennsylvania Public Utility Commission v. Philadelphia Gas Works  
Docket No. R-00005654

Dear Secretary McNulty,

In accordance with the PUC's February 22, 2001 Order approving the Joint Petition for Full Settlement in the above-referenced proceeding,<sup>1</sup> enclosed is PGW's "Monthly Progress Report" for August 2002 concerning implementation of the unmodified conditions imposed by the Commission in PGW's Interim Rates proceeding. The report is being served on all parties of record.

If the Commission requires further clarification on this report, please contact me immediately or contact PGW counsel Margaret Flores at 215-684-6631.

Very truly yours,

Craig E. White  
Interim Chief Operating Officer for:  
Philadelphia Gas Works

cc: As per Certificate of Service  
Veronica Smith, Esq., Executive Director  
Karen Moury, Esq., Deputy Executive Director  
Robert Rosenthal, Bureau of Fixed Utility Services  
Mitch Miller, Bureau of Consumer Services  
Glenn Bartron, Bureau of Audits  
Joe Farley, Bureau of Consumer Services

---

<sup>1</sup> "[T]he Commission's approval of the terms and conditions set forth in the Joint Petition is expressly conditioned upon PGW's acceptance of the unmodified conditions in the November 22, 2000 Order." February 22, 2001 Order at Ordering ¶1.

**RECEIVED**

SEP 13 2002

PA PUBLIC UTILITY COMMISSION  
SECRETARY'S BUREAU

# Philadelphia Gas Works

**DOCKETED**

SEP 30 2002

**DOCUMENT FOLDER**

## Monthly Progress Report to the Pennsylvania Public Utility Commission

Docket No. R-00005654

September 12, 2002

## PGW Commitment #1<sup>1</sup>

“PGW will commit to its "Transition to Excellence" plan for improvement and make a demonstration throughout the interim rate period that it is providing safe and adequate service.”

### **Response:**

#### August 2002

The “Transition to Excellence” program has elements that have been completed as set forth in the prior reports. Other ongoing elements are described below:

#### Regulatory

Philadelphia Gas Works (PGW) filed a comprehensive restructuring plan with the Pennsylvania Public Utilities Commission (PUC) on July 1, 2002 in Docket No. M-00021612. Under the Natural Gas Choice and Competition Act (“Gas Choice Act”), PGW came under the jurisdiction of the PUC in July 2000. The Gas Choice Act required PGW to make a restructuring filing with the PUC no later than July 1, 2002. PGW presented a plan for the unbundling of PGW’s customer rates and services to be effective by September 1, 2003. The restructuring filing is comprised of the Proposed Gas Service and Choice Supplier Tariffs. PGW has received numerous discovery requests on its plan, and is in the process of responding to them.

On August 8, 2002, the PUC approved the Joint Settlement of PGW’s 2002 base rate case, including the implementation of a three-year pilot weather normalization adjustment clause. PGW held a workshop with the parties on implementation and customer education issues on July 30, 2002.

On August 30, 2002, PGW filed Tariff SUPPLEMENT NO. 28 to Tariff Gas – Pa P.U.C. No. 1 at Docket No. R-00016378 to be effective September 1, 2002, that reflected a GCR increase over PGW’s current June 1, 2002 GCR from \$2.7932 per Mcf to \$3.0385 per Mcf. Also included in the Tariff SUPPLEMENT NO. 28 filing for September 1, 2002, is the removal of the GS Rate commodity charge credit of \$0.185 per Mcf which was effective for six months, beginning March 1, 2002, as ordered in Docket No. R-00006042.

Customer Service Oversight is ongoing with a comprehensive Customer Service Initiative (CSI) Program that began on June 25, 2001. PGW last met with the PUC’s Bureau of Consumer Services staff on August 15, 2002, and provided an update on its efforts. An update was also provided on PGW’s collection activity. The status of credit and collection events for customers on PGW’s Customer Responsibility Program (CRP) was also discussed.

---

<sup>1</sup> Unmodified condition of Ordering Paragraph #4, 11/22/00 Order.

## Regulatory (continued)

Philadelphia City Council has approved a FY 2002 Capital Budget for PGW that incorporated the impact of PGW's original budget amendment request. This disposition of a second amendment request is still in the process of being finalized with the Philadelphia Gas Commission and City Council.

PGW filed its FY 2003 Capital Budget and Forecast with the Philadelphia Gas Commission on May 15, 2002 and filed its FY 2003 Operating Budget & Forecast on June 26, 2002. The Hearing Examiner is in the process of developing a schedule for the review of the Budgets including hearing dates for testimony from the Company's and Public Advocate's witnesses.

## Stabilization

Programming changes have been implemented or are currently in testing for all the improvements previously identified in the Billing System stabilization project plan. The Write Off module has been completed and will be placed into production at the end of August 2002 to coincide with the beginning of FY 2003. Additionally, PGW continues to review business processes to identify system and training issues that must be addressed to realize additional efficiencies. Any system issues identified are reviewed and, if viable, are scheduled for future implementation.

## Call Center

PGW has made major strides in improving the productivity and efficiency in its Call Center. PGW has been consistently meeting the 80/30 standard on a daily basis for the last month and has met the standard ten of the last twelve months. Every week at the PGW website ([www.pgworks.com](http://www.pgworks.com)), new information will be posted on the number of calls received, the number of calls answered, and the average waiting time. These numbers will be displayed on graphs, which will also show the goals that have been set by PGW and the PUC so that visitors to the site can easily see what's being done to make dealing with PGW a fast and more pleasant experience.

**PGW Commitment #2<sup>2</sup>**

“PGW must achieve a 1% replacement rate in its mains replacement program, as provided for in the Company’s base case capital budget.”

**Response:**

**August 2002**

PGW is proceeding with the above project and is on schedule to reduce its inventory of cast iron pipe by the 1% rate. The Distribution Department continues to develop and review a list of prioritized targeted main replacements, based on the determinants of the Navigant Study. With the assistance of the Engineering Department, appropriate designs are being completed and construction plans drawn.

As of August 2002, PGW and Outside Contractor crews have replaced, abandoned or rehabilitated 20.5 miles of cast iron main. One Hundred and fourteen percent (114%) of the total project is complete. PGW has successfully completed the project by the end of Fiscal Year 2002.

