BEFORE THE STATE OF NEW JERSEY
OFFICE OF ADMINISTRATIVE LAW
BOARD OF PUBLIC UTILITIES

IN THE MATTER OF THE PETITION	**) BPU DKT. NO. GR09030195**
OF PIVOTAL UTIITY HOLDINGS, INC.	**) OAL DKT. NO. PUC-03655-2009N**
D/B/A ELIZABETHTOWN GAS FOR	**)**
APPROVAL OF INCREASED BASE TARIFF	**)**
RATES AND CHARGES FOR GAS SERVICE	**)**
AND OTHER TARIFF REVISIONS	**)**

DIRECT TESTIMONY AND EXHIBITS OF DIAN P. CALLAGHAN ON BEHALF OF THE NEW JERSEY DEPARTMENT OF THE PUBLIC ADVOCATE, DIVISION OF RATE COUNSEL

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Direct Testimony of Dian P. Callaghan

I. Background Information

Q. Please state your name, title, and business address.

A. My name is Dian P. Callaghan. I am an independent consultant on utility consumer protection issues, currently retained as a Senior Consultant by McFadden Consulting Group, Inc. My business address is 7843 E. 6th Place, Denver, Colorado 80230.

Q. Please provide a summary of your education and experience.

A. A copy of my resume is contained in the Appendix.

Q. What is the purpose of your testimony?

A. The New Jersey Department of the Public Advocate, Division of Rate Counsel ("Rate Counsel") retained McFadden Consulting Group, Inc. to review and evaluate certain aspects of Pivotal Utility Holdings, Inc. d/b/a Elizabethtown Gas Company's ("ETG" or the "Company") above-captioned Petition for approval of increased base rates and charges and other tariff revisions. In its Petition, ETG cites as one justification for its proposed rate increase the Company's increased investments to improve customer service, as well as its proposal to establish a new call center in New Jersey that will improve customer service.[1] The purpose of my testimony is to evaluate the service performance metrics used by ETG and, where appropriate, to recommend changes to the Company's service performance measurement efforts.

[1] I/M/O the Petition of Pivotal Utility Holdings, Inc. d/b/a Elizabethtown Gas for Approval of Increased Base Tariff Rates and Charges for Gas Service and Other Tariff Revisions ("Petition"), p. 6.

II. Scope of Testimony

Q. What is the scope of your testimony?

A. My testimony addresses ETG's service performance and service metrics on a variety of safety, reliability, and customer service measures since November 2004 when the New Jersey Board of Public Utilities ("BPU" or "Board") approved the merger and acquisition of ETG by Atlanta-based AGL Resources, Inc. ("AGLR"). I also examine ETG's compliance with the service requirements detailed in that BPU order ("Merger Order").[2] I then analyze the Company's current performance measurement plan to determine its sufficiency.

Finally, I reviewed the Company's proposed tariff revisions to determine if any customer service issues arise from the modifications.

Q. Are any other Rate Counsel witnesses addressing ETG's service performance?

A. Yes. Richard W. LeLash is addressing ETG's historical service performance on a variety of metrics. Mr. LeLash and I are jointly sponsoring the service metrics and industry benchmarks recommended in my testimony.

III. Summary of Conclusions and Recommendations

Q. Please summarize your conclusions and recommendations.

A. Based on my review of ETG's filing and proposed tariff revisions, its past service performance, and its proposed transition to a new call center in New Jersey, I recommend the following:

[2] I/M/O the Petition of NUI Utilities, Inc. (D/B/A Elizabethtown Gas Company) and AGL Resources Inc. for Authority Under N.J.S.A. 48:2-51.1 and N.J.S.A. 48:3-10 of a Change in Ownership and Control ("Merger Order"), Docket No. GM04070721, Order dated November 17, 2004.

- The Board should require ETG to adopt a service performance plan with specific, well-defined service metrics and benchmarks that set standards for each measure that the Company should meet. The Company should measure its performance monthly and submit quarterly reports to the Board and Rate Counsel. Exhibit DPC-1 provides a recommended service performance plan for ETG.
- ETG should substantially revise proposed tariff 7.06 – "Estimated Bills and Discontinuance of Service for Excessive Estimated Reads," to accurately reflect N.J.A.C. 14:3-7.2(e) (3) regarding estimated bills and service discontinuance, and to eliminate the provision that permits the Company to suspend meter reading during the four-month summer period for residential and small commercial customers.

IV. Information Reviewed

Q. Please describe the materials and information you reviewed in conducting your analysis and preparing your testimony.

A. In conducting our analysis, McFadden Consulting Group, Inc. reviewed the Company's filed Petition and exhibits, as well as the prefiled direct testimony and exhibits of Connie McIntyre, Jodi Gidley, Donald Carter, Daniel Yardley and Thomas Kaufmann.

I also reviewed the Company's responses to discovery in this docket, the Board's Merger Order, and researched service performance plans for another New Jersey utility and other utilities.

V. Findings and Recommendations

A. Service Improvements

Q. What service improvements does ETG state that it has made since the 2004 merger and acquisition by AGLR?

A. In its direct testimony, the Company cited the following as customer service improvements that were made after ETG was acquired by AGLR:

(1) Installation of automated meter reading ("AMR") devices for over 97% of its customers, allowing ETG to increase monthly meter reads, the accuracy of the meter reads, and reduce complaints.[3]

(2) Upgraded its Mobility Automated Dispatch System to improve average leak response time.[4]

(3) Improved billing processes to ensure customers received accurate and timely bills.[5]

(4) Despite moving routine customer calls to a vendor located in India in 2007, ETG reduced the resulting complaints through training and other efforts.[6]

(5) Improved call answer time.[7]

[3] Direct Testimony of Donald Carter, p. 6, lines 13-23, and p.7, lines 1-2.
[4] Carter, p.7, lines 12-15.
[5] Direct Testimony of Connie McIntyre, p.3, lines 18-21.
[6] McIntyre, p.3, lines 23-24, and p.4, lines 1-5; Response to Discovery Request RCR-CSV-9 attached.
[7] McIntyre, p. 4, lines 7-10.

(6) Added on-line order processing, and the ability of customers to pay by credit card on-line and through the Interactive Voice Recognition system ("IVR").[8]

Q. What customer service improvements does the Company propose to make that are included in this base rate case?

A. First, the Company proposes to move the customer phone calls for billing and order processing, and the associated functions like workforce planning and quality control for the center, from India to the New Jersey Call Center ("NJCC") in Union, which is scheduled to open in early December 2009. The remaining customer service operations, such as call escalations, emergency/leak calls, dispatch services, etc. will continue to be handled by the AGLR Customer Care Center in Georgia. ETG will maintain its Customer Advocacy team in New Jersey. Since the merger with AGLR in 2004, ETG's customer call center operations will have moved from Florida, to Riverdale, Georgia, to Mumbai and Pune, India, then to Union, New Jersey.

Second, ETG proposes to enhance its energy efficiency programs, seeking to recover some of the costs in this rate case and other costs as part of the Regional Greenhouse Gas Initiative ("RGGI"). Customer education and outreach to raise awareness of the programs available to help them conserve and lower their utility bills is a key component, as is providing residential energy audits.[9] In addition, ETG is developing an on-line tool to help customers track their natural gas usage to encourage conservation, called the Conservation and

[8] McIntyre, p.5, lines 3-13.
[9] See Response to Discovery Request RCR-CSV-16 attached.

Efficiency Dashboard ("Dashboard"). A Program Administrator will oversee the Company's energy efficiency programs.

B. Current Service Standards

Q. What service standards does ETG use to measure its performance?

A. The Company's responses to discovery, while incomplete, indicate it uses at least the following metrics to measure its performance:

(1) Call answer time (average time to answer);

(2) Service Level – 60 seconds (% answered within 60 seconds);

(3) Service Level – 30 seconds (% answered within 30 seconds);

(4) Call handle time (average time to handle call);

(5) Abandoned call percentage (pending response to discovery);

(6) Appointment attainment (% appointments scheduled and met);

(7) Leak response time (% responded to within 45 minutes);

(8) % meters read;

(9) Meter reading accuracy;

(10) Billing accuracy (rebills per 1,000 customers);

(11) BPU complaints (verbal and written);[10]

(12) % of calls answered (current goal as of May 2009 is 80% answered within 30 seconds); [11]

[10] Measures 1 through 11 (except measure 5) provided in Response to Discovery Request RCR-CSV-24 and 24.1 attached.
[11] See Response to Discovery Request RCR-CSV-22 attached.

(13) Polaris customer satisfaction survey provided as part of the BPU Report Card initiative for the years 2004 through 2007;

(14) JD Power and Associates annual gas utility residential customer satisfaction study.[12]

Q. Please explain the BPU Report Card and the service performance data collected and reported by ETG from 2004 through 2007.

A. In 2003, the Board initiated an effort to collect service performance data from the energy, water, cable, and telecommunications companies with over 20,000 residential customers. Through a collaborative effort of industry representatives and some industry stakeholders, consensus performance indicators from existing regulatory reporting and record-keeping were selected. The Board described these as high-level performance indicators. Data collection and annual reports to the Board began in 2004 and ended with the 2007 report. According to ETG's response to discovery, the Board notified the utilities in 2009 that it was no longer pursuing the Report Card initiative and that the 2008 data did not have to be filed.[13]

Q. What data were collected and reported by ETG in its annual Report Card?

A. ETG and other gas utilities reported the following performance data relevant to the discussion here:

- Telephone Access:
  - Average speed of answer;
  - Average time to reach a customer service representative;

[12] Measures 13 and 14 provided in Response to Discovery Request RCR-CSV-10 attached.
[13] See Response to Discovery Requests RCR-CSV-25 and 25.06 attached.

- Percentage of calls handled by a customer service representative;
- Appointment Scheduling:
  - Number of service calls scheduled;
  - Number of service calls completed on the day scheduled;
- Customer Count: residential, non-residential, total
- BPU Customer Contacts:
  - Total contacts;
  - % collections, % billing, % service, % all other;
  - Number of BPU contacts per 1,000 customers;
- Safety and Reliability:
  - Total number of gas leaks repaired;
  - Gas leaks repaired per mile;
  - Total number of gas leak calls reported;
  - Total number and percentage of gas leak calls responded to within 60 minutes.

