

April 13, 2016

VIA HAND DELIVERY & ELECTRONIC MAIL

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

**RE: Docket 3628 – National Grid’s Electric Service Quality Plan
Settlement Agreement
Responses to PUC Data Requests – Set 2**

Dear Ms. Massaro:

Enclosed are ten (10) copies of National Grid’s¹ responses to the second set of data requests issued by the Public Utilities Commission in the above-referenced docket.

Thank you for your attention to this filing. If you have any questions, please call me at 401-784-7288.

Very truly yours,



Jennifer Brooks Hutchinson

Enclosures

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

¹ The Narragansett Electric Company d/b/a National Grid.

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.

The 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

5df]`% ž&S%*
Date

**National Grid – Electric Service Quality Plan – Compliance - Docket 3628
 Service List Updated 1/11/16**

Name	E-mail Distribution List	Phone
Raquel Webster, Esq. National Grid 280 Melrose Street Providence, RI 02907-1438	Jennifer.hutchinson@nationalgrid.com ;	401-784-7667
	Raquel.webster@nationalgrid.com ;	
	Celia.obrien@nationalgrid.com ;	
	Joanne.scanlon@nationalgrid.com ;	
Leo Wold, Esq. Dept. of Attorney General 150 South Main St. Providence, RI 02903	lwold@riag.ri.gov ;	401-222-2424 ext. 2299
	Steve.scialabba@dpuc.ri.gov ;	
	Joseph.Shilling@dpuc.ri.gov ;	
	James.Lanni@dpuc.ri.gov ;	
	Jmunoz@riag.ri.gov ;	
	dmacrae@riag.ri.gov ;	
Original & 9 copies file w/: Luly E. Massaro, Commission Clerk Public Utilities Commission 89 Jefferson Boulevard Warwick, RI 02888	Al.contente@dpuc.ri.gov ;	401-780-2107
	Luly.massaro@puc.ri.gov ;	
	Todd.bianco@puc.ri.gov ;	
	Amy.Dalessandro@puc.ri.gov ;	
	Alan.nault@puc.ri.gov ;	

COMM 2-1

Request:

Does the Company conduct any other performance surveys similar to the service quality surveys referenced in the January 8, 2016 filing? If yes, please identify them, the method used (electronic, telephone or mail), the frequency of the survey, and whether the results are tied to any penalties or rewards.

Response:

Please see Attachment COMM 2-1 for a list of customer perception surveys that National Grid regularly conducts in Rhode Island. These surveys/studies are in addition to the National Grid internal contactor survey and the existing Customer Contact Survey, which the Company has referred to in the Settlement Agreement as the "regulated survey". The tracking studies, identified in Attachment COMM 2-1, seek to regularly solicit opinions from Rhode Island customers; however, these studies are not tied to any of the service quality performance standards, and the results are not subject to any penalties or rewards. The Customer Contact Survey, which is the survey that the Company is proposing to change in this docket, is the only survey that is subject to a performance standard for service quality purposes. Please note that as described on page 1 of 2015 Amended Electric Service Quality Plan, the performance standards are designed as a penalty-only approach, under which the Company would be penalized if its performance did not meet the standards. The Company does not receive any reward for performance that exceeds the standards, only offsets, as applicable.

Please also note that there may be other one-time surveys that arise throughout the year, based on business need, which may seek feedback from Rhode Island customers.

Other National Grid Tracking Studies - RI

Study Name	Short Description of Study	Key Metrics Tracked in Study	Method	Frequency of fielding	Approx # of interviews annually for Rhode Island
Website Satisfaction	Tracks satisfaction with website	Satisfaction with Website	Online	continuous	~350
Large Business EE Study	Measures EE performance with Large Business customers	EE Familiarity, Participation	Online	bi-annual	~80
Trade Ally EE Study	Measures EE performance with Trade Allies	EE Familiarity, Trust, Participation	Online	annual	~20
Brand, Image, Relationship Study	Evaluate and monitor the strength and effectiveness of National Grid's brand, service, and marketing efforts	Trust Advice, Favorability, EE Familiarity, Communication Satisfaction (new)	Residential is online, Commercial (small/medium businesses) is phone	Continuous throughout the year...weekly quotas	~1600 Residential annually, ~500 Commercial annually
Gas Conversion	Evaluate customer perception of gas conversion process	Satisfaction with Process	Phone	Monthly	~280
Electric Operations	Evaluate perception of new service or service upgrade among customers /Trade Allies	Satisfaction with process	Phone	Monthly	~240

COMM 2-2

Request:

How is the customer contact survey referenced in the Plan performed? Is it a telephone survey or an email survey?