---

<sup>2</sup> Unmodified condition of Ordering Paragraph #5, 11/22/00 Order.

**PGW Commitment #3<sup>3</sup>**

“PGW must commit to correcting the problems with its BCCS system, particularly the need to rectify the budget billing problems, providing quarterly reports to the PUC's Bureau of Consumer Services, on the progress it is making in correcting its BCCS problems.”

**Response:**

**August 2002**

The sixth quarterly report is due in October 2002. PGW will report on its BCCS system corrections for the months of July – September 2002 in that report.

---

<sup>3</sup> Unmodified condition of Ordering Paragraph #6, 11/22/00 Order.

**PGW Commitment #4<sup>4</sup>**

"PGW must proceed with its LNG Liquefaction Replacement Program to ensure supply and reliability are maintained."

**Response:**

**August 2002**

Total project is approximately 99.5% complete. Start-up and performance testing is still scheduled for late September into early October, 2002 when load requirements will allow continuous full capacity operation to confirm contract performance guarantees. Operator training will continue through the summer into the start-up and testing period.

---

<sup>4</sup> Unmodified condition of Ordering Paragraph #7, 11/22/00 Order.

**PGW Commitment #5<sup>5</sup>**

"PGW must show improvements in its customer service functions and report on its progress to the Commission on a quarterly basis. Such reports should include: monthly call center access reports for customer service and collection call centers (to include average speed of answer, average abandonment time, number of abandoned calls, average delay in queue and the percentage of calls answered); monthly consumer dispute reports (to include number of customer disputes filed, number and percentage of disputes responded to in under thirty days, and the average response time), the number and percentage of residential bills which PGW failed to render during the relevant billing cycles; the number and percentage of residential meters for which PGW has failed to obtain actual or customer supplied readings during the prior six months; and, monthly reports showing the number and percentage of missed customer service appointments."

**Response:**

**August 2002**

The sixth quarterly report is due in October 2002. PGW will report on its progress in improving its customer service functions for the months of July – September 2002 in that report.

---

<sup>5</sup> Unmodified condition of Ordering Paragraph #8, 11/22/00 Order.

**PGW Commitment #6<sup>1</sup>**

“In addition to the management arrangements referred to above, PGW shall convene a "best practices" working group. The purpose of the working group is to solicit cost cutting steps from other entities such as natural gas distribution companies (NGDCs), industry associations and comparable municipal organizations. ”

**Response:**

**August 2002**

To date the following groups are collecting data or have association relationships as follows:

Customer Affairs: Customer Affairs employees are now actively participating in the following committees:

Energy Association of Pennsylvania (EAPA) - LIHEAP Task Force  
Energy Association of Pennsylvania (EAPA) - Consumer Services  
Energy Association of Pennsylvania (EAPA) - LIHEAP Advisory Committee (Department of Public Welfare)  
Energy Association of Pennsylvania (EAPA) - Universal Service Task Force (Public Utility Commission)

Management employees have recently attended the following conferences:

National Association of Credit Management  
National Low Income Energy Conference

Our attendance at these conferences and committee meetings has enabled PGW to reestablish industry connections and to gain a perspective on the latest developments and best practices in Customer Service.

Distribution: Various Distribution Department employees are active members of the following industry related organizations to keep informed of current industry standards and best practices:

AGA – Distribution Best Practices Group  
AGA - Plastics Material Committee - Currently serve as 1st Vice Chairman  
AGA - Corrosion Control Committee  
AGA - Distribution & Transmission Engineering Committee  
National Association of Corrosion Engineers (NACE)  
Pennsylvania One Call System, Inc  
Energy Association of Pennsylvania (EAPA) – Gas Transmission and Distribution Committees

---

<sup>1</sup> Unmodified condition of Ordering Paragraph #11, 11/22/00 Order.

**Commitment #6 (continued)**

Fleet Operations: The Chatham Consulting Group Benchmarking Survey – triennial, is being used by Fleet Operations to evaluate and improve PGW’s operation.

Current member of EAPA – Motor Transportation Committee.

Gas Processing: Gas Processing Department personnel participate in the LNG Consortium, an annual meeting of LNG plant operators to share and discuss experiences and best practices.

Current member of the AGA Operating Section – Supplemental Gas Committee.

Participation in Best Practices for the Supplemental Gas Committee.

Engineering: Personnel in the Engineering Department participate in the LNG Consortium. (Heavy workload in connection with the construction of the new Expander Plant prevented participation in 2002’s session at Reno, Nevada).

Current member of the AGA Operating Section - Automation & Telecommunications Committee.

Field Services: Current member of the following AGA Operating Section Committees:  
Building Codes and Energy Standards Committee  
Customer Service & Utilization Committee  
Distribution Measurement Committee

Current member of EAPA – Gas Transmission and Distribution Committees.

**Commitment #6 (continued)**

*Environmental:* Current member of the AGA Operating Section – Environmental Matters Committee.

Current member of EAPA - Environmental Committee

PGW reviews the recommendations provided and, when practical, implements those that improve productivity, efficiency and cost control. PGW also evaluates newly introduced products and services to ascertain their applicability to improving PGW's Operations.

Attendance at all committee and association meetings will be based on adequacy of financial resources as determined by the disposition of the request.

**PGW Commitment #7<sup>2</sup>**

“In addition to the management arrangements referred to above, PGW must commit to address and implement the management, operational, service and other improvement measures ultimately recommended in the management audit, unless otherwise directed by the Commission.”

**Response:**

**August 2002**

On March 27, 2002, PGW filed its second Progress Report on the Implementation of the Recommendations in the Stratified Management and Operations Audit.

The next Progress Report will be submitted to the PUC in October 2002.

---

<sup>2</sup> Unmodified condition of Ordering Paragraph #12, 11/22/00 Order.

