

May 1, 2015

VIA HAND DELIVERY & ELECTRONIC MAIL

Luly E. Massaro, Commission Clerk
Rhode Island Public Utilities Commission
89 Jefferson Boulevard
Warwick, RI 02888

RE: Docket 3628 - 2014 Annual Service Quality Report, Electric Operations

Dear Ms. Massaro:

Enclosed are ten (10) copies of National Grid's¹ performance results for 2014 under its Service Quality Plan (Plan) as established in the above-referenced docket. Based on actual performance results, the Company has calculated a net offset of \$12,033 for calendar year 2014.

The Company's Plan is described in Attachment 1 to the Company's Agreement to Modify Performance Benchmarks (Agreement) filed with the Rhode Island Public Utilities Commission (PUC) on March 14, 2007, and approved by the PUC in Docket 3628. The Plan provides for penalties and offsets relating to performance standards in the areas of reliability and customer service. The service quality standards under the Plan became effective as of January 1, 2007.

This report is organized as follows:

- Section 1: This section provides a summary of each performance standard in the areas of reliability and customer service. Section 1 contains descriptions of each of the performance standards, the targeted performance levels for 2014 with their related dollar values, and the actual 2014 results with the applicable annual penalty or offset.
- Section 2: This section provides a summary calculation of the Company's annual penalty or offset for each of the performance standards for 2014. The annual net offset for 2014 of \$12,033 is shown in Column (i).

¹ Submitted on behalf of The Narragansett Electric Company, d/b/a National Grid (the Company or National Grid).

- Section 3: The Plan requires the Company to report on additional aspects of service quality, including: (1) worst performing circuits; (2) trouble, non-outage calls received; (3) annual meter reading performance; and (4) information on Major Event Days. Section 3 summarizes the results of these reporting requirements.

Thank you for your attention to this filing. If you have any questions concerning this report, please do not hesitate to call me at (401) 784-7288.

Very truly yours,

A handwritten signature in dark ink, appearing to read "Jennifer Brooks Hutchinson". The signature is fluid and cursive, with the first name "Jennifer" being the most prominent.

Jennifer Brooks Hutchinson

Enclosures

cc: Docket 3628 Service List
Leo Wold, Esq.
Steve Scialabba, Division

Certificate of Service

I hereby certify that a copy of the cover letter and any materials accompanying this certificate was electronically transmitted to the individuals listed below.

Paper copies of this filing are being hand delivered to the Rhode Island Public Utilities Commission and to the Rhode Island Division of Public Utilities and Carriers.



Joanne M. Scanlon

May 1, 2015
Date

National Grid – Electric Service Quality Plan – Compliance - Docket 3628 Service List Updated 3/25/15

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The Narragansett Electric Company,
d/b/a National Grid

2014 Service Quality Report

May 1, 2015

Submitted to:
Rhode Island Public Utilities Commission
R.I.P.U.C. Docket No. 3628

Submitted by:

nationalgrid

RELIABILITY PERFORMANCE STANDARDS

Interruption Frequency and Duration

Under the Service Quality Plan, an interruption is defined as the loss of electric service to more than one customer for more than one minute. The interruption duration is defined as the period of time, measured in minutes, from the initial notification of the interruption event to the time when service has been restored to the customers. Interruptions are tracked using System Average Interruption Frequency Index (SAIFI) and System Average Interruption Duration Index (SAIDI). SAIFI is calculated by dividing the total number of customers interrupted by the total number of customers served. SAIFI measures the number of times per year the average customer experienced an interruption. This is an average, so in any given year some customers will experience no interruptions, and some will experience several interruptions. SAIDI measures the length of interruption time that the average customer experienced for the year. It is calculated by dividing the total customer minutes of interruption by the total number of customers served.

Certain events are defined as Major Event Days and are excluded from the calculation of reliability performance standards for the purpose of penalty and offset assessment. There were no Major Event Days that occurred during 2014.