Response:

The customer contact survey, which is referenced in the Plan, is a 12-minute telephone interview that a third-party independent research vendor conducts among National Grid's customers who have had a recent interaction with the Company, without regard to the reason for the contact. The questionnaire seeks to discern the customer's overall opinion of National Grid, as well as their satisfaction with their most recent interaction with the Company, whether via telephone representative /automated telephone system, website, field service representatives, etc., and overall problem resolution. It consists of 64 questions that are computer programmed to enable a trained interviewer to ask only the applicable questions to each respondent. For example, if a customer's recent interaction was only with a telephone representative, the programming would prompt the interviewer to ask only those questions about the customer's experience with the telephone representative, and would automatically skip questions that do not apply. As stated in the Settlement Agreement, this is a survey that is currently conducted across National Grid's entire U.S. footprint to gauge customer satisfaction with those who contacted National Grid. For Rhode Island, this equates to an annual sample of approximately 1,560 customers. As stated in the Settlement Agreement, the Company is proposing that its performance be evaluated for service quality purposes based on the survey results from the following two questions taken from this customer contact survey:

- (Q28) Overall, on a scale from 1 to 10, where 1 means "dissatisfied" and 10 means "satisfied", how satisfied are you with the services provided by National Grid?
- (Q16) Overall, on a scale from 1 to 10, where 1 means "dissatisfied" and 10 means "satisfied", how satisfied are you with the quality of the service provided by the Telephone Representative?

COMM 2-3

Request:

How does the vendor select the random sample of customers to survey?

Response:

Each month, the Company sends the vendor an automatically generated list of Rhode Island customers who contacted the contact center in the prior month, without regard to the reason for the contact. The vendor randomly selects customers from this list until the monthly quota of telephone interviews has been completed.

COMM 2-4

Request:

Explain how the percentages on page 4 of the Plan were derived.

Response:

The percentages shown on page 4 of the plan are the actual survey results of the composite scores for the listed months. The “percent satisfied” is a simple arithmetic average of the individual satisfaction scores (% rated 8, 9, or 10) for the following two questions:

- Q16. Overall, on a scale from 1 to 10, where 1 means “dissatisfied” and 10 means “satisfied”, how satisfied are you with the quality of the service provided by the telephone representative?
- Q28. Overall, on a scale from 1 to 10, where 1 means “dissatisfied” and 10 means “satisfied”, how satisfied are you with the services provided by National Grid?, and

A table with the scores for these two questions and the simple arithmetic average is shown in Attachment COMM 2-4.

Attachment COMM 2-4

	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14	Jan-15	Feb-15	Mar-15	Apr-15	May-15	Jun-15	Jul-15
Q16. Satisfaction with the quality of the service provided by the Telephone Representative	88.89	91.35	89.22	87.62	92.77	88.30	85.05	83.96	83.33	80.87	87.50	93.94	84.31	85.59	90.18	85.05	88.46	87.38	77.89	83.02	75.23	81.13	82.35	83.33
Q28. Satisfaction with the quality of the service provided by National Grid	86.51	82.31	82.81	79.07	82.17	83.33	79.84	79.39	84.96	76.56	73.08	87.02	79.07	83.85	89.39	79.53	82.44	79.84	74.22	74.42	75.78	77.17	83.59	81.10
Composite Score of the two metrics (Simple average of Qs 16 and 28)	87.70	86.83	86.01	83.34	87.47	85.82	82.45	81.68	84.15	78.72	80.29	90.48	81.69	84.72	89.79	82.29	85.45	83.61	76.06	78.72	75.51	79.15	82.97	82.22

COMM 2-5

Request:

Explain why the Company chose the period August 2013 through July 2015, as opposed to some other period, for the customer contact survey's historical benchmark period.