CERTIFICATE OF SERVICE

I hereby certify that I have this day served a true copy of the foregoing report upon the participants listed below in accordance with the requirements of § 1.54 (relating to service by a participant) VIA FIRST CLASS MAIL

Tanya McCloskey, Esq.  
Steve Keene, Esq.  
Office of Consumer Advocate  
5th Floor, Forum Place Bldg.  
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Margaret Flores, Esquire  
Counsel for Philadelphia Gas Works

Dated: September 12, 2002

# Philadelphia Gas Works

Craig White  
Senior Vice President  
Marketing and Supply Services



800 W. Montgomery Avenue, Philadelphia, PA 19122  
Telephone: 215-684-6746  
Fax: 215-787-1213  
E-mail: cwhite@pgworks.com

October 15, 2002

James McNulty, Secretary  
PA Public Utility Commission  
Commonwealth Keystone Bldg., 2nd Fl.  
Harrisburg, PA 17120

# ORIGINAL

Re: Pennsylvania Public Utility Commission v. Philadelphia Gas Works  
Docket No. R-00005654

Dear Secretary McNulty,

In accordance with the PUC's February 22, 2001 Order approving the Joint Petition for Full Settlement in the above-referenced proceeding,<sup>1</sup> enclosed is PGW's "Monthly Progress Report" for July, August and September 2002 concerning implementation of the unmodified conditions imposed by the Commission in PGW's Interim Rates proceeding. This report includes quarterly data (July - September 2002) concerning Commitments #3 and #5 as well as six-month data for Commitment #5. The report is being served on all parties of record.

If the Commission requires further clarification on this report, please contact me immediately or contact our counsel of record, Dan Clearfield, Esq. at 1-717-237-7173.

Very truly yours,

Craig E. White

# DOCUMENT FOLDER

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SECRETARY'S BUREAU

cc: As per Certificate of Service  
Veronica Smith, Esq., Executive Director  
Karen Moury, Esq., Deputy Executive Director  
Robert Rosenthal, Bureau of Fixed Utility Services  
Mitch Miller, Bureau of Consumer Services  
Glenn Bartron, Bureau of Audits  
Joe Farley, Bureau of Consumer Services

<sup>1</sup> "[T]he Commission's approval of the terms and conditions set forth in the Joint Petition is expressly conditioned upon PGW's acceptance of the unmodified conditions in the November 22, 2000 Order." February 22, 2001 Order at Ordering ¶1.

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ORIGINAL

Monthly Progress Report to the  
Pennsylvania Public Utility Commission

Docket No. R-00005654

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October 15, 2002

## **PGW Commitment #1<sup>1</sup>**

“PGW will commit to its "Transition to Excellence" plan for improvement and make a demonstration throughout the interim rate period that it is providing safe and adequate service.”

### **Response:**

#### **September 2002**

The “Transition to Excellence” program has elements that have been completed as set forth in the prior reports. Other ongoing elements are described below:

#### **Regulatory**

Philadelphia Gas Works (PGW) filed a comprehensive restructuring plan with the Pennsylvania Public Utility Commission (PUC) on July 1, 2002 in Docket No. M-00021612. Under the Natural Gas Choice and Competition Act (“Gas Choice Act”), PGW came under the jurisdiction of the PUC on July 1, 2000. The Gas Choice Act required PGW to make a Restructuring filing with the PUC no later than July 1, 2002. PGW presented a plan for the unbundling of PGW’s customer rates and services to be effective by September 1, 2003. Proposed Gas Service and Choice Supplier Tariffs comprise the Restructuring filing. PGW has completed all discovery responses and is preparing Rebuttal Testimony for filing in October.

Customer Service Oversight is ongoing with a comprehensive Customer Service Initiative (CSI) Program that began on June 25, 2001. PGW last met with the PUC’s Bureau of Consumer Services staff and public advocates on September 18, 2002, and provided an update on its efforts. An update was also provided on PGW’s collection activity. The status of credit and collection events for customers on PGW’s Customer Responsibility Program (CRP) was also discussed.

---

<sup>1</sup> Unmodified condition of Ordering Paragraph #4, 11/22/00 Order.

## Regulatory (continued)

Philadelphia City Council has approved a FY 2002 Capital Budget for PGW that incorporate the impact of PGW's original budget amendment request. The disposition of the second amendment request is still in the process of being finalized with the Philadelphia Gas Commission and City Council.

PGW filed its FY 2003 Capital Budget and Forecast with the Philadelphia Gas Commission on May 15, 2002 and filed its FY 2003 Operating Budget & Forecast on June 26, 2002. Budget hearings are scheduled for October 1 and October 2, 2002.

## Stabilization

Programming changes have been implemented for all the improvements previously identified in the Billing System stabilization project plan. The Write Off module has been completed and was placed into production at the end of August 2002 to coincide with the beginning of FY 2003. Additionally, PGW continues to review business processes to identify system and training issues that must be addressed to realize additional efficiencies. Any system issues identified are reviewed and, if viable, are scheduled for future implementation.

## Call Center

PGW has made major strides in improving the productivity and efficiency in its Call Center. PGW has been consistently meeting the 80/30 standard on a daily basis for the last month and has met the standard eleven of the last thirteen months. Every week at the PGW website ([www.pgworks.com](http://www.pgworks.com)), new information will be posted on the number of calls received, the number of calls answered, and the average waiting time. These numbers will be displayed on graphs, which will also show the goals that have been set by PGW and the PUC so that visitors to the site can easily see what's being done to make dealing with PGW a fast and more pleasant experience.

**PGW Commitment #2<sup>1</sup>**

“PGW must achieve a 1% replacement rate in its mains replacement program, as provided for in the Company’s base case capital budget.”

**Response:**

**September 2002**

PGW is proceeding with the above project and is on schedule to reduce its inventory of cast iron pipe by the 1% rate. The Distribution Department continues to develop and review a list of prioritized targeted main replacements, based on the determinants of the Navigant Study. With the assistance of the Engineering Department, appropriate designs are being completed and construction plans drawn.

As of September 2002, PGW and Outside Contractor crews have replaced, abandoned or rehabilitated 1.5 miles of cast iron main. Eight (8%) of the total project for FY 2003 is complete. PGW expects to successfully complete the project by the end of Fiscal Year 2003.

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<sup>1</sup> Unmodified condition of Ordering Paragraph #5, 11/22/00 Order.

**PGW Commitment #3<sup>2</sup>**

“PGW must commit to correcting the problems with its BCCS system, particularly the need to rectify the budget billing problems, providing quarterly reports to the PUC's Bureau of Consumer Services, on the progress it is making in correcting its BCCS problems.”