In addition, the companies reported service interruptions, pricing and financial data such as rates and usage, and a customer satisfaction survey such as Polaris, which is used by ETG. Some of the Report Card data are the same as the data collected by ETG to measure its service performance, but some are different. It is unclear whether ETG or the other companies still collect the data used for the Report Card filings.

Q. Are the data collected by ETG sufficient to measure ETG's customer service performance and satisfaction?

A. Yes and no. The Company collects data on a number of service metrics, and annually establishes what it terms individual performance objectives ("IPOs") or benchmarks for some of these measures. As of the writing of my testimony, ETG had not provided these IPOs or benchmarks in response to discovery requests, so I am unable to comment on their reasonableness or sufficiency.

Service metrics are a subset of the IPOs that ETG sets for certain employees and managers. ETG uses the performance on these measures in its performance evaluation management system as one factor for determining salary increases and bonuses for certain employees and managers. It is unclear what relative impact service metrics have on salaries and bonuses versus performance on financial and other IPOs. It appears that service performance is primarily an internal tool for measuring performance and evaluating employee and management performance.

While including service performance as a factor in establishing employee salaries and bonuses is important, there should also be an overall service performance plan that customers and regulators can use to hold the Company accountable. A specific set of measures with clear operational definitions, industry benchmarks, and a monitoring and reporting system to the BPU and Rate Counsel is important, particularly in light of ETG's historical performance.

C. BPU Service Standard Requirements

Q. Did the Board have specific recommendations about service quality in its Merger Order?

A. Yes. The Board's approval of the AGLR acquisition of ETG included approval of a Stipulation of Settlement signed by ETG and AGLR ("Petitioners"), Board Staff, the Ratepayer Advocate (currently Rate Counsel), and New Jersey Large Energy Users Coalition ("NJLEUC"). This Settlement addressed a number of customer service issues. The Petitioners requested a year to study ETG's operations and ascertain the root causes for "the recent decline in customer service performance."[14] After that time, base-line measures would be developed for safety, reliability, and customer service. Petitioners agreed to provide the BPU with quarterly reports of ETG's performance in meeting the base-line measures. [15]

Q. What specific conditions regarding service standards and performance did the Board include in its Merger Order?

A. The following specific conditions were imposed on ETG in the Merger Order:

(1) Within three months, identify and file the service standards to be measured.

(2) Then, work with Board Staff and the Ratepayer Advocate to establish base-line measures of performance for safety, reliability and customer service to be filed six months after closing.

(3) If the above parties cannot reach agreement on base-line measures, ETG will submit its position to the Board and the parties can comment.

[14] Merger Order, p.17.
[15] Ibid.

(4) The service standards will remain in effect until a Board Order in the next rate case and ETG shall file quarterly reports on monthly performance.

(5) If the Board develops generic service standards for gas utilities in the meantime, then it will determine which standards should be used by ETG.

(6) Prior to establishing ETG service standards as specified above, ETG is required to file quarterly reports with monthly data on safety, reliability, customer service, and customer complaints and file these reports until service standards are established.

(7) Within 12 months of closing, ETG must perform a customer satisfaction survey and annually thereafter, and provide the results to the Board and the Ratepayer Advocate.[16]

Q. Did ETG comply with these requirements?

A. As of the writing of my testimony, the Company had not responded to my discovery requests concerning its compliance with these requirements. ETG has been collecting much of the data necessary to comply both through the BPU Report Card and its own data collection effort, but may have failed to develop service standards and base-line measures with quarterly reporting as specified in the Merger Order.[17]

D. Service Performance

Q. Please describe ETG's performance on the service metrics listed above for the period after the merger up to the most recent data available.

[16] Merger Order, pp. 17 and 18.
[17] See also the Direct Testimony of Richard LeLash on behalf of Rate Counsel in this docket.

A. The Direct Testimony of Richard LeLash on behalf of Rate Counsel in this docket addresses the Company's actual performance on a variety of measures from both an historical pre-merger and a post-merger perspective. The data I cite covers the last few years through April 2009. My purpose in reviewing the Company's performance is to determine whether it is reasonable to expect ETG to meet service benchmarks as part of a performance plan I recommend later in my testimony.

In general, ETG has shown improvement in Call Answer Time and has met the industry standard of 80% of calls answered in 30 seconds in 13 of the last 16 months. The Company has shown little improvement in the important safety measure of Leak Response Time, failing to meet the industry standard of 95% responded to in 45 minutes over the past 28 months. ETG has shown significant improvement in % Meters Read, achieving the industry standard of 95%+ meters read in 11 of the last 16 months. The Company's percentage of service appointments met lags the industry standard of 95%, but the Company did attain this standard in 8 of the last 16 months. While no data were available for 2006 and 2007, ETG met or exceeded the industry benchmark for billing accuracy of 20 or fewer rebills per 1,000 customers in 8 of the last 8 months for which data were available. The number of customer complaints or contacts to the BPU fails to meet the benchmark of less than 1 per 1,000 customers, with ETG's performance ranging from 3 to 3.7 complaints per 1,000 customers. Generally, the Company is failing to meet at least two key standards: the critical safety

measure of leak response time, and the complaints to the BPU, which is an important measure of overall customer service.

From 2006 to the first quarter of 2009, the Polaris survey of customer satisfaction shows satisfaction with the courtesy of the telephone representatives at about the same level (90% vs. 89%), while satisfaction with their knowledge has dropped from 80% to 77%. Satisfaction with the courtesy of the field service representatives improved from 95% to 98%, as did satisfaction with their knowledge, from 90% to 99%. Satisfaction with issue resolution remained the same at 83%. When the call center was relocated to India in 2007, satisfaction with the telephone service representatives' courtesy and knowledge dropped as did issue resolution, but then improved somewhat after ETG addressed the problems. The survey indicates that while courteous, the telephone representatives lack the knowledge or ability to resolve problems for customers.

The J.D. Power and Associates 2008 Gas Utility Residential Customer Satisfaction Study ranked Elizabethtown Gas 6th in a field of 18 gas utilities in the East Region. ETG ranked ten points above the East Region Average.

E. Customer Service Performance Measurement

Q. Please summarize your findings and recommendations regarding ETG's service improvements and service performance.

A. Prior to its acquisition by AGLR, ETG's service performance was subpar as evidenced by the Board's Merger Order with its focus on service improvements. Since the 2004 acquisition, ETG has made some improvements in its operations,

processes, and customer service, resulting in improved service performance, with some notable exceptions such as leak response time and BPU complaints. The Company's plan to move the call center operations from India to a new call center in New Jersey may result in increased complaints during the transition, but also may improve customer satisfaction and overall service performance over time. But this positive outcome is not certain, particularly because customer service operations are split among New Jersey Corporate (customer advocacy, executive and BPU complaints), AGL Services Company in Riverdale, Georgia (call escalations, emergency/leak calls, dispatch services, payments through the IVR), and the New Jersey Call Center (routine customer service calls, payments by phone).[18]

Q. Are you satisfied with ETG's service performance metrics and service quality plan?

A. No. As of the writing of my testimony, ETG had not responded to discovery requests for industry benchmarks for the service metrics on which it collects data, so I cannot comment on whether the Company's benchmarks are sufficient. The Company's service metrics are primarily used for internal employee performance evaluations, but service performance is not reported to the BPU as was required by the Board's Merger Order. ETG's sub-standard service performance pre- and post-merger, its upcoming transition to its fourth call center in five years, and its apparent failure to comply with the Board's Merger Order to establish service standards and submit quarterly reports on service performance require more than just an internal service measurement approach.

[18] See Response to Discovery Request RCR-CSV-41 attached.

Q. What do you recommend?

A. I recommend that the Board require ETG to adopt a service performance plan with specific, well-defined service metrics and benchmarks that set standards for each measure that the Company should meet. ETG's performance should be measured monthly and quarterly reports submitted to the Board and to Rate Counsel. Such reporting is particularly important given that the Company will be transitioning to another call center, so the Board should monitor the customer impacts of this decision. I have included as Exhibit DPC-1 a service performance plan for ETG that Mr. LeLash and I recommend the Board require ETG to adopt.

Q. Please describe the performance plan you recommend in Exhibit DPC-1.

A. The Service Performance Plan includes seven measures, each operationally defined, and each with benchmarks that are standard benchmarks for gas utilities. It also includes the Polaris customer satisfaction survey currently being used by ETG. The plan measures the Company's performance in answering calls at its call center, in reading meters, billing accuracy, leak, odor, and emergency call response, service appointments met, overall customer service via the complaints to the BPU, and overall customer satisfaction with ETG service representatives via the Polaris Survey. The Company currently collects the data on each of the recommended measures, and has indicated it also measures Abandoned Call Percentage ("ACP"), but as of the writing of my testimony, ETG had not provided ACP data in response to discovery. ACP is an important qualitative measure of customer dissatisfaction since it measures the calls to the Company's call center

that are terminated before the caller is connected to a service representative or the selected department.

The plan also provides data on the Company's prior performance, where available, on each of these measures. The prior performance indicates these are reasonable benchmarks that the Company should be meeting.

Q. Please describe the Call Center measures and benchmarks.

A. The first measure is average speed of answer ("ASA") with a benchmark of 80% of calls answered in 30 seconds. Since May 2009, ETG set this standard industry benchmark as its service goal.[19] The ASA measures the time it takes a service representative to answer a call after the customer indicates the desire to speak with a representative.

The second measure is the abandoned call percentage which I discussed previously. The industry benchmark is to achieve 5% or fewer calls abandoned. When a customer terminates a call before it is answered, it indicates frustration with the amount of time spent in the queue.

The customers' contacts with the call center are critical to their overall satisfaction with the Company's service. Consistent efficient response to customer calls is what customers expect. This is why this measure should be evaluated on a monthly basis.

Q. What measures and benchmarks are you recommending for meter reading and billing?

[19] See response to Discovery Request RCR-CSV-22 attached.

A. We recommend the measure for meter reading be percentage of meters read, with a benchmark of 95% of meters read on cycle. Since ETG installed the AMRs for about 97% of its customers, it has been able to meet or exceed this benchmark.

