ACERCA — Committee on Quality

Panama Conference
Procedures in the Event of Non-Compliance

Ted Boyer, Chair, Utah Public Service Commission

Before the Event

- Approved service standards program
 - Customer guarantees/penalties
 - Performance types-underlying/major events
- Annual Review
 - Statistics-frequency/duration
 - Causes
 - Worst performing circuits

- Annual maintenance compliance
 - Preventative
 - ◆Corrective
 - ◆Transportation/distribution
 - ◆Substations
 - ◆Annual budget
 - ◆Completion tracking
 - ◆Vegetation management

- Capital spending budget
 - -How to enforce?
 - Tracking
 - Metrics (effectiveness)
- Rulemaking
- Other methods
 - Merger/acquisition/certification conditions

After the Event or Reliability Failure

- Complaint process
- Guaranty payments
- Conditions of continued operation
- Rate cases
- Task force creation
- Investigative dockets
- Service quality rules

Case Study

The 75-year Storm

- December 25, 2003-first outages
- December 26-emergency teams activated
- Operations and tree crews marshalled
- Automated data and telecommunications systems overwhelmed
- Called in volunteer employees

- Commission orders detailed storm inquiry
- Division of Public Utilities investigates
- Third party independent investigations
- Analysis of results

PSC actions

- Ordered tracking of completion of recommendations
- Approved larger guaranty payments
- Ordered increased spending
- Ordered increased vegetation management
- Created Quality Service Task Force

Results

- SAIDI: average duration reduced from 3 minutes to 1.8 minutes
- -SAIFI: frequency reduced by 60%
- Tree trimming reduced from 9-year cycle to 3-year cycle
- Inspection and maintenance spending increased from \$28 million to \$59 million
- Improved worst performing circuits by 20%
- -85% Of outages restored within 3 hours

customer

Utah

Description	2008				2007			
	Events	Failures	% Success	Paid	Events	Failures	% Success	Paid
Restoring Supply	1,294,137	0	100.0%	\$0	1,427,184	5	99.9%	\$250
Appointments	8,932	25	99.7%	\$1,250	9,614	29	99.7%	\$1,450
Switching on Power	9,722	19	99.8%	\$950	11,135	22	99.8%	\$1,100
Estimates	2,341	19	99.2%	\$950	2,377	16	99.3%	\$800
Respond to Billing Inquiries	4,597	8	99.8%	\$400	8,411	17	99.8%	\$850
Respond to Meter Problems	1,073	2	99.8%	\$100	1,218	5	99.6%	\$250
Notification of Planned Interruptions	88,544	96	99.9%	\$4,800	63,357	53	99.9%	\$2,650

Reduce CPI for Worst Performing Circuits by 20%

On a routine basis, the Company reviews circuits for performance. One of the measures that it uses is called circuit performance indicator (CPI), which is a blended weighting of key reliability metrics covering a three-year time-frame. The higher the number, the poorer the blended performance the circuit is delivering. As part of the Company's Performance Standards Program, it annually selects a set of Worst Performing Circuits for targeted improvement. The improvements are to be completed within two years of selection. Within five years of selection, the average performance of the five-selection set must improve by at least 20% (as measured by comparing current performance against baseline performance).

WORST PERFORMING CIRCUITSSTATUSBASELINEPerformance
12/31/07Circuit Performance Indicator 2005 (CPI05) Program Year 9:
(CY2008) Cottonwood 14IN DEVELOPMENT312Holladay 12IN
DEVELOPMENT138Mountain Dell 11IN DEVELOPMENT930Eden 12IN
DEVELOPMENT456West Ogden 14IN DEVELOPMENT707TARGET SCORE =
407509 Program Year 8: (CY2007) Brian Head 11COMPLETE412565 McClelland
12IN PROGRESS220380 Union 16IN PROGRESS128143 Enoch
12COMPLETE186196 Quail Creek 12COMPLETE1094952 TARGET SCORE =
326408447 Program Year 7: (CY2006) Tooele 12COMPLETE228204 Box Elder
12COMPLETE319249 Oakley 11COMPLETE367326 Brighton
12COMPLETE608984 Timber Lakes 11COMPLETE309370 TARGET SCORE =
293366427 Program Year 6: (CY2005) Cudahy 11COMPLETE908192 Garden City
12COMPLETE521449 Black Mountain 11 COMPLETE406664 Uinta
13COMPLETE367165 West Roy 14 COMPLETE354259 TARGET SCORE = 409GOAL
MET511346

- Supply Restoration
- Restore Service to 80% of Customers within 3 Hours (across 3 years)
- UTAH RESTORATIONS WITHIN 3 HOURS
- Cumulative 3-Year Program-to-date 86%
- Cumulative January 1 December 31, 2007 86%: JanuaryFebruaryMarchApril MayJune 83%90%91%84%92%88%
- JulyAugustSeptemberOctoberNovemberD ecember 82%88%84%88%90%81%

- COMMITMENT: Customer complaints
- Answer calls within 30 seconds: Goal 80%; Actual 83%
- Respond to commission complaints within 3 days: Goal 95%; Actual 100%
- Respond to commission complaints regarding service disconnects within 4 hours: Goal 95%; Actual 100%
- Resolve commission complaints within 30 days: Goal 100%; Actual 100%