**Response:**

**September 2002**

PGW continues daily monitoring of the Billing Credit Collection System. Any anomalies are immediately investigated to insure system integrity. All previous outstanding issues have now been addressed. All system changes required for the next 18 months will be the result of restructuring and deregulation implementation.

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<sup>2</sup> Unmodified condition of Ordering Paragraph #6, 11/22/00 Order.

**PGW Commitment #4<sup>3</sup>**

"PGW must proceed with its LNG Liquefaction Replacement Program to ensure supply and reliability are maintained."

**Response:**

**September 2002**

Natural gas was introduced into the new expander plant on September 9, 2002, with the entire system now under natural gas pressure. The water and carbon dioxide removal system has been successfully tested. Due to the warmer than normal weather conditions, start-up problems and the need to replenish LNG inventories utilizing the old plant, performance testing has been delayed until mid-November, 2002.

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<sup>3</sup> Unmodified condition of Ordering Paragraph #7, 11/22/00 Order.

**PGW Commitment #5<sup>4</sup>**

"PGW must show improvements in its customer service functions and report on its progress to the Commission on a quarterly basis. Such reports should include: monthly call center access reports for customer service and collection call centers (to include average speed of answer, average abandonment time, number of abandoned calls, average delay in queue and the percentage of calls answered); monthly consumer dispute reports (to include number of customer disputes filed, number and percentage of disputes responded to in under thirty days, and the average response time), the number and percentage of residential bills which PGW failed to render during the relevant billing cycles; the number and percentage of residential meters for which PGW has failed to obtain actual or customer supplied readings during the prior six months; and, monthly reports showing the number and percentage of missed customer service appointments."

**Response:**

**September 2002**

Please see the attached reports: Monthly Call Center Access Reports; Monthly Consumer Dispute Reports; Billing Exceptions By Cycle; Residential Meters - Estimated and Non-Estimated Billing; and Missed Customer Service Appointments.

---

<sup>4</sup> Unmodified condition of Ordering Paragraph #8, 11/22/00 Order.

**Monthly Call Center Access Reports for Customer Service and Collection Call Centers**

Philadelphia Gas Works			
Customer Service Department			
Call Center Statistics			
Monthly Call Volume- July-September 2002			
	July	August	September
Calls Received	80,015	89,203	87,619
Calls Answered	78,723	87,470	85,965
Calls Abandoned	1,292	1,733	1,654
% Of Calls Answered	98%	98%	98%
% Of Abandon Calls	2%	2%	2%
Average CTR'S Per Day	49	49	48
Average Speed Of Answer	:13	:16	:16
Average Abandon Time	1:12	1:30	1:39
Average Talk Time In Minutes	3:25	3:30	3:24
Legend			
*	Customer Telephone Representatives		

**Monthly Consumer Dispute Reports**

PGW												
Dispute Resolution Completed Jobs Statistics												
	<u>High Bills</u>				<u>Correspondence</u>				<u>Statements</u>			
<u>Year</u>	<u>Received</u>	<u>Completed</u>			<u>Received</u>	<u>Completed</u>			<u>Received</u>	<u>Completed</u>		
		Within	%	Average		Within	%	Average		Within	%	Average
		<=30	< 30	#		<=30	< 30	#		<=30	< 30	# Of
		Days	Days	Of Days		Days	Days	Of Days		Days	Days	Days
July	860	297	34%	10	976	892	91%	1.0	114	110	96%	1.0
Aug	839	188	22%	24	970	942	97%	1.6	220	215	97%	1.0
Sept	305	200	65%	5.3	1124	1087	96%	1.0	138	134	97%	1.0

**Note: Percentage completed reflects number of inquiries received and completed in 30 days or less.**

**Number and Percentage of Residential Bills Not Rendered During Relevant Billing Cycles**

<b>PHILADELPHIA GAS WORKS BILLING EXCEPTIONS BY CYCLE</b>						
	<b>Total bills</b>		<b>% of bills</b>		<b>Average/Cycle (22)</b>	
	<b>not issued</b>	<b>issued</b>	<b>not issued</b>	<b>issued</b>	<b>not issued</b>	<b>issued</b>
<b>July</b>	2,794	523,290	0.53%	99.47%	127	23,786
<b>August</b>	3,408	522,762	0.65%	99.35%	155	23,762
<b>September</b>	4,082	519,200	0.78%	99.22%	127	23,600

Billing Exceptions: Number of bills which failed to issue during the relevant billing cycle.  
Manual issuance occurred in most cases approximately 3 to 5 days after report of the exception.

Total bills issued includes Commercial and Industrial Accounts.

**Number and Percentage of Residential Meters Without Actual or Customer Supplied Readings - Prior Six Months**

<b>PHILADELPHIA GAS WORKS RESIDENTIAL METERS ESTIMATED &amp; NON ESTIMATED BILLING</b>						
<b>2001/2002</b>	<b>04/2002</b>	<b>05/2002</b>	<b>06/2002</b>	<b>07/2002</b>	<b>08/2002</b>	<b>09/2002</b>
<b>Total Accounts Billed</b>	494,611	494,900	492,625	491,728	490,121	487,710
<b>Non Estimated Bills</b>	468,238	470,589	470,198	470,085	469,253	470,615
<b>Estimated Bills</b>	26,373	24,311	22,427	21,643	20,868	17,095
<b>% Estimated Bills</b>	5.32%	4.912%	4.553%	4.401%	4.258%	3.505%

Note:

Estimated and Non-Estimated Billing is the first time the system produces a combination of all meter reads obtained including customer-supplied readings.

Philadelphia Gas Works Customer Service Field Appointments Made & Completed July – September 2002				
	A	B	C = B/A	D = 100%-C
	<b>All</b>	<b>Appointments</b>	<b>Percentage</b>	<b>Percentage</b>
<b>Month</b>	<b>Appointments</b>	<b>Made / Completed</b>	<b>Made / Completed</b>	<b>Missed *</b>
<b>July</b>	19,223	12,983	68%	32%
<b>August</b>	22,737	15,667	69%	31%
<b>September</b>	22,495	15,849	70%	30%

Legend

The information stated above reflects service order appointments arrived within the requested appointment window. It represents the metrics used by PGW to measure service appointments made and completed excluding Sundays and Holidays.