The measure for billing is a measure of billing accuracy, which is the number of rebills per 1,000 customers measured as all bills mailed to customers that are later adjusted, cancelled, or re-issued for any amount or reason. The benchmark is 20 or fewer rebills per 1,000 customers. Although ETG has been collecting the data on this measure only since September 2008, it has been meeting the benchmark.

Q. What measures do you recommend for safety and reliability?

A. We recommend establishing a benchmark of Company response to leak, odor, and emergency calls of 95% responded to within 45 minutes. The response must be by qualified personnel so that the issue can be addressed and resolved. An unqualified person simply arriving at the location in response to the call is insufficient. The person responding to the call must be qualified to assess it and resolve it. The risk of harm to person or property requires such a response by the Company.

The second measure we recommend is appointments met. The benchmark is 95% of service appointments. Customers expect their gas utility to be there when they say they will. Many customers have to take time off work, rearrange their schedules, and otherwise be inconvenienced to make the appointment. The Company's on-time response is essential to customer satisfaction.

Q. Is the Company able to meet these two benchmarks?

A. ETG has not met the leak response time benchmark, achieving it only 1 month in the past 52 months. Because this is a customer safety standard, we think the benchmark should be required and the Company will have to meet it.

The Company has a better record of attaining 95% of service appointments met, but should be able to meet this standard consistently. This benchmark is reasonable and should be required.

Q. What standards are you recommending for overall customer service and satisfaction?

A. We are recommending a fairly common industry benchmark of less than 1 complaint to the BPU per 1,000 customers annually as a good measure of overall performance. Customers generally lodge complaints with the Board only after they have been unable to resolve the issue with the utility. It has been my experience over the years that complaints to the regulator are an early warning system indicating a service quality problem. In addition, we recommend the Company continue to track and report complaints by root cause, such as billing, collections, service, etc.

Based on the pre-merger and post-merger data in Mr. LeLelash's testimony as well as the Company's first quarter 2009 data, ETG has not met this standard. Complaints per 1,000 customers have ranged from a low of 2.65 in 2002 to a high of 6.29 in 2004. Complaints have trended downward since 2004, but still do not meet the standard. We believe this common industry standard is reasonable and ETG should be required to meet it.

We are also recommending the Company continue to collect and report the results of its Polaris Survey of customer satisfaction. This survey will be an important high-level indicator of how the transition to the new call center is impacting ETG customers.

F. Tariff Revisions

Q. Did you find, in your review of ETG's proposed tariffs, any revisions that would be problematic for customers?

A. Yes. "Tariff 7.06 – Estimated Bills and Discontinuance of Service for Excessive Estimated Reads" misstates the BPU's regulation regarding estimated bills and service discontinuance (N.J.A.C. 14:3-7.2 (e) (3)). This tariff also continues the summer period suspension of meter reading at the Company's discretion. This provision should be eliminated from the tariff.

Q. Please explain how ETG's tariff revision misstates the Board's rule N.J.A.C. 14:3-7.2(e) (3).

A. The tariff revision proposed by the Company says that it has the right to discontinue gas service if a meter reading is not obtained for two consecutive months for bimonthly and quarterly accounts, or four consecutive months for monthly billing, and then only after the required notice is provided. It later says that after eight months without an actual meter reading, the Company may discontinue service.

The tariff revision should be changed to mirror the BPU rule that says the inability to read the meter for two or four consecutive months triggers the notices

to the customer advising of the penalty for failure to complete the meter reading, and does not trigger discontinuance after two months or four months. The rule does not permit discontinuance of service until after eight months without an actual meter reading; the tariff should not imply otherwise.

Q. Please explain why you think the summer period suspension of meter reading should not be permitted and should be eliminated from ETG's tariffs.

A. The tariff provision, which has been in ETG's tariffs since November, 2002, is intended to permit the Company to suspend meter reading for residential and small commercial accounts during the four-month summer period of May 15 through September 15. Estimated usage would be used for billing when the Company suspends meter reading during this time.

ETG's justification for this tariff provision is that suspending meter reading during the non-heating months gives the Company flexibility to prioritize more critical work during these months. ETG also states the bill estimates during the summer period are relatively close to actual usage because weather is not much of a factor for gas usage.[20]

On the other hand, the Company plans to read all the meters, and agrees that its extensive installation of AMRs means it does not expect to suspend meter reading regularly during this summer period.[21] Also, a tariff provision that allows regular suspension of meter reading seems at odds with the Board's rules. N.J.A.C. 14:3-7.2 (e) (1) states that "Utility companies shall maintain a regular meter reading schedule and make a reasonable effort to read all meters;" The

[20] See Response to Discovery Request RCR-POL-16 attached.
[21] See Response to Discovery Request S-ETG-T-1 attached.

Company's justification is not persuasive, particularly since it says it may not invoke this provision at all, or at least not regularly in the summer period. Moreover, ETG uses AMRs for meter reading for 97% of its customers, which it did not in 2002. Estimated bills give rise to customer disputes and complaints about the actual usage and lead to customer dissatisfaction. On balance, the Company has not justified its summer meter reading suspension tariff, and customers will be better off if the meters are read. With its extensive use of AMRs, ETG is in a much better position to read the meters year-round than it was in 2002.

Q. What do you recommend to fix these two problems with ETG's revision to Tariff 7.06?

A. The Company should delete the summer suspension of meter reading from its tariff and change the language in Tariff 7.06 to accurately reflect N.J.A.C. 14:3-7.2(e) (3).

Q. Does this conclude your testimony?

A. Yes, but since a number of discovery requests were still outstanding as of the date I prepared my testimony, I will update it as necessary once I receive these responses.

EXHIBITS

SERVICE PERFORMANCE PLAN FOR ELIZABETHTOWN GAS

A. CALL CENTER

(1) **Measure:** Average speed of answer (ASA)

Benchmark: 80% of calls answered in 30 seconds

Definition: Measured in seconds from the time when a customer indicates the desire to speak to a representative to when the representative picks up the phone. Includes abandoned calls. Measured monthly, reported quarterly.

Prior Performance[1]

	2006	2007	2008	2009 (J-A)
Range	53 to 71%	32 to 84%	48 to 95%	91 to 95%
Annual average	60.9%	67%	82.6%	92.75%
# months benchmark met	0 of 12	2 of 12	9 of 12	4 of 4

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(2) **Measure:** Abandoned call percentage (ACP)

Benchmark: 5% or less of calls abandoned

Definition: The number of calls to the IVR system that are terminated by the caller before reaching the selected destination, whether a department or a representative. Measured quarterly.

The 2006 to 2009 prior performance is available, but not provided in discovery as of the writing of my testimony.

[1] See Response to Discovery Request RCR-CSV-24.1 attached.

B. METER READING AND BILLING

(3) **Measure:** % of meters read

Benchmark: 95% of meters read

Definition: The percentage of meters actually read on cycle.

Prior Performance[2]

	2006	2007	2008	2009 (J-A)
Range	72 to 86%	89 to 93%	92 to 97%	95 to 98%
Annual average	78.7%	90.7%	94.5%	96.5%
# months benchmark met	0 of 12	0 of 12	7 of 12	4 of 4

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(4) **Measure:** Billing accuracy

Benchmark: 20 or fewer rebills per 1,000 customers

Definition: The number of rebills per 1,000 customers measured as all bills mailed to customers that are later adjusted, cancelled, or re-issued for any amount or reason.

Prior Performance[3]

	2006	2007	2008 (S-D)	2009 (J-A)
Range	N/A	N/A	3.3 to 5.4	3.1 to 17.3
Annual average	N/A	N/A	4.75	7.3
# months benchmark met	N/A	N/A	4 of 4	4 of 4

[2] See Response to Discovery Request RCR-CSV-24.1 attached.
[3] Ibid.

C. SAFETY AND RELIABILITY

(5) **Measure:** Leak response time

Benchmark: 95% of calls responded to within 45 minutes

Definition: Leak, odor, and emergency call response measured from the initial customer call to the time qualified personnel arrive at the location to either assess or implement a "make safe" condition.

Exception reporting: Provide a report to the BPU for all calls that are not responded to within 60 minutes, giving the reasons for the delay.

Prior Performance[4]

	2006	2007	2008	2009 (J-A)
Range	89 to 95%	84 to 92%	87 to 92%	85 to 93%
Annual average	92.75%	88.75%	89.7%	88.75%
# months benchmark met	1 of 12	0 of 12	0 of 12	0 of 4

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(6) **Measure:** % of service appointments met

Benchmark: 95% + service appointments met

Definition: The percentage of appointments completed on the day scheduled. Includes appointments for meter installations, disconnects and reconnects, billing investigations, initial and final meter reads. Excludes regularly scheduled meter reads, gas leaks/emergencies/outages, and appointments missed by the customer.

Prior Performance[5]

	2006	2007	2008	2009 (J-A)
Range	97 to 99%	83 to 95%	93 to 96%	94 to 97%
Annual average	98.2%	90.4%	94%	95%
# months benchmark met	12 of 12	2 of 12	6 of 12	2 of 4

[4] See Response to Discovery Request RCR-CSV-24.1 attached.
[5] Ibid.

D. **OVERALL CUSTOMER SERVICE AND SATISFACTION**

(7) **Measure:** Customer complaints/contacts to the BPU

Benchmark: Less than 1 complaint/contact per 1,000 customers annually.

Definition: The number of verbal or written complaints/contacts made to the BPU, not including complaints to ETG, which are measured as an annual average number of complaints per 1,000 customers. The Company also should report complaints by root cause category, such as billing, collection, etc.

Prior Performance[6]

	2006	2007	2008	2009 (J-A)
Annual average # complaints/ 1,000 customers	3.7	3.7	2.95	3.4 est.

---

(8) **Measure:** Customer satisfaction with telephone and field personnel

Benchmark: N/A

Definition: Quarterly Polaris survey of customers that have contacted ETG and spoken with a representative. The survey measures ETG telephone service and field service satisfaction on two measures, courtesy and knowledge. The third measure is issue resolution, which is an average of telephone and field service satisfaction.