Response:

The current Customer Contact Survey performance standard was established using the satisfaction scores from 1997 – 2004. As explained in the Company's response to COMM 2-6, the Company is proposing to replace the current survey with a more holistic survey that will provide the Company with actionable insights. In doing so, it was necessary to update the historical benchmark period. The Company determined that the period of August 2013 through July 2015 was more reflective of the current environment, including factors which are beyond the control of the Company, such as:

- Commodity Rate Increases: In 2014, seven months of the year resulted in the average electric bill being at least \$100, as compared to only two months of the year in 2013 and three (3) months of the year in 2012. Such rate increases, which are not within the control of National Grid, can negatively impact customer perception and skew satisfaction scores.
- Increased Web Usage: More customers are turning to the web for easier problem resolution, leaving the more difficult problem resolution for the call center. For example, 50% of accounts are registered on our website (as of August 2015), compared to 47% in 2014 and 39% in 2013. The Company anticipates future growth in this area, in light of recent changes to the Company's website which will make it even easier for customers to conduct their transactions online. The Company has seen a 28% increase in Jan-Sept 2015, as compared to 2013 of average daily site visits (11% increase compared to 2014).
- Increased Collection Activity: Collections have increased in the past few years, which can negatively impact customer satisfaction scores.
- Major Weather Events: Significant weather events and outages can negatively impact customer perception of National Grid and skew satisfaction scores. Between 2011 and 2013, the region, including Rhode Island, experienced three (3) major storms, namely, Hurricane Irene (Sept 2011), Superstorm Sandy (Oct 2012), Blizzard Nemo (Feb 2013). The Company did not believe it was appropriate to include data from this timeframe.

The Narragansett Electric Company
d/b/a National Grid
RIPUC Docket No. 3628
In Re: Proposed Service Quality Plan Settlement Agreement
Responses to Commission's Second Set of Data Requests
Issued April 1, 2016

COMM 2-5, page 2

The Company believes that the past two years of data, August 2013 – July 2015, is the right amount of data upon which to fairly and reliably base its results for purposes of establishing a new performance standard.

COMM 2-6

Request:

Please confirm that the proposed Plan does not change the historical benchmarks with respect to the following quality performance areas:

Frequency of Interruptions Per Customer Served
Duration of Interruptions Per Customer Served
Telephone Calls Answered Within 20 Seconds

If yes, please answer the following:

- a) Is it true that if the Plan is approved as filed, the Company will be evaluated for frequency and duration of service interruptions, and telephone calls answered within 20 seconds, based on the Company's performance in these categories during the period from 1996 through 2004?
- b) Please confirm that the Company's performance in the above referenced service quality areas can potentially lead to penalties that exceed the customer contact survey penalty.
- c) Please confirm that, with respect to the above categories, the Company's performance results are included in the annual report filed with the PUC on May 1.
- d) Explain why the Company elected to change the historical benchmarks for the customer contact survey but not for the above referenced quality performance areas.

Response:

Yes, it is correct that the proposed amendments to the existing Service Quality Plan (Plan) do not change the historical benchmarks associated with the following other performance standards:

Frequency of Interruptions Per Customer Served
Duration of Interruptions Per Customer Served
Telephone Calls Answered Within 20 Seconds

COMM 2-6, page 2

- a) Yes, the Company will continue to be evaluated for frequency and duration of service interruptions, and telephone calls answered within 20 seconds, based on the existing historical benchmarks as set forth in the Plan.
- b) Yes, the Company's performance in the above-referenced service quality areas is subject to actual penalties or offsets, as applicable, for each of performance standards as set forth in the Plan.
- c) Yes, the Company includes the performance results for each of the performance standards in the annual report that it files with the PUC every May 1.
- d) The Company's proposal in this filing is to replace the existing regulated survey with a different, more actionable and holistic survey. In doing so, it was also necessary to change the associated performance standard for this metric. The reason is that the existing performance standard utilizes actual survey results from the older, existing regulated survey. Therefore, it was necessary to change the historical benchmarks to reflect data obtained from a composite score, or simple arithmetic average, of the two proposed satisfaction questions that will comprise the new metric. A detailed explanation of the revised benchmark period is included in the Company's response to COMM 2-5.

Since the Company is not proposing any changes to the other performance standards at this time, it is not necessary to change the associated benchmarks.