Leak calls, previously included in this report are no longer included. Leak response is reported monthly in the “Analysis of Emergency Call Outs” report to the PUC.

\* When a Philadelphia Gas Works (“PGW”) service person arrives at the property and the customer is not home or not responding or the service person cannot access the meter, the service person marks the account “ ‘Can’t Get In’ or ‘CGI’ ”. The Pennsylvania Public Utility Commission define CGI’s as missed appointments.

**PGW Commitment #6<sup>1</sup>**

“In addition to the management arrangements referred to above, PGW shall convene a "best practices" working group. The purpose of the working group is to solicit cost cutting steps from other entities such as natural gas distribution companies (NGDCs), industry associations and comparable municipal organizations. ”

**Response:**

**September 2002**

To date the following groups are collecting data or have association relationships as follows:

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Energy Association of Pennsylvania (EAPA) - Consumer Services  
Energy Association of Pennsylvania (EAPA) - LIHEAP Advisory  
Committee (Department of Public Welfare)  
Energy Association of Pennsylvania (EAPA) - Universal Service Task  
Force (Public Utility Commission)

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National Low Income Energy Conference  
Energy Association of Pennsylvania Annual Consumer Services Conference

Our attendance at these conferences and committee meetings has enabled PGW to reestablish industry connections and to gain a perspective on the latest developments and best practices in Customer Service.

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Energy Association of Pennsylvania (EAPA) – Gas Transmission and  
Distribution Committees

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<sup>1</sup> Unmodified condition of Ordering Paragraph #11, 11/22/00 Order.

**Commitment #6 (continued)**

**Fleet Operations:** The Chatham Consulting Group Benchmarking Survey – triennial, is being used by Fleet Operations to evaluate and improve PGW’s operation.

Current member of EAPA – Motor Transportation Committee; Fleet Operations Manager will be attending the fall Committee meeting on October 10 & 11.

**Gas Processing:** Gas Processing Department personnel participate in the LNG Consortium, an annual meeting of LNG plant operators to share and discuss experiences and best practices.

Current member of the AGA Operating Section – Supplemental Gas Committee.

Participation in Best Practices for the Supplemental Gas Committee.

**Engineering:** Personnel in the Engineering Department participate in the LNG Consortium. (Heavy workload in connection with the construction of the new Expander Plant prevented participation in 2002’s session at Reno, Nevada).

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Current member of EAPA – Gas Transmission and Distribution Committees.

**Commitment #6 (continued)**

Environmental: Current member of the AGA Operating Section – Environmental Matters Committee.

*Current member of EAPA - Environmental Committee*

PGW reviews the information, alternate options, and subsequent relevant recommendations provided and, when practical, implements those that improve safety, reliability, productivity, efficiency and cost control. PGW also evaluates newly introduced products and services to ascertain their applicability to improving PGW's Operations.

Attendance at all committee and association meetings has been and will continue to be based on adequacy of financial resources as determined by the disposition of the request. In addition, current operational considerations and prioritization of programs and responsibilities will impact Operation's availability and participation.

**PGW Commitment #7<sup>2</sup>**

“In addition to the management arrangements referred to above, PGW must commit to address and implement the management, operational, service and other improvement measures ultimately recommended in the management audit, unless otherwise directed by the Commission.”

**Response:**

**September 2002**

On October 1, 2002, PGW filed its third Progress Report on the Implementation of the Recommendations in the Stratified Management and Operations Audit. The next Progress Report is due in April 2003.

---

<sup>2</sup> Unmodified condition of Ordering Paragraph #12, 11/22/00 Order.

CERTIFICATE OF SERVICE

I hereby certify that I have this day served a true copy of the foregoing report upon the participants listed below in accordance with the requirements of § 1.54 (relating to service by a participant) VIA FIRST CLASS MAIL

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Kevin J. Moody, Esquire

Dated: October 15, 2002



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PA P.U.C.  
SECRETARY'S BUREAU

**Philadelphia Gas Works**  
Craig White  
Acting Chief Operating Officer

800 W. Montgomery Avenue, Philadelphia, PA 19122  
Telephone: 215.684.6746 - Fax: 215.684.6101  
Email: Craig.white@pgworks.com

November 6, 2002

James McNulty, Secretary  
PA Public Utility Commission  
Commonwealth Keystone Bldg., 2nd Fl.  
Harrisburg, PA 17120

ORIGINAL

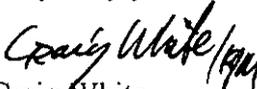
Re: Pennsylvania Public Utility Commission v. Philadelphia Gas Works  
Docket No. R-00005654

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If the Commission requires further clarification on this report, please contact me immediately or contact our counsel of record, Dan Clearfield, Esq. at 1-717-237-7173.

Very truly yours,

  
Craig White

cc: As per Certificate of Service  
Veronica Smith, Esq., Executive Director  
Karen Moury, Esq., Deputy Executive Director  
Robert Rosenthal, Bureau of Fixed Utility Services  
Mitch Miller, Bureau of Consumer Services  
Glenn Bartron, Bureau of Audits  
Joe Farley, Bureau of Consumer Services

<sup>1</sup> "[T]he Commission's approval of the terms and conditions set forth in the Joint Petition is expressly conditioned upon PGW's acceptance of the unmodified conditions in the November 22, 2000 Order." February 22, 2001 Order at Ordering ¶1.

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# Philadelphia Gas Works

## Monthly Progress Report to the Pennsylvania Public Utility Commission

Docket No. R-00005654

November 6, 2002

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## **PGW Commitment #1<sup>1</sup>**

“PGW will commit to its "Transition to Excellence" plan for improvement and make a demonstration throughout the interim rate period that it is providing safe and adequate service.”

### **Response:**

#### **October 2002**

The “Transition to Excellence” program has elements that have been completed as set forth in the prior reports. Other ongoing elements are described below:

#### **Regulatory**

Philadelphia Gas Works (PGW) filed a comprehensive restructuring plan with the Pennsylvania Public Utility Commission (PUC) on July 1, 2002 in Docket No. M-00021612. Under the Natural Gas Choice and Competition Act (“Gas Choice Act”), PGW came under the jurisdiction of the PUC on July 1, 2000. The Gas Choice Act required PGW to make a Restructuring filing with the PUC no later than July 1, 2002. PGW presented a plan for the unbundling of PGW’s customer rates and services to be effective by September 1, 2003. Proposed Gas Service and Choice Supplier Tariffs comprise the Restructuring filing. PGW completed all discovery responses and filed Rebuttal Testimony on October 29, 2002.