Prior Performance[7]

	2006	2007	2008	Q1 2009
Telephone Service				
Rep. Courtesy	90%	85%	85%	89%
Rep. Knowledge	80%	71%	77%	77%
Field Service				
Rep. Courtesy	95%	99%	98%	98%
Rep. Knowledge	90%	97%	97%	99%
Issue Resolution	83%	81%	86%	83%

[6] See Direct Testimony of Richard LeLash, Schedule 4, and Response to Discovery Request RCR-CSV-24.1 attached. Please note that the 2009 data is an estimate based on actual performance from January thru April.
[7] See Response to Discovery Request RCR-CSV-10.1 attached.

IN THE MATTER OF THE PETITION OF PIVOTAL UTILITY HOLDINGS, INC. D/B/A ELIZABETHTOWN GAS FOR APPROVAL OF INCREASED BASE TARIFF RATES AND CHARGES FOR GAS SERVICE AND OTHER TARIFF REVISIONS
BPU DOCKET NO. GR09030195

CM

RCR-CSV-9

Q. Please explain the ways in which AGLR or ETG addressed and resolved the issues with Wipro (e.g., knowledge base, voice quality, experience, and other factors) that had led to increased complaints and, once resolved, reduced number of complaints. Specify which company handled Wipro matters. If both companies handled the Wipro matters, specify the issue and the company handling it.

A. The Wipro contract is managed by the Director of Strategic Alliances who reports to the VP, Customer Experience for AGL Services Company. The Director and the training team were on site training from January to March 2007 and on site many months of the first year. The VP and General Manager of ETG was also on site in March 2007.

Our approach to addressing and resolving the issue was to focus on the reason for the complaints and work with the appropriate parties to resolve. If the issue was around knowledge and experience, we retrained all CSRs in India. If the issue was voice quality, we worked with India to implement more training on voice quality. We provided over 3,000 hours of training and support to shorten the learning curve. We also have weekly calls in several specific areas to address concerns – quality, training, overall service levels.

These issues are primarily handled by AGL Services Company, but always working with and on behalf of the ETG team.

IN THE MATTER OF THE PETITION OF PIVOTAL UTILITY HOLDINGS, INC. D/B/A ELIZABETHTOWN GAS FOR APPROVAL OF INCREASED BASE TARIFF RATES AND CHARGES FOR GAS SERVICE AND OTHER TARIFF REVISIONS
BPU DOCKET NO. GR09030195

CM

RCR-CSV-10

Q. Please provide copies of the "tools to help us understand customers' expectations and needs" referenced on p. 4, lines 20-21 of McIntyre's Direct Testimony. If these are survey instruments (including but not limited to focus groups) or customer inquiries, please provide the results of such instruments/tools for the years 2006 through 2008, and the first quarter of 2009 if available.

A. There are two measures we use for surveys:

1. Polaris survey that is part of the BPU scorecard. This is a quarterly survey of customers that have contacted ETG. Please see attachment RCR-CSV-10.1 for the results calculated for each annual BPU Scorecard as well as the results from the first quarter of 2009.

2. JD Power annual Gas Utility Residential Customer Satisfaction Study
   Please see the response to RCR-CSV-14.

Elizabethtown Gas

		% Satisfied Q1 09	Rating
Telephone Service Satisfaction	Rep. Courtesy	89%	****
	Rep. Knowledge	77%	***
Field Service Satisfaction	Rep. Courtesy	98%	*****
	Rep. Knowledge	99%	*****
Issue Resolution		83%	****

Elizabethtown Gas

		% Satisfied Year End 4Q Average	Rating
Telephone Service Satisfaction	Rep. Courtesy	85%	****
	Rep. Knowledge	77%	***
Field Service Satisfaction	Rep. Courtesy	98%	*****
	Rep. Knowledge	97%	*****
Issue Resolution		86%	****

Elizabethtown Gas

		% Satisfied Year End 4Q Average	Rating
Telephone Service Satisfaction	Rep. Courtesy	85%	****
	Rep. Knowledge	71%	**
Field Service Satisfaction	Rep. Courtesy	99%	*****
	Rep. Knowledge	97%	*****
Issue Resolution		81%	****

Elizabethtown Gas

		% Satisfied Year End 4Q Average	Rating
Telephone Service Satisfaction	Rep. Courtesy	90	*****
	Rep. Knowledge	80	****
Field Service Satisfaction	Rep. Courtesy	95	*****
	Rep. Knowledge	90	*****
Issue Resolution		83	****

IN THE MATTER OF THE PETITION OF PIVOTAL UTILITY HOLDINGS, INC. D/B/A ELIZABETHTOWN GAS FOR APPROVAL OF INCREASED BASE TARIFF RATES AND CHARGES FOR GAS SERVICE AND OTHER TARIFF REVISIONS
BPU DOCKET NO. GR09030195

DC

RCR-CSV-16

Q. Please provide a complete description of the energy efficiency programs referenced in Carter's Direct Testimony on p. 17, lines 1-9: (a) outreach and education; (b) Conservation and Efficiency Dashboard; (c) energy efficiency programs administration.

A. The Company has proposed eight programs in its Energy Efficiency filing that are designed to complement or supplement offers contained in the existing New Jersey Clean Energy Programs. A key component of these programs includes customer education and outreach designed to raise awareness of the importance of energy conservation among customers and inform them of the specific programs available to help them conserve natural gas and lower their energy bills. The Company will utilize its sales staff to raise awareness about the programs, as well as direct mail offers and traditional channels such as the utility website and customer newsletters and bill inserts. The Company will also work with local service agencies, local government and various nonprofit community entities to communicate information about the programs.

The Company is also developing a Conservation and Efficiency Dashboard (Customer Dashboard), an on-line tool to provide in-depth information about a customer's natural gas bills to help them better understand their usage patterns. Again, these outreach and education initiatives are designed to encourage customers to conserve energy and reduce their gas bills on a long-term basis.

The Program Administrator will oversee implementation and ongoing customer participation in the Company's energy efficiency programs. Associated responsibilities will include ensuring compliance with applicable New Jersey Board of Public Utilities (NJBPU) requirements and serving as a direct liaison with the NJBPU and the Office of Clean Energy (OEC). The Program Administrator will also assist with the development and delivery of all aspects of customer education, community outreach and employee training.

Subsequent to the filing of its RGGI plan and this case, the Company determined that it will need additional resources to perform the required energy audits that are an integral part of the RGGI plan. Previously, the Company was anticipating using third party outside vendors to perform the audits but due to the demand for audits and lack of capacity available from the outside vendor, relying on an outside vendor would result in audits not being performed in a timely manner. As such, the Company is proposing an additional four FTEs in this case to support the program. The four new auditors will conduct residential energy assessments for the purpose of identifying energy efficiency improvement opportunities. The auditors will perform technical diagnostic tests and complete detailed energy audits and review this information with program participants.

IN THE MATTER OF THE PETITION OF PIVOTAL UTILITY HOLDINGS, INC. D/B/A ELIZABETHTOWN GAS FOR APPROVAL OF INCREASED BASE TARIFF RATES AND CHARGES FOR GAS SERVICE AND OTHER TARIFF REVISIONS
BPU DOCKET NO. GR09030195

CM

RCR-CSV-22

Q. On page 4 of her direct testimony, Ms. McIntyre states, "As of the end of 2008, 84.2% of Elizabethtown's customer service calls are answered in 60 seconds or less. This compares to a 39.9% level experienced a few years ago." Does the Company have stated goals with regards to customer service calls? If yes, please state those goals. Please explain in detail how those goals were established. Please explain how those goals are communicated to the organization. In establishing the goals, does the Company consider trade offs between the cost of meeting those goals and the cost to the customers of meeting their expectations?

A. The company does have service level goals. The Company believes that these goals are consistent with goals applied by other utility call centers. The goals are measured as a percentage of calls answered within a certain time frame and are as follows:

2004	Goal of 80/180 – 80% of calls answered within 180 seconds
2005	Goal of 80/180
2006	Goal of 80/180
2007	Goals of 80/180 from January-March; 80/120 from April-September, and 80/60 from October-December
2008	Goal of 80/60
2009	Goal of 80/60 from January – April; 80/30 from May forward

According to the American Gas Association, the majority of gas utilities strive for a goal of 80/30.

The goals are communicated to the organization as they are set/changed through meetings and internal memos. The goals are measured daily and the results are sent to all management personnel at the call center as well as the VPs and Senior VPs of the utility.

The company does consider trade offs between the cost of meeting the service levels as the service levels drive the staffing needs.

IN THE MATTER OF THE PETITION OF PIVOTAL UTILITY HOLDINGS, INC. D/B/A ELIZABETHTOWN GAS FOR APPROVAL OF INCREASED BASE TARIFF RATES AND CHARGES FOR GAS SERVICE AND OTHER TARIFF REVISIONS
BPU DOCKET NO. GR09030195

CM

RCR-CSV-24

Q. Reference Discovery Request RCR-CSV-11:

For the service performance metrics currently used by ETG to measure customer service performance, please provide the following:

(a) The monthly service performance of ETG on these metrics for the years 2004 through 2008, and for the period January through April 2009.

(b) The service metrics should include, but not be limited to:

(1) call answer time (within 60 seconds and within 30 seconds);
(2) call handle time;
(3) appointment attainment;
(4) odor, leak, and emergency response time;
(5) percent of meters read;
(6) accuracy of meters read; and
(7) accuracy of customer bills.

(c) What is the origin of the service performance metrics currently used by ETG? For example, are these metrics used by AGLR, or are they derived from some other source? Please be specific.

A. (a) and (b) Please see attachment RCR-CSV-24.1 for the requested service metrics from December 2004 through April 2009. Similar metrics prior to the merger are not readily available.

(c) Most of these service metrics were defined and tracked as a result of the merger order with ETG and AGLR, which required that the Company report on agreed-upon service standard metrics. The Company met with Staff and Rate Counsel post merger to identify and define these metrics.