2014 Frequency (SAIFI) Standard

<u>Frequency of Interruptions per Customer</u>	<u>(Penalty) Offset</u>
Greater than 1.18	(\$916,000)
1.06-1.18	linear interpolation
0.84-1.05	\$0
0.75-0.83	linear interpolation
Less than 0.75	\$229,000

2014 Frequency (SAIFI) Results

<u>Frequency of Interruptions per Customer</u>	<u>Annual (Penalty) Offset</u>
0.780	\$152,667

2014 Duration (SAIDI) Standard

<u>Duration of Interruptions (minutes)</u>	<u>(Penalty) Offset</u>
Greater than 89.9	(\$916,000)
72.0-89.9	linear interpolation
45.9-71.9	\$0
36.7-45.8	linear interpolation
Less than 36.7	\$229,000

2014 Duration (SAIDI) Results

<u>Duration of Interruptions (minutes)</u>	<u>Annual (Penalty) Offset</u>
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54.06	\$0
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CUSTOMER SERVICE PERFORMANCE STANDARDS

Customer Contact Survey

The customer contact survey results are based on responses from National Grid's Rhode Island customers from a survey performed by an independent third-party consultant, Opinion Dynamics Corporation (ODC). ODC surveys samples of customers who have contacted the call center quarterly in order to determine their overall level of satisfaction with their contact. Eight types of transactions are included in the survey, and the overall results are weighted based on the number of these transactions actually performed at the call center during the calendar year. The percent satisfied represents respondents who gave a Top-2 rating on a seven-point scale, where 1 means extremely dissatisfied and 7 means extremely satisfied.

2013 Customer Contact Standard

<u>Percent Satisfied</u>	<u>(Penalty) Offset</u>
Less than 74.5%	(\$184,000)
74.5%-76.7%	linear interpolation
76.8%-81.4%	\$0
81.5%-83.7%	linear interpolation
Greater than 83.7%	\$46,000

2013 Customer Contact Results

<u>Percent Satisfied</u>	<u>Annual (Penalty) Offset</u>
75.04%	(\$144,000)

Telephone Calls Answered Within 20 Seconds

The calls answered performance standard reflects the annual average of calls answered within 20 seconds. "Calls answered" include calls answered by a customer service representative (CSR) and calls completed within the Voice Response Unit (VRU). The time to answer is measured once the customer makes a selection to either speak with a CSR or use the VRU.

2013 Calls Answered Standard

2013 Calls Answered Results

<u>% Answered Within 20 Seconds</u>	<u>(Penalty) Offset</u>	<u>% Answered Within 20 Seconds</u>	<u>Annual (Penalty) Offset</u>
Less than 53.5%	(\$184,000)		
53.5%-65.7%	linear interpolation		
65.8%-90.4%	\$0		
90.5%-100.0%	linear interpolation, to a maximum of \$46,000	91.3%	\$3,336

National Grid
2014 Results of Service Quality Plan
Calculation of Penalty/Offset

<u>Performance Standard</u>	<u>Potential Penalty (a)</u>	<u>Potential Offset (b)</u>	<u>2014 Results (c)</u>	<u>Maximum Penalty (d)</u>	<u>One Std Dev. Worse Than Mean (e)</u>	<u>Mean (f)</u>	<u>One Std Dev. Better Than Mean (g)</u>	<u>Maximum Offset (h)</u>	<u>Annual (Penalty)/ Offset (i)</u>
Reliability - Frequency	\$ 916,000	\$ 229,000	0.78	1.18	1.05	0.94	0.84	0.75	\$152,667
Reliability - Duration	\$ 916,000	\$ 229,000	54.1	89.9	71.9	57.5	45.9	36.7	\$0
Customer Service - Customer Contact Survey	\$ 184,000	\$ 46,000	75.0%	74.5%	76.8%	79.1%	81.4%	83.7%	(\$144,000)
Customer Service - Telephone Calls Answered	\$ 184,000	\$ 46,000	91.3%	53.5%	65.8%	78.1%	90.4%	100.0%	\$3,366
Total Penalty/Offset	\$ 2,200,000	\$ 550,000							\$12,033

Notes:

Columns (a), (b), and (d)-(h) are per the Amended Electric Service Quality Plan, RIPUC Docket No. 3628.

Column (c) represents the actual 2014 annual results for the performance standards listed in the first column.