Customer Service Oversight is ongoing with a comprehensive Customer Service Initiative (CSI) Program that began on June 25, 2001. PGW last met with the PUC's Bureau of Consumer Services staff and public advocates on October 22, 2002, and provided an update on its efforts. An update was also provided on PGW’s collection activity. The status of credit and collection events for customers on PGW’s Customer Responsibility Program (CRP) was also discussed.

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<sup>1</sup> Unmodified condition of Ordering Paragraph #4, 11/22/00 Order.

## Regulatory (continued)

Philadelphia City Council has approved a FY 2002 Capital Budget for PGW that incorporates the impact of PGW's original budget amendment request. The disposition of the second amendment request is still in the process of being finalized with the Philadelphia Gas Commission and City Council.

PGW filed its FY 2003 Capital Budget and Forecast with the Philadelphia Gas Commission on May 15, 2002 and filed its FY 2003 Operating Budget & Forecast on June 26, 2002. Budget hearings concluded in October 2002 and a recommended decision is anticipated in late November.

## Stabilization

Programming changes have been implemented for all the improvements previously identified in the Billing System stabilization project plan. PGW continues to review business processes to identify system and training issues that must be addressed to realize additional efficiencies. Any system issues identified are reviewed and, if viable, are scheduled for future implementation.

## Call Center

PGW has made major strides in improving the productivity and efficiency in its Call Center. PGW has been consistently meeting the 80/30 standard on a daily basis for the last month and has met the standard eleven of the last thirteen months. Every week at the PGW website ([www.pgworks.com](http://www.pgworks.com)), new information will be posted on the number of calls received, the number of calls answered, and the average waiting time. These numbers will be displayed on graphs, which will also show the goals that have been set by PGW and the PUC so that visitors to the site can easily see what's being done to make dealing with PGW a fast and more pleasant experience.

**PGW Commitment #2<sup>1</sup>**

“PGW must achieve a 1% replacement rate in its mains replacement program, as provided for in the Company’s base case capital budget.”

**Response:**

**October 2002**

PGW is proceeding with the above project and is on schedule to reduce its inventory of cast iron pipe by the 1% rate. The Distribution Department continues to develop and review a list of prioritized targeted main replacements, based on the determinants of the Navigant Study. With the assistance of the Engineering Department, appropriate designs are being completed and construction plans drawn.

As of October 2002, PGW and Outside Contractor crews have replaced, abandoned or rehabilitated 4.1 miles of cast iron main. Twenty-three percent (23%) of the total project for FY 2003 is complete. PGW expects to successfully complete the project by the end of Fiscal Year 2003.

---

<sup>1</sup> Unmodified condition of Ordering Paragraph #5, 11/22/00 Order.

**PGW Commitment #3<sup>2</sup>**

“PGW must commit to correcting the problems with its BCCS system, particularly the need to rectify the budget billing problems, providing quarterly reports to the PUC's Bureau of Consumer Services, on the progress it is making in correcting its BCCS problems.”

**Response:**

**October 2002**

The seventh quarterly report is due in January 2003. PGW will report on its BCCS system corrections for the months of October - December 2002 in that report.

---

<sup>2</sup> Unmodified condition of Ordering Paragraph #6, 11/22/00 Order.

**PGW Commitment #4<sup>3</sup>**

"PGW must proceed with its LNG Liquefaction Replacement Program to ensure supply and reliability are maintained."

**Response:**

**October 2002**

A few modifications to resolve some initial start-up problems were completed during October, 2002. Performance testing is scheduled to commence during the week of November 4, 2002.

---

<sup>3</sup> Unmodified condition of Ordering Paragraph #7, 11/22/00 Order.

### **PGW Commitment #5<sup>4</sup>**

"PGW must show improvements in its customer service functions and report on its progress to the Commission on a quarterly basis. Such reports should include: monthly call center access reports for customer service and collection call centers (to include average speed of answer, average abandonment time, number of abandoned calls, average delay in queue and the percentage of calls answered); monthly consumer dispute reports (to include number of customer disputes filed, number and percentage of disputes responded to in under thirty days, and the average response time), the number and percentage of residential bills which PGW failed to render during the relevant billing cycles, the number and percentage of residential meters for which PGW has failed to obtain actual or customer supplied readings during the prior six months; and, monthly reports showing the number and percentage of missed customer service appointments."

### **Response:**

#### **October 2002**

The seventh quarterly report is due in January 2003. PGW will report on its BCCS system corrections for the months of October - December 2002 in that report.

---

<sup>4</sup> Unmodified condition of Ordering Paragraph #8, 11/22/00 Order.

## **PGW Commitment #6<sup>5</sup>**

“In addition to the management arrangements referred to above, PGW shall convene a "best practices" working group. The purpose of the working group is to solicit cost cutting steps from other entities such as natural gas distribution companies (NGDCs), industry associations and comparable municipal organizations. ”

### **Response:**

#### **October 2002**

To date the following groups are collecting data or have association relationships as follows:

**Customer Affairs:** Customer Affairs employees are now actively participating in the following committees:

- Energy Association of Pennsylvania (EAPA) - LIHEAP Task Force
- Energy Association of Pennsylvania (EAPA) - Consumer Services
- Energy Association of Pennsylvania (EAPA) - LIHEAP Advisory Committee (Department of Public Welfare)
- Energy Association of Pennsylvania (EAPA) - Universal Service Task Force (Public Utility Commission)

Our attendance at these conferences and committee meetings has enabled PGW to reestablish industry connections and to gain a perspective on the latest developments and best practices in Customer Service.

**Distribution:** Various Distribution Department employees are active members of the following industry related organizations to keep informed of current industry standards and best practices:

- AGA – Distribution Best Practices Group
- AGA - Plastics Material Committee - Currently serve as 1st Vice Chairman
- AGA - Corrosion Control Committee
- AGA - Distribution & Transmission Engineering Committee
- National Association of Corrosion Engineers (NACE)
- Pennsylvania One Call System, Inc
- Energy Association of Pennsylvania (EAPA) – Gas Transmission and Distribution Committees

---

<sup>5</sup> Unmodified condition of Ordering Paragraph #11, 11/22/00 Order.