Elizabethtown Gas
Safety, Reliability and Customer Service Metrics

	Dec 2004
Call Answer Time (average time to answer)	51
Service Level - 60 seconds (% answered within 60 seconds)	80%
Service Level - 30 seconds (% answered within 30 seconds)	N/A
Call Handle Time (average time to handle call)	303
Appointment Attainment (% appointments scheduled and met)	95%
Leak Response Time (% responded to within 45 minutes)	80%
% Meters Read	49%
Meter Reading Accuracy	87%
Billing Accuracy (Rebills per 1,000 customers)	N/A
BPU Complaints (includes verbal and written)	124
Collections	44
Billing	48
Service	22
Other	10

Elizabethtown Gas
Safety, Reliability and Customer Service Metrics

	Jan 2005	Feb 2005	Mar 2005	Apr 2005	May 2005	Jun 2005	Jul 2005	Aug 2005	Sep 2005	Oct 2005	Nov 2005	Dec 2005
Call Answer Time (average time to answer)	190	179	193	54	41	54	65	282	248	210	49	18
Service Level - 60 seconds (% answered within 60 seconds)	49%	52%	54%	75%	77%	69%	65%	26%	36%	40%	78%	91%
Service Level - 30 seconds (% answered within 30 seconds)	N/A	N/A	N/A	N/A	N/A	63%	59%	23%	33%	36%	74%	88%
Call Handle Time (average time to handle call)	284	270	345	358	362	339	334	372	388	378	348	338
Appointment Attainment (% appointments scheduled and met)	94%	90%	92%	93%	92%	96%	94%	98%	97%	92%	96%	97%
Leak Response Time (% responded to within 45 minutes)	79%	82%	83%	85%	85%	85%	85%	86%	85%	75%	84%	89%
% Meters Read	65%	68%	68%	70%	58%	53%	55%	58%	69%	70%	71%	72%
Meter Reading Accuracy	86%	86%	87%	87%	79%	64%	59%	60%	71%	78%	82%	83%
Billing Accuracy (Rebills per 1,000 customers)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
BPU Complaints (includes verbal and written)	94	80	90	71	77	68	70	90	86	147	91	86
Collections	13	18	21	15	20	25	26	34	22	59	31	9
Billing	51	42	39	31	27	25	24	31	29	31	26	20
Service	16	15	20	19	19	17	16	21	25	51	31	54
Other	14	5	10	6	11	1	4	4	10	6	3	3

Elizabethtown Gas
Safety, Reliability and Customer Service Metrics

	Jan 2006	Feb 2006	Mar 2006	Apr 2006	May 2006	Jun 2006	Jul 2006	Aug 2006	Sep 2006	Oct 2006	Nov 2006	Dec 2006
Call Answer Time (average time to answer)	76	74	64	43	53	52	56	43	60	68	73	68
Service Level - 60 seconds (% answered within 60 seconds)	67%	66%	72%	77%	74%	69%	69%	75%	67%	63%	63%	63%
Service Level - 30 seconds (% answered within 30 seconds)	61%	59%	65%	71%	67%	61%	61%	67%	58%	55%	53%	53%
Call Handle Time (average time to handle call)	359	344	354	341	322	304	301	294	280	284	285	280
Appointment Attainment (% appointments scheduled and met)	99%	98%	97%	97%	98%	99%	99%	98%	99%	98%	97%	99%
Leak Response Time (% responded to within 45 minutes)	93%	93%	93%	95%	93%	94%	93%	94%	91%	89%	92%	93%
% Meters Read	73%	72%	78%	73%	76%	78%	79%	80%	83%	82%	84%	86%
Meter Reading Accuracy	83%	84%	84%	82%	81%	81%	80%	82%	85%	86%	88%	89%
Billing Accuracy (Rebills per 1,000 customers)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
BPU Complaints (includes verbal and written)	91	71	125	89	104	79	47	58	64	100	83	88
Collections	21	6	20	12	24	29	7	18	6	16	29	23
Billing	40	47	60	40	34	27	17	18	18	29	20	20
Service	26	12	40	32	40	23	18	19	38	53	32	36
Other	4	6	5	5	6	0	5	3	2	2	2	9

Elizabethtown Gas
Safety, Reliability and Customer Service Metrics

	Jan 2007	Feb 2007	Mar 2007	Apr 2007	May 2007	Jun 2007	Jul 2007	Aug 2007	Sep 2007	Oct 2007	Nov 2007	Dec 2007
Call Answer Time (average time to answer)	190	332	169	110	41	52	36	40	33	46	91	60
Service Level - 60 seconds (% answered within 60 seconds)	47%	39%	62%	73%	82%	80%	87%	83%	87%	82%	65%	77%
Service Level - 30 seconds (% answered within 30 seconds)	40%	32%	57%	68%	77%	75%	84%	78%	83%	78%	59%	74%
Call Handle Time (average time to handle call)	314	346	381	322	303	338	344	378	414	412	423	432
Appointment Attainment (% appointments scheduled and met)	95%	83%	87%	88%	89%	93%	92%	90%	90%	93%	90%	95%
Leak Response Time (% responded to within 45 minutes)	91%	85%	88%	84%	91%	92%	89%	90%	90%	89%	86%	90%
% Meters Read	89%	91%	90%	90%	91%	91%	89%	91%	92%	90%	91%	93%
Meter Reading Accuracy	90%	N/A *	N/A *	N/A *	N/A *	90%	88%	90%	91%	90%	90%	92%
Billing Accuracy (Rebills per 1,000 customers)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
BPU Complaints (includes verbal and written)	77	111	173	125	111	65	61	66	62	57	67	38
Collections	21	25	28	32	17	16	13	21	16	19	26	6
Billing	34	47	97	61	60	31	25	33	35	26	24	18
Service	22	33	23	20	20	10	15	8	9	9	15	10
Other	0	6	25	12	14	8	8	4	2	3	2	4

Notes: * - Meter reading accuracy statistics are unavailable February through May 2007 due to the transition of the Company's billing system.

Elizabethtown Gas
Safety, Reliability and Customer Service Metrics

	Jan 2008	Feb 2008	Mar 2008	Apr 2008	May 2008	Jun 2008	Jul 2008	Aug 2008	Sep 2008	Oct 2008	Nov 2008	Dec 2008
Call Answer Time (average time to answer)	161	79	36	33	38	28	11	13	14	13	8	10
Service Level - 60 seconds (% answered within 60 seconds)	53%	71%	84%	85%	82%	88%	94%	93%	94%	93%	96%	95%
Service Level - 30 seconds (% answered within 30 seconds)	48%	64%	81%	80%	78%	84%	92%	91%	93%	92%	95%	93%
Call Handle Time (average time to handle call)	425	433	411	418	421	431	426	426	427	408	411	438
Appointment Attainment (% appointments scheduled and met)	93%	96%	95%	96%	95%	96%	93%	93%	95%	93%	93%	93%
Leak Response Time (% responded to within 45 minutes)	90%	89%	90%	91%	92%	92%	91%	91%	88%	87%	88%	87%
% Meters Read	95%	95%	92%	92%	96%	94%	93%	96%	96%	97%	92%	96%
Meter Reading Accuracy	94%	94%	91%	91%	95%	94%	92%	95%	96%	96%	91%	96%
Billing Accuracy (Rebills per 1,000 customers)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	5.1	5.2	3.3	5.4
BPU Complaints (includes verbal and written)	63	54	55	70	80	51	46	66	72	106	72	75
Collections	12	6	20	39	39	34	17	36	27	39	36	29
Billing	36	31	30	16	20	6	17	20	26	37	20	26
Meter Reading ERT				8	10	8	4	1	1	8	7	8
Service	11	9	2	4	4	3	2	1	8	12	8	10
Other	4	8	3	3	7	0	6	8	10	10	1	2

Elizabethtown Gas
Safety, Reliability and Customer Service Metrics

	Jan 2009	Feb 2009	Mar 2009	Apr 2009
Call Answer Time (average time to answer)	9	13	12	7
Service Level - 60 seconds (% answered within 60 seconds)	94%	93%	94%	96%
Service Level - 30 seconds (% answered within 30 seconds)	92%	91%	93%	95%
Call Handle Time (average time to handle call)	438	430	408	396
Appointment Attainment (% appointments scheduled and met)	94%	96%	97%	94%
Leak Response Time (% responded to within 45 minutes)	85%	87%	93%	90%
% Meters Read	96%	95%	97%	98%
Meter Reading Accuracy	96%	95%	97%	97%
Billing Accuracy (Rebills per 1,000 customers)	3.2	3.1	5.5	17.3
BPU Complaints (includes verbal and written)	59	64	89	68
Collections	20	22	34	37
Billing	25	31	37	17
Meter Reading ERT	5	2	7	3
Service	7	7	7	4
Other	2	2	4	7

IN THE MATTER OF THE PETITION OF PIVOTAL UTILITY HOLDINGS, INC. D/B/A ELIZABETHTOWN GAS FOR APPROVAL OF INCREASED BASE TARIFF RATES AND CHARGES FOR GAS SERVICE AND OTHER TARIFF REVISIONS
BPU DOCKET NO. GR09030195

CM

RCR-CSV-25

Q. Reference ETG's response to RCR-CSV-10:

(a) Please provide a copy of ETG's annual "BPU Scorecard" filing with the BPU for the years 2004 through 2008.

(b) Please provide the BPU's order and instructions for utilities filing these scorecards.

(c) Please provide a copy of the Polaris survey instrument and a detailed description of its administration, including but not limited to who administers it, when it is administered, sample size and selection, and operational definitions.

(d) The Polaris survey results show customer satisfaction percentages for telephone service and field service. The third category is Issue Resolution. Does this third category evaluate issue resolution by telephone service operations, field service operations, or both?

A. (a) Please see attachments RCR-CSV-25.1 through 25.4 for ETG's BPU Scorecard filings from 2004 through 2007. The utilities were notified in 2009 that the BPU Report Card initiative is no longer being pursued and that submission of 2008 data was not needed.

(b) Please see attachment RCR-CSV-25.5 for the Customer Satisfaction Surveys Working Group's Final Recommendation. There is no Board Order approving this recommendation. However, attached in RCR-CSV-25.6 and RCR-CSV-25.7 are two letters from BPU President Jeanne Fox requesting the utilities to collect the information needed to complete the templates.