Column (i) is calculated as follows:

- For Reliability Standards:

If Column (c) is between Column (g) and Column (e):	\$0
If Column (c) is between Column (h) and Column (g):	$[\text{Column (g) - Column (c)}] \div [\text{Column (g) - Column (h)}] \times \text{Column (b)}$
If Column (c) is between Column (e) and Column (d):	$[\text{Column (c) - Column (e)}] \div [\text{Column (d) - Column (e)}] \times \text{Column (a)}$
If Column (c) is greater than Column (d):	100% of Column (a)
If Column (c) is less than Column (h):	100% of Column (b)

- For Customer Service Standards:

If Column (c) is between Column (e) and Column (g):	\$0
If Column (c) is between Column (g) and Column (h):	$[\text{Column (c) - Column (g)}] \div [\text{Column (e) - Column (d)}] \times \text{Column (b)}$
If Column (c) is between Column (d) and Column (e):	$[\text{Column (e) - Column (c)}] \div [\text{Column (e) - Column (d)}] \times \text{Column (a)}$
If Column (c) is less than Column (d):	100% of Column (a)
If Column (c) is greater than Column (h):	100% of Column (b)

ADDITIONAL REPORTING CRITERIA

Under the Company's Service Quality Plan, the following additional reporting criteria are required to be filed with the PUC.

1. **Reporting Requirement:** Each quarter, the Company will file a report of 5% of all circuits designated as worst performing on the basis of customer frequency.

Included in the report will be:

1. The circuit id and location.
2. The number of customers served.
3. The towns served.
4. The number of events.
5. The average duration.
6. The total customer minutes.
7. A discussion of the cause or causes of events.
8. A discussion of the action plan for improvements including timing.

Results: The Company filed its first quarter 2014 feeder ranking results on April 23, 2014, the second quarter results on August 20, 2014, the third quarter results on January 5, 2015, and the fourth quarter results on February 25, 2015.

2. **Reporting Requirement:** The Company will track and report monthly the number of calls it receives in the category of Trouble, Non-Outage. This includes inquiries about dim lights, low voltage, half-power, flickering lights, reduced TV picture size, high voltage, frequently burned-out bulbs, motor running problems, damaged appliances and equipment, computer operation problems, and other non-interruptions related inquiries.

Results: The Company filed the required Trouble, Non-Outage reports on a monthly basis during 2014, with the final report filed on April 20, 2015.

3. **Reporting Requirement:** The Company will report its annual meter reading performance as an average of monthly percentage of meters read.

Results: During 2014, the Company's annual meter reading performance (as an average of monthly percentage of meters read) was 98.9%, compared to 98.8% during 2013, and 98.1% during 2012. The following table details the percentage of meters read per month for 2014, 2013, and 2012.

**Narragansett Electric Company
Monthly Percentage of Meters Read**

	2014	2013	2012
January	99.0%	99.0%	98.9%
February	98.8%	96.9%	99.0%
March	99.0%	99.0%	99.0%
April	98.9%	99.1%	99.1%
May	98.9%	99.1%	99.2%
June	98.9%	99.0%	99.2%
July	99.0%	99.0%	99.1%
August	98.9%	98.9%	99.0%
September	98.9%	98.9%	99.1%
October	98.9%	98.9%	99.1%
November	98.9%	99.0%	87.2%
December	98.9%	98.9%	99.0%
YTD Average	98.9%	98.8%	98.1%

4. **Reporting Requirement:** For each event defined as a Major Event Day, the Company will prepare a report, which will be filed annually as part of the annual SQ filing, detailing the following information:
1. Start date/Time of event.
 2. Number/Location of crews on duty (both internal and external crews).
 3. Number of crews assigned to restoration efforts.
 4. The first instance of mutual aid coordination.
 5. First contact with material suppliers.
 6. Inventory levels: pre-event/daily/post-event.
 7. Date/Time of request for external crews.
 8. Date/Time of external crew assignment.
 9. # of customers out of service by hour.
 10. Impacted area.
 11. Cause.
 12. Weather impact on restoration.
 13. Analysis of protective device operation.
 14. Summary of customers impacted.

Results

IEEE Std. 1366-2003 identifies reliability performance during both day-to-day operations and Major Event Days. Major Event Days represent those few days during the year on which the energy delivery system experienced stresses beyond that normally expected, such as severe weather. A day is considered a Major Event Day if the daily SAIDI exceeds a threshold value, calculated using the IEEE methodology. For 2014 the T_{MED} value was 5.64 minutes of SAIDI (using IEEE Std. 1366-2003 methodology). There were no storms that exceeded this threshold on 2014, and thus there were no Major Event Days.