**Commitment #6 (continued)**

Fleet Operations: The Chatham Consulting Group Benchmarking Survey – triennial, is being used by Fleet Operations to evaluate and improve PGW’s operations.

Current member of EAPA – Motor Transportation Committee; Fleet Operations Manager attended fall Committee meetings held on October 10 & 11.

Gas Processing: Gas Processing Department personnel participate in the LNG Consortium, an annual meeting of LNG plant operators to share and discuss experiences and best practices.

Current member of the AGA Operating Section – Supplemental Gas Committee.

Participation in Best Practices for the Supplemental Gas Committee.

Engineering: Personnel in the Engineering Department participate in the LNG Consortium. (Heavy workload in connection with the construction of the new Expander Plant prevented participation in 2002’s session at Reno, Nevada).

Current member of the AGA Operating Section - Automation & Telecommunications Committee.

Field Services: Current member of the following AGA Operating Section Committees:  
Building Codes and Energy Standards Committee  
Customer Service & Utilization Committee  
Distribution Measurement Committee

Current member of EAPA – Gas Transmission and Distribution Committees.

**Commitment #6 (continued)**

Environmental: Current member of the AGA Operating Section – Environmental Matters Committee.

Current member of EAPA - Environmental Committee

PGW reviews the information, alternate options, and subsequent relevant recommendations provided and, when practical, implements those that improve safety, reliability, productivity, efficiency and cost control. PGW also evaluates newly introduced products and services to ascertain their applicability to improving PGW's Operations.

Attendance at all committee and association meetings has been and will continue to be based on adequacy of financial resources as determined by the disposition of the request. In addition, current operational considerations and prioritization of programs and responsibilities will impact Operation's availability and participation.

**PGW Commitment #7<sup>6</sup>**

“In addition to the management arrangements referred to above, PGW must commit to address and implement the management, operational, service and other improvement measures ultimately recommended in the management audit, unless otherwise directed by the Commission.”

**Response:**

**October 2002**

On October 1, 2002, PGW filed its third Progress Report on the Implementation of the Recommendations in the Stratified Management and Operations Audit. The next Progress Report is due in April 2003.

---

<sup>6</sup> Unmodified condition of Ordering Paragraph #12, 11/22/00 Order.

CERTIFICATE OF SERVICE

I hereby certify that I have this day served a true copy of the foregoing report upon the participants listed below in accordance with the requirements of § 1.54 (relating to service by a participant)

VIA FIRST CLASS MAIL

Tanya McCloskey, Esq.  
Steve Keene, Esq.  
Office of Consumer Advocate  
5th Floor, Forum Place Bldg.  
555 Walnut Street  
Harrisburg, PA 17101-1921

Steven Gray, Esq.  
Office of Small Business Advocate  
Commerce Building, Suite 1102  
300 North 2nd Street  
Harrisburg, PA 17101

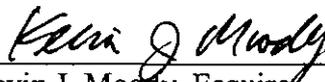
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P.O. Box 3265  
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Community Legal Services  
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Philadelphia, PA 19102

Angela Jones, Esq.  
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Commerce Building, Suite 1102  
300 North 2nd Street  
Harrisburg, PA 17101

Charis M. Burak, Esq.  
McNEES, WALLACE, NURICK  
100 Pine Street  
P.O. Box 1166  
Harrisburg, PA 17108-1166

Dated: November 6, 2002

  
\_\_\_\_\_  
Kevin J. Moody, Esquire

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PA.P.U.C.  
SECRETARY'S BUREAU



**Philadelphia Gas Works**

Craig White  
Acting Chief Operating Officer

800 W. Montgomery Avenue, Philadelphia, PA 19122  
Telephone: 215.684.6746 - Fax: 215.684.6101  
Email: Craig.white@pgworks.com

December 10, 2002

James McNulty, Secretary  
PA Public Utility Commission  
Commonwealth Keystone Bldg., 2nd Fl.  
Harrisburg, PA 17120

DOCUMENT

Re: Pennsylvania Public Utility Commission v. Philadelphia Gas Works  
Docket No. R-00005654

Dear Secretary McNulty,

In accordance with the PUC's February 22, 2001 Order approving the Joint Petition for Full Settlement in the above-referenced proceeding,<sup>1</sup> enclosed is PGW's "Monthly Progress Report" for November 2002 concerning implementation of the unmodified conditions imposed by the Commission in PGW's Interim Rates proceeding. The report is being served on all parties of record.

If the Commission requires further clarification on this report, please contact me immediately or contact our counsel of record, Dan Clearfield, Esq. at 1-717-237-7173.

Very truly yours,

*Craig White / AM*  
Craig White

cc: As per Certificate of Service  
Veronica Smith, Esq., Executive Director  
Karen Moury, Esq., Deputy Executive Director  
Robert Rosenthal, Bureau of Fixed Utility Services  
Mitch Miller, Bureau of Consumer Services  
Glenn Bartron, Bureau of Audits  
Joe Farley, Bureau of Consumer Services

<sup>1</sup> "[T]he Commission's approval of the terms and conditions set forth in the Joint Petition is expressly conditioned upon PGW's acceptance of the unmodified conditions in the November 22, 2000 Order." February 22, 2001 Order at Ordering ¶1.

ORIGINAL

Philadelphia Gas Works

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Monthly Progress Report to the  
Pennsylvania Public Utility Commission

**DOCUMENT**

Docket No. R-00005654

December 10, 2002

## PGW Commitment #1<sup>1</sup>

“PGW will commit to its "Transition to Excellence" plan for improvement and make a demonstration throughout the interim rate period that it is providing safe and adequate service.”