(c) The survey is administered by Polaris, who uses Western Watts to do the calling. Calls to customers are made throughout each quarter based on an automatic electronic weekly feed from AGL to Polaris with a list of customers who have recently contacted ETG. They attain 384 complete surveys each quarter. Please see attachments RCR-CSV-25.8 through RCR-CSV-25.10 for the script, calling schedule and sample specs used by Polaris and Western Watts.

(d) The Issue Resolution category is a simple average of the Issue Resolution results for telephone service operations and field service operations.

State of New Jersey
Board of Public Utilities
Two Gateway Center
Newark, New Jersey 07102

James E. McGreevey
Governor

Jeanne M. Fox
President
Tel: (973) 648-2013

December 23, 2003

Victor A. Forkiewicz
Vice President
NUI Corporation
One Elizabethtown Plaza
Union, New Jersey 07083-1975

Dear Mr. Forkiewicz:

I am writing to thank you for your company's recent participation in the Board of Public Utilities' (Board) initiative on the development of a Report Card on the performance of public utilities and cable television operators providing service to at least 20,000 residential customers in New Jersey, hereinafter referred to as regulated entities, and to update you on the status of our continuing effort concerning the collection and reporting of the necessary data that will provide the basis for measurement and analysis of the performance in key areas of public interest.

As you may be aware, during September and October 2003, representatives from the State's largest utilities, telephone companies, cable television operators and several industry stakeholders took part in a 6-week collaborative effort to identify high-level performance indicators in the areas of: customer service and telephone system access; reliability and safety; pricing and financial; and customer satisfaction. To that end, on October 24, 2003, the four Working Groups (WGs) established by the Board presented consensus documents with agreed upon performance indicators that could be derived from the existing regulatory reporting and record keeping requirements.

Attached are four appendices which list the recommendations presented by the WGs. Appendix WG1 provides a matrix of the indicators on telephone access and customer service, Appendix WG2 provides a matrix of the indicators on reliability and safety, Appendix WG3 provides billing samples on pricing and a financial indicator based on a company's credit rating, and Appendix WG4 provides indicators to measure customer satisfaction.

The identification of high-level performance indicators by the WGs has provided a foundation for implementing the first phase of the Board's Report Card initiative. In this first phase, our goal is to implement a data collection process whereby the regulated entities begin collecting, compiling and reporting the data necessary to derive performance indicators in a uniform format. Collection of the data should commence with the beginning of calendar year 2004

and reported to the Board on or before April 30, 2005. A template for the data reporting is attached herewith as Appendix A and entitled Annual Performance Indicator Data Report.

While we have not made a final determination on the structure and dissemination of the Report Card in the public domain, we are mindful of the concerns expressed by some WG members, and accordingly, we intend to initiate a formal rulemaking process in the first quarter of 2004 to address these issues. However, to move the process forward, I am requesting that each regulated entity, meeting the 20,000 residential customer threshold in New Jersey, review the WGs' consensus reports and reaffirm its commitment to begin collecting data related to the derivation of performance indicators recommended by the WGs. Please provide a written response signifying your approval and commitment to the data collection and reporting process on or before January 9, 2004.

Finally, it is my understanding that while the Consumer Satisfaction Survey Working Group reached agreement on proposed indicators, the group also suggested that it needs to continue working on a number of open and outstanding issues particularly how to ensure alignment in confidence and precision levels; around the questions to be asked; and around specific transactions to be surveyed. Accordingly, I am requesting the Working Group to reconvene and complete work and report back to the Board's Consumer Report Card Team by March 31, 2004.

Once again, let me thank you for your interest and continued support in this important effort. If you have any questions or need additional information regarding this matter please contact Dr. Bharat Patel at (609) 777-3307.

Sincerely,

Jeanne M. Fox
President

Encl.
Appendices WG1, WG2, WG3, WG4
Appendix A

Appendix WG1

Telephone Access and Customer Recommendations

Industry specific matrix:

	Industry Type				
Performance Measures	Company 1	Company 2	Company 3	Company 4...	Average
Telephone System Access:					
Average Speed of Answer (ASA)*					
Average time to reach a Customer Service Representative					
Percent of calls handled by a Customer Service Representative					
* The time, in minutes and seconds, from when a customer makes a selection from a menu or an operator until the caller reaches their selected destination. This could be an automated self-service option, an information announcement or a customer service rep.					
Board of Public Utility Contacts:					
The number of Board of Public Utility contacts referred to the utility per 1000 customers.					
Percent of contacts by type:					
Collections					
Billing					
Service					
All other					
Appointment Scheduling:					
Percent of service calls completed on the day scheduled (a measure of the date scheduled vs. the date completed) for work done by the company. (Excludes regularly scheduled meter reads, gas leaks/emergencies/outages, remote turn-ons for telephone and new construction)					

Appendix WG2

Reliability and Safety Recommendations

Working Group Recommendation	Data Source	Indicator
Electric reliability: 1. System Average Interruption Frequency Index (SAIFI) represents the average frequency of sustained interruptions per customer during the reporting period.	Annual system performance report currently filed under N.J.A.C. 14:5-7.8.	SAIFI = (total # of sustained customer interruptions) / (total # of customers served)
2. Duration Index (CAIDI) represents the average time in minutes required to restore service to those customers that experienced sustained interruptions during the reporting period.	Annual system performance report currently filed under N.J.A.C. 14:5-7.8.	CAIDI = (sum of sustained customer interruption durations) / (total # of sustained customer interruptions)
Electric, Gas & Water safety: 3. The OSHA incidence rate. This is an appropriate indicator for measuring an individual company's performance provided certain information that would provide no useful measure of a utility's safety culture or performance is understood to be included in the figure (insect bites, poison ivy, hearing loss, etc.).	Existing data required by the U.S. Department of Labor's Occupational Safety and Health Administration (OSHA).	OSHA Incidence Rate = (# of illnesses and injuries x 200,000) / (total hours worked by all employees)
4. Underground Facility Protection Act. A positive indication of the effectiveness of the mark-out process can be obtained by dividing the number of mark-out requests received less the number of damage incidents reported in a reporting period by the number of mark-out requests received.	Underground excavation damage quarterly reports data currently filed under N.J.A.C. 14:2-6.5.	Mark out and excavation success rate = (total mark out requests - # of facility hits) / (total mark outs requested) x 100
Natural Gas safety: 5. Leak, odor, and emergency call response. Track the percentage of leak calls that are responded to within 60 minutes. Response time will be measured from initial customer call to arrive time.	Leak calls received report pursuant to existing regulation N.J.A.C. 14:6-2.12.	Percentage of gas leak responded to within 60 minutes = (# of leaks responded to within 60 min) / (total leaks reported) x 100
6. Leaks per mile of mains and services repaired. Divide the total number of repaired eliminated leaks annually by the total miles of system in service. Utilize methodology to calculate Annual DOT Distribution Report data.	USDOT reports - miles of system from Part B2 and B3 RSPA 7100.1-1 and eliminated repaired leaks from Part C of form RSPA 7100.1-1.	Gas leaks repaired per mile = (# of leaks repaired) / (total miles of system in service)
Electric, Gas, Water & Telco reliability: 7. BPU reportable Interruptions. Any major interruption of service to customers for at least 2 hours. A major interruption is defined in N.J.A.C. 14:3-3.9 (b).	Reportable interruptions currently filed under N.J.A.C.14:3-3.9.	Average number of service interruptions per 1000 customers = (total # of reportable interruptions) / (total customers served) x1000 Average duration of service interruptions = (total customer hours interrupted for all interruptions) / (total # of service interruptions

Appendix WG2 (Cont'd)

Working Group Recommendation	Data Source	Indicator
Water reliability: 8. Valve testing of Inter-Connections (N.J.A.C. 14:9-1.2a). Testing of those valves that inter-connect one purveyor's water supply with another. These valves are to be inspected once every two years.	Existing data recorded and kept on file pursuant to N.J.A.C. 14:9-1.2a.	Percentage of valves tested found in compliance = (total # of valves tested) – (# of valves not in compliance) / (total # of valves tested) x 100 Percentage of valves tested within the required testing period = (total # of valves) – (# of valves not tested every 24 months) x 100
9. Hydrant Testing (N.J.A.C 14:9-1.2a): Every hydrant shall, once per year, be tested to determine its working condition. This indicates that Preventive maintenance is being performed to ensure the reliability of the fire fighting system.	Existing data recorded and kept on file pursuant to N.J.A.C. 14:9-1.2a.	Percentage of fire hydrants tested within the required testing period = (total # of hydrants) – (# of hydrants not tested every 12 months) x 100
Telecommunications reliability: 10. Federal Communications Commission (FCC) reportable incidents -Outages Impacting ≥ 30K Customers for ≥ 30 minutes within the State of NJ.	Outage data currently reported to the FCC, which requires common carriers to report service interruptions impacting 30,000 or more customers for at least 30 minutes.	Number of reportable outages
Telecommunications safety: 11. Federal Communications Commission (FCC) reportable incidents: Special Facilities E911 Public Service Access Point: Outages Impacting ≥ 30K Customers for ≥ 30 minutes within NJ.	E911 outage data currently reported to the FCC, which requires common carriers to report Public Service Answering Points (PSAP) facilities interruptions impacting 30,000 or more customers for at least 30 minutes.	Number of reportable E911 outages.
12. Federal Communications Commission (FCC) reportable incidents: Fire related outages impacting ≥ 1K Customers for ≥ 30 minutes within NJ.	Outage data currently reported to the FCC, which requires common carriers to report fire related facilities interruptions impacting 1,000 or more customers for at least 30 minutes.	Number of fire related outages.
Cable reliability: 13. Cable operators will report all outages that exceed one hour in length and affect more than 500 customers where the outage is due to factors within the control of the operator.	Outage report data currently filed under N.J.A.C.14: 18-6.6.	Average duration of outages = (total customer hrs interrupted for all outages) / (total # of outages) Number of outages per 1000 customers = (total # of interruptions for all outages) / (total # of customers) X 1000

Appendix WG2 (Cont'd)

Working Group Recommendation	Data Source	Indicator
Cable safety: 14. Quarterly Damage Reports - the industry's record of responding to requests for mark outs of its own facilities as well as the number of times we might inadvertently "hit" underground facilities as a result of failing to request a mark-out are reasonable indicators of our performance in this important area of public safety.	Underground excavation damage quarterly reports data currently filed under N.J.A.C. 14:2-6.5.	Mark out and excavation success rate = (total mark out requests - # of facility hits) / (total mark outs requested) X 100
15. Employee safety is a top priority of the cable industry. A good measure of employee safety is already in the public domain. As outlined in N.J.A.C. 14:3-6.4, the cable industry is currently required to report accidents, resulting in serious injuries or death on a per-occurrence basis to the Office of Cable Television.	Accident report information currently submitted to the Board under N.J.A.C. 14:3-6.4.	Number of reportable accidents.