### **Response:**

#### November 2002

The “Transition to Excellence” program has elements that have been completed as set forth in the prior reports. Other ongoing elements are described below:

#### Regulatory

Philadelphia Gas Works (PGW) filed a comprehensive restructuring plan with the Pennsylvania Public Utility Commission (PUC) on July 1, 2002 in Docket No. M-00021612. Under the Natural Gas Choice and Competition Act (“Gas Choice Act”), PGW came under the jurisdiction of the PUC on July 1, 2000. The Gas Choice Act required PGW to make a Restructuring filing with the PUC no later than July 1, 2002. PGW presented a plan for the unbundling of PGW’s customer rates and services to be effective by September 1, 2003. Proposed Gas Service and Choice Supplier Tariffs comprise the Restructuring filing. PGW completed all discovery responses and filed Rebuttal Testimony on October 29, 2002. Hearings were held in Philadelphia before ALJ Allison Turner on November 13-15, 2002. Thereafter, settlement discussions commenced via telephone conference calls on November 21, 25 and 26.

Filed October 29, 2002, Tariff SUPPLEMENT NO. 32 to Tariff Gas – Pa.P.U.C. No. 1 at Docket No. R-00017034. This Tariff Supplement is being filed in compliance with the PUC’s Settlement-Approval Order entered on August 8, 2002. That Order, in part, authorized PGW to implement a Weather Normalization Adjustment Clause (“WNA”) after consulting with the parties on certain issues and the text of accompanying public notices and education activities. This Tariff Supplement was effective October 30, 2002.

Filed November 21, 2002, Tariff SUPPLEMENT NO. 33 to Tariff Gas – Pa.P.U.C. No. 1 at Docket No. R-00027838. This Tariff voluntarily suspends Supplement 29 until December 20, 2002. Presently effective rates, terms, and conditions of service contained in said tariff will continue to remain in effect until otherwise amended.

Filed November 27, 2002, Tariff SUPPLEMENT NO. 34 to Tariff Gas – Pa.P.U.C. No. 1 at Dockets No. R-00027133 and No. R-00006042. This Tariff Supplement is PGW’s December 1, 2002 Quarterly Gas Cost Rate (GCR) filing pursuant to the Joint Petition for Settlement of PGW’s 2002-2003 GCR Proceeding and the Commission’s July 11, 2002 Order approving the same. The GCR for December 1, 2002 is an increase over PGW’s current September 1, 2002 GCR from \$3.0385 per Mcf to \$3.5917 per Mcf.

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<sup>1</sup> Unmodified condition of Ordering Paragraph #4, 11/22/00 Order.

## Regulatory (continued)

Customer Service Oversight is ongoing with a comprehensive Customer Service Initiative (CSI) Program that began on June 25, 2001. PGW last met with the PUC's Bureau of Consumer Services staff and public advocates on November 20, 2002, and provided an update on its efforts. An update was also provided on PGW's collection activity. The status of credit and collection events for customers on PGW's Customer Responsibility Program (CRP) was also discussed.

Philadelphia City Council has approved a FY 2002 Capital Budget for PGW that incorporates the impact of PGW's original budget amendment request. The disposition of the second amendment request is still in the process of being finalized with the Philadelphia Gas Commission and City Council.

PGW filed its FY 2003 Capital Budget and Forecast with the Philadelphia Gas Commission (PGC) on May 15, 2002 and filed its FY 2003 Operating Budget & Forecast on June 26, 2002. Budget hearings concluded in October 2002 and a recommended decision was issued on November 22, 2002. The PGC is expected to issue its Order on December 17, 2002.

## Stabilization

Programming changes have been implemented for all the improvements previously identified in the Billing System stabilization project plan. PGW continues to review business processes to identify system and training issues that must be addressed to realize additional efficiencies. Any system issues identified are reviewed and, if viable, are scheduled for future implementation.

## Call Center

PGW has made major strides in improving the productivity and efficiency in its Call Center. Every week at the PGW website ([www.pgworks.com](http://www.pgworks.com)), new information will be posted on the number of calls received, the number of calls answered, and the average waiting time. These numbers will be displayed on graphs, which will also show the goals that have been set by PGW and the PUC so that visitors to the site can easily see what's being done to make dealing with PGW a fast and more pleasant experience.

**PGW Commitment #2<sup>2</sup>**

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**Response:**

**November 2002**

PGW is proceeding with the above project and is on schedule to reduce its inventory of cast iron pipe by the 1% rate. The Distribution Department continues to develop and review a list of prioritized targeted main replacements, based on the determinants of the Navigant Study. With the assistance of the Engineering Department, appropriate designs are being completed and construction plans drawn.

As of November 2002, PGW and Outside Contractor crews have replaced, abandoned or rehabilitated 6.3 miles of cast iron main. Thirty-five percent (35%) of the total project for FY 2003 is complete. PGW expects to successfully complete the project by the end of Fiscal Year 2003.

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<sup>2</sup> Unmodified condition of Ordering Paragraph #5, 11/22/00 Order.

**PGW Commitment #3<sup>3</sup>**

“PGW must commit to correcting the problems with its BCCS system, particularly the need to rectify the budget billing problems, providing quarterly reports to the PUC's Bureau of Consumer Services, on the progress it is making in correcting its BCCS problems.”

**Response:**

**November 2002**

The seventh quarterly report is due in January 2003. PGW will report on its BCCS system corrections for the months of October - December 2002 in that report.

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<sup>3</sup> Unmodified condition of Ordering Paragraph #6, 11/22/00 Order.

**PGW Commitment #4**<sup>4</sup>

"PGW must proceed with its LNG Liquefaction Replacement Program to ensure supply and reliability are maintained."

**Response:**

**November 2002**

Plant start-up activities commenced on November 4, 2002 and continued through the month. The start-up team is working through the problems experienced during the plant's initial operation. Production has occurred for various periods at the 50% and 70% rates with total liquefaction amounting to approximately 50,000 MCF. A date for performance testing has not yet been established.

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<sup>4</sup> Unmodified condition of Ordering Paragraph #7, 11/22/00 Order.

**PGW Commitment #5<sup>5</sup>**

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Community Legal Services  
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Philadelphia, PA 19102

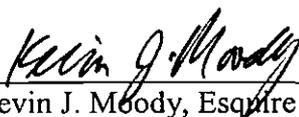
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Angela Jones, Esq.  
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Charis M. Burak, Esq.  
McNEES, WALLACE, NURICK  
100 Pine Street  
P.O. Box 1166  
Harrisburg, PA 17108-1166

Dated: December 10, 2002

  
\_\_\_\_\_  
Kevin J. Moody, Esquire

RECEIVED  
02 DEC 10 PM 3:43  
PAPUC  
SECRETARY'S BUREAU