Appendix WG3

Pricing Recommendations

Average Electric Residential Bills

	Statewide Average Use (kWh)	Delivery	Company1 BGS	Total	Delivery	Company2 BGS	Total
Jan	659	$	$	$	$	$	$
Feb	620	$	$	$	$	$	$
Mar	575	$	$	$	$	$	$
April	530	$	$	$	$	$	$
May	490	$	$	$	$	$	$
Jun	619	$	$	$	$	$	$
Jul	862	$	$	$	$	$	$
Aug	905	$	$	$	$	$	$
Sep	824	$	$	$	$	$	$
Oct	544	$	$	$	$	$	$
Nov	528	$	$	$	$	$	$
Dec	644	$	$	$	$	$	$
Total	7,800	$	$	$	$	$	$
Monthly Average	650	$	$	$	$	$	$

	Delivery	Company3 BGS	Total	Delivery	Company4 Supply	Total
Jan	659	$	$	$	$	$
Feb	620	$	$	$	$	$
Mar	575	$	$	$	$	$
April	530	$	$	$	$	$
May	490	$	$	$	$	$
Jun	619	$	$	$	$	$
Jul	862	$	$	$	$	$
Aug	905	$	$	$	$	$
Sep	824	$	$	$	$	$
Oct	544	$	$	$	$	$
Nov	528	$	$	$	$	$
Dec	644	$	$	$	$	$
Total	7,800	$	$	$	$	$
Monthly Average	650	$	$	$	$	$

Appendix WG3

Pricing Recommendations

Natural Gas Typical Residential Bills

The usage level for pricing the annual bill would be at 1,000, at the monthly distribution noted in the charts below. These amounts represent the total monthly bill as viewed by a customer and as such are all inclusive of customer charges, taxes, riders, balancing, etc.

Residential Sales Comparison- priced as of mm/dd/yy

	Avg. Use Therms	Company1	Company2	Company3	Company4
Oct	38	$	$	$	$
Nov	80	$	$	$	$
Dec	133	$	$	$	$
Jan	176	$	$	$	$
Feb	175	$	$	$	$
Mar	150	$	$	$	$
Apr	103	$	$	$	$
May	52	$	$	$	$
Jun	27	$	$	$	$
Jul	24	$	$	$	$
Aug	21	$	$	$	$
Sep	21	$	$	$	$
Total	1,000	$	$	$	$
Avg. Month		$	$	$	$

Residential Transportation Comparison- priced as of mm/dd/yy

	Avg. Use Therms	Company1	Company2	Company3	Company4
Oct	38	$	$	$	$
Nov	80	$	$	$	$
Dec	133	$	$	$	$
Jan	176	$	$	$	$
Feb	175	$	$	$	$
Mar	150	$	$	$	$
Apr	103	$	$	$	$
May	52	$	$	$	$
Jun	27	$	$	$	$
Jul	24	$	$	$	$
Aug	21	$	$	$	$
Sep	21	$	$	$	$
Total	1,000	$	$	$	$
Month Avg.		$	$	$	$

Appendix WG3

Pricing Recommendations

Water Industry Typical Bill

Residential Billing Information	Comp1	Comp2	Comp3	Comp4	Comp5
Average monthly bill based on 21,000 gallons per quarter	$	$	$	$	$
Footnote: Average investment in facilities Per million gallons of water delivered	$	$	$	$	$

Appendix WG3

Pricing Recommendations

Telecommunications Industry Pricing Metric
Reporting Details, Definitions and Specifications

	Basic Service Option	Package Service Option
Line 1:	Service Provider Name	Service Provider Name
Line 2:	Name of the Service Offering	Name of the Service Offering
Line 3:	General Information:	General Information:
Line 3a:	Description of service offering, list all items included in the service offering (e.g., usage, etc.).	Description of service offering, list all items included in the service offering (e.g., usage, features--Caller ID, etc.)
Line 3b:	Restrictions/Limitations	Restrictions/Limitations
Line 3c:	Contract Length (e.g. month to month)	Contract Length (e.g. month to month)
Line 3d:	Ordering Information (telephone number, hours of operation, etc.)	Ordering Information (telephone number, hours of operation, etc.)
Line 4:	Rates #:	Rates:
Line 4a:	Service Activation Fees (one-time fees)	Service Activation Fees (one-time fees)
Line 4b:	Monthly Rate	Monthly Rate
Line 4c:	Price per additional line	Price per additional line
Line 5:	Residential Charges and Fees:	Residential Charges and Fees:
Line 5a:	Interstate Access Surcharge	Interstate Access Surcharge
Line 5b:	Network Access Surcharge Primary Line	Network Access Surcharge Primary Line
Line 5c:	Network Access Surcharge Second Line	Network Access Surcharge Second Line
Line 5d:	Carrier Cost Recovery Charge	Carrier Cost Recovery Charge
Line 5e:	Federal Subscriber Line Charge – Primary Line	Federal Subscriber Line Charge – Primary Line
Line 5f:	Federal Subscriber Line Charge –Second Line	Federal Subscriber Line Charge –Second Line
Line 5g:	Federal Universal Service Fund	Federal Universal Service Fund
Line 5h:	Local Number Portability	Local Number Portability
# Subject to Federal, State and Local taxes. Rates quoted are for the offerings described above.		

Appendix WG3

Pricing Recommendations

Cable Television Broadcast Basic

1	Company Name
2	Regulated Residential Rates and Fees[1]
2a:	Broadcast Basic Reception Service[2] (Average Charge/Month)
2b:	Analog Set-top Box (Average Charge/Month)
2c:	Digital Set-top Box (Average Charge/Month)
2d:	New Customer Installation Fee[3] (One-time Charge)
3	State and Municipal Franchise Fees[4]
3a	Fees to support state regulation of cable television (Average assessed/month)
3b	Fees to support cable-related activities of municipal governments (Average assessed/month)
Notes:	1 - Regulation of cable television rates is limited by federal law to the broadcast basic level of service. 2 - This level of service includes reception of over-the-air broadcast television stations and, in most areas of New Jersey, includes a handful of additional cable channels. 3 - This is a one-time charge that cable companies are permitted for installing new service at the customer's premises. This charge is often waived. 4 - Franchise fees are assessed to support governmental services that flow from laws requiring cable regulation of Cable Television.

Appendix WG3 (Cont'd)

Financial Recommendations

Utility Point System

S&P	Points	Moody's
AAA	100	Aaa
AA +	95	Aa1
AA	90	Aa2
AA -	85	Aa3
A +	80	A1
A	75	A2
A -	70	A3
BBB +	65	Baa1
BBB	60	Baa2
BBB -	55	Baa3
CCC +	50	Ba1
CCC	45	Ba2
CCC -	40	Ba3
CC	35	B1

Utility reported grade reflects an average of the points associated with the Moody's and S&P ratings.

Example:
XYZ company is rated "BBB+" by S&P and
"A3" by Moody's. Under this numeric scale,
XYZ would receive 65 points for its S&P rating
And 70 points for its Moody's rating.
XYZ would have a 67.5 average rating.

Appendix WG4

Customer Satisfaction Survey Recommendations

Consumer Satisfaction Indicators

In the area of consumer satisfaction, the "Consumer Satisfaction Survey Group" reached agreement on using the following residential transactional performance indicators:

1. Telephone Service
   - Satisfaction with knowledge of telephone representative
   - Satisfaction with courtesy of telephone representative
2. Field service (where applicable)
   - Satisfaction with knowledge of field associate
   - Satisfaction with courtesy of field associate
3. Problem Resolution
   - Satisfaction with company's ability to satisfy customer request; not specific to associate

The Group also recommended that each regulated entity use its current transactional survey instrument and method modified as needed and report one time per year based on a four-quarter average. While the Working Group agreed on the need to assure that confidence and precision levels are aligned within industries no specific recommendation was made on the issue

Customer Service & Telephone Access

		Jan.	Feb.	Mar.	1st Qtr. Avg.	April	May	June	2nd Qtr. Avg.	July	Aug.	Sept.	3rd Qtr. Avg.	Oct.	Nov.	Dec.	4th Qtr. Avg.	Yearly Avg.	Authority
	Telephone Access																		
1	Total number of customers served																		N.J.A.C.14:3-6.6(a) N.J.A.C. 14:18-7.6(a)
2	Average Speed of Answer (ASA)																		none
3	Avg. time to reach a Customer Service Rep. (CSR)																		none
4	Percentage of calls handled by a CSR																		none
	BPU Customer Contacts																		
5	Collections																		BPU customer service
6	Billing																		BPU customer service
7	Service																		BPU customer service
8	All Other																		BPU customer service
9	Total Contacts																		BPU customer service
	Appointment Scheduling																		
10	Number of service calls scheduled																		none
11	Number of service calls completed on the day scheduled																		none

Footnotes:

Reliability & Safety

		Jan.	Feb.	Mar.	1st Qtr. Avg.	April	May	June	2nd Qtr. Avg.	July	Aug.	Sept.	3rd Qtr. Avg.	Oct.	Nov.	Dec.	4th Qtr. Avg.	Yearly Avg.	Authority
	All Companies: Electric, Gas, Water, Telephone & Cable																		
1	Total # of customers served																		N.J.A.C.14:3-6.6(a) N.J.A.C.14:18-6.5
1a	Residential																		
1b	Commercial																		
1c	Industrial																		
1d	Other																		
	Electric Utilities																		
2	Total # of sustained customer interruptions																		N.J.A.C. 14:5-7.8.
3	Sum of sustained customer interruption durations																		N.J.A.C. 14:5-7.8.
	Electric, Gas, Water																		
4	Total # of OSHA reportable incidents																		U.S. Department of Labor
5	Total hrs worked by all employees																		U.S. Department of Labor
	Electric, Gas, Water & Cable																		
6	Total # of One-Call markout requests																		N.J.A.C. 14:2-6.5.
7	Total # of hits to underground facilities																		N.J.A.C. 14:2-6.5.
	Natural Gas Utilities																		
8	Total miles of gas mains and services																		USDOT and N.J.A.C. 14:6-2.1
9	Total # of gas leaks reported																		USDOT and N.J.A.C. 14:6-2.1
10	Total # of gas leaks responded to within 60 minutes																		USDOT and N.J.A.C. 14:6-2.1
11	Total # of gas leaks repaired																		USDOT and N.J.A.C. 14:6-2.1

Reliability & Safety

		Jan.	Feb.	Mar.	1st Qtr. Avg.	April	May	June	2nd Qtr. Avg.	July	Aug.	Sept.	3rd Qtr. Avg.	Oct.	Nov.	Dec.	4th Qtr. Avg.	Yearly Avg.	Authority
	Electric, Gas, Water, Telephone & Cable Companies																		
12	Total # of reportable interruptions/outages																		N.J.A.C.14: 3-3.9 N.J.A.C.14:18-6.6
13	Total customer hours interrupted for all reportable interruptions/outages																		N.J.A.C.14: 3-3.9 N.J.A.C.14:18-6.6
	Water Utilities																		
14	Total # of interconnection valves																		N.J.A.C.14:9-1.2a
15	Total # of valves interconnection tested																		N.J.A.C.14:9-1.2a
16	Total # of interconnection valves not in compliance																		N.J.A.C.14:9-1.2a
17	Total # of valves not tested every 24 months																	24 Mon.	N.J.A.C.14:9-1.2a
18	Total # of hydrants																		N.J.A.C.14:9-1.2b
19	Total # of hydrants not tested every 12 months																		N.J.A.C.14:9-1.2b
	Telephone Companies																		
20	Total # of FCC reportable outages impacting ≥ 30K customers for ≥ 30 min.																		FCC rules 47 CFR 63.100
21	Total # of FCC E911 reportable outages impacting PSAP facilities																		FCC rules 47 CFR 63.100
22	Total # of FCC fire related outages impacting ≥ 1K customers for ≥ 30 min.																		FCC rules 47 CFR 63.100

Footnotes:

Footnotes:

IN THE MATTER OF THE PETITION OF PIVOTAL UTILITY HOLDINGS, INC. D/B/A ELIZABETHTOWN GAS FOR APPROVAL OF INCREASED BASE TARIFF RATES AND CHARGES FOR GAS SERVICE AND OTHER TARIFF REVISIONS
BPU DOCKET NO. GR09030195

CM

RCR-CSV-41

Q. Reference ETG's response to RCR-CSV-7:
Please provide the following:
(1) Where will the following customer service operations be handled? (e.g., the New Jersey Call Center, AGL Services Company in Georgia, or other, please specify):
(a) Customer advocacy
(b) Call escalations
(c) Executive and BPU complaints
(d) Emergency/leak calls
(e) Dispatch services
(f) Routine customer service calls
(g) Payments by phone and through the IVR

A. See below
(a) Customer advocacy – New Jersey Corporate, Berkeley Heights, ETG
(b) Call escalations – AGL Services Company, Riverdale, GA
(c) Executive and BPU complaints – New Jersey Corporate, Berkeley Heights, ETG
(d) Emergency/leak calls – AGL Services Company, Riverdale, GA
(e) Dispatch services – AGL Services Company, Riverdale, GA
(f) Routine customer service calls – New Jersey Call Center, ETG
(g) Payments by phone and through the IVR – Phone calls New Jersey Call Center, IVR based at AGL Services Company

IN THE MATTER OF THE PETITION OF PIVOTAL UTILITY HOLDINGS, INC. D/B/A ELIZABETHTOWN GAS FOR APPROVAL OF INCREASED BASE TARIFF RATES AND CHARGES FOR GAS SERVICE AND OTHER TARIFF REVISIONS
BPU DOCKET NO. GR09030195

TK

RCR-POL-16

Q. (Re: Response S-ETG-T-1) What is the Company's rationale for its tariff language permitting the suspension of meter reading for the May through September period? Also, why couldn't the Company commit to actual meter reads at least once every three months during the defined summer period?

A. The ability to suspend meter reading during non-heating months allows the Company flexibility to prioritize work that is deemed more critical given the lower gas usage during these months. The use of estimates on customers' bills during this period is fairly reflective of actual usages as the impact from weather is minimal to non-existent. The Company plans to read all its meters throughout this period but believes the flexibility to suspend for work force utilization best balances the cost to serve and service provided to customers.

IN THE MATTER OF THE PETITION OF PIVOTAL UTILITY HOLDINGS, INC. D/B/A ELIZABETHTOWN GAS FOR APPROVAL OF INCREASED BASE TARIFF RATES AND CHARGES FOR GAS SERVICE AND OTHER TARIFF REVISIONS
BPU DOCKET NO. GR09030195

TK

S-ETG-T-1

Q. **Re: 7.06 – Estimated Bills and Discontinuance of Service for Excessive Estimated Reads**
The Company proposes to suspend the reading of meter for residential and small commercial accounts during the summer period of May 15th through September 15th or about five consecutive months, and at the same time proposes to reserve the right to discontinue gas service when a meter reading is not obtained for four (reduced from eight) consecutive monthly billing periods or two (reduced from four) consecutive bimonthly and quarterly billing periods. Please illustrate with actual situations, if any, to justify the necessity of reducing the number of times the meter is not read from eight to four or from four to two.

A. The suspension of meter reading in the summer months is not a new proposal but rather a change in the placement of the text in the tariff. The text is currently in the Company's tariff as the last paragraph in section 7.05 renumbered to 7.06 in this filing. The time periods have been changed to match those in N.J.A.C. 14:3 7.2 subsection 10.3. Given the Company's extensive installation of electronic metering reading transponders, it does not anticipate such situations to occur with any regularity but sees the time periods, as stated in the code, as one of giving it the ability to provide actual meter reads to a customer before too much time passes. It should be noted that the Company would not count periods in which the Company is not reading meters in determining the time since the meter was last read.

APPENDIX

DIAN P. CALLAGHAN

PROFESSIONAL EXPERIENCE

Dian P. Callaghan is an expert in consumer protection for utility services. In 2007, she filed Direct Testimony on Behalf of the New Jersey Division of Rate Counsel I/M/O the Petition of Public Service Electric and Gas Company for Approval of a Solar Energy Program and an Associated Cost Recovery Mechanism, BPU Docket No. EO07040278. Also, she prepared comments for the New Jersey Division of Rate Counsel on proposed rules re: Energy Competition Standards, Renewable Energy and Energy Efficiency, specifically (1) anti-slamming (N.J.A.C. 14:4-2), (2) energy licensing and registration rules (N.J.A.C. 14:4-5), and (3) consumer protection (N.J.A.C. 14:4-7). Also in 2007, Ms. Callaghan served on a steering committee on behalf of the Colorado Office of Consumer Counsel ("OCC") to develop the program for the first annual energy conference co-sponsored by the Governor's Energy Office, the Colorado Public Utilities Commission, and the Office of Consumer Counsel titled: "Colorado's New Energy Economy: the Path Forward."

From 1984 through 2004, Ms. Callaghan was the administrative director and senior policy analyst for the State of Colorado, Office of Consumer Counsel. She prepared and submitted comments in numerous rulemaking and adjudicatory proceedings before the Colorado Public Utilities Commission ("PUC" or "Commission") and the Federal Communications Commission regarding a variety of consumer protection issues, including customer proprietary network information, universal service, operator services, consumer privacy, confidentiality of documents submitted to the Commission, low-income telephone assistance rules, gas utility rules, PUC rules of practice and procedure, telephone service quality and held service order rules, telephone presubscription rules, basic telephone service definition, service discontinuance rules, rules governing slamming, Caller ID, and E9-1-1. She worked with other stakeholders to establish Colorado's Do Not Call List program before the national list was established. Ms. Callaghan filed testimony in numerous dockets including Docket No. 97A-103T (303 Area Code Relief), Docket No. 90A-665T (U S West Alternative Form of Regulation), Docket No. 96S-257T (U S West Rate Rebalance), Dockets No. 91A-462T and 91S-548T (Caller ID and Call Trace), Docket No. 98S-363T (NOW Communications). Ms. Callaghan assisted in the preparation of the stipulation in the Public Service Company of Colorado performance-based regulation plan, service quality plan, the stipulation in the PUC show cause docket concerning U S West service quality (Docket No. 94C-587T), and the stipulation concerning the sale of Qwest Corporation's Dex telephone directories. She designed and helped implement customer education plans and programs for new area code implementation, statewide local calling area changes, 1+ equal access in the intraLATA long-distance market, the 2000-2001 natural gas price increases, and others. Ms. Callaghan also testified in a number of dockets from 1998-2004 concerning service abandonment by competitive local phone companies to protect consumers from loss of service. Her duties at the OCC also included legislative analyst and media relations specialist.

Ms. Callaghan is currently the Vice Chair of the Utility Consumer Board, appointed by the Governor to provide policy guidance to the Colorado Office of Consumer Counsel, and is the current Secretary of the Energy Outreach Colorado Board of Directors, a nonprofit organization providing low-income energy assistance. She previously chaired the Consumer

Protection Committee of the National Association of State Utility Consumer Advocates, the Legislative Committee of the PUC's 9-1-1 Advisory Task Force, and the Colorado Energy Assistance Foundation Board. Ms. Callaghan also served on the Governor's Energy Assistance Reform Task Force, the Utilities Task Force, and the Area Code Customer Education Committee.

Prior to her position with the OCC, Ms. Callaghan was a management analyst for the Colorado State Patrol, an investment broker with Dain Bosworth, Inc. and held various management and analyst positions with the Colorado Division of Criminal Justice and the National Information Center on Volunteerism.

EDUCATION

Bachelor of Arts in Political Science from Trinity College (now Trinity University) in Washington, D.C. Completed most of coursework toward a Masters in Public Administration, University of Colorado at Denver.