Pacific Gas and Electric Company®

Final Report: Bill Reformat Focus Groups (Part 2: Large and Midsize Business and AG Customers)

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Table of Contents

I. Background

The monthly bill is the most frequent and consistent communication that customers receive from PG&E. In fact, for many customers the monthly bill is the *only* contact they have with PG&E. Yet the bill is considered confusing and hard to understand, and it is difficult for many customers to work with – especially larger commercial customers with multiple-premise bills. In sum, the bill is not living up to its potential as a communication tool.

In response, PG&E is conducting a project to redesign its bill so that customers will get more from it and in turn will be more satisfied with this aspect of PG&E. The redesign includes: (1) layout and visual appeal so that it is easier to use and invites more customers to read through it; (2) information content so that customers can get more benefit when they do read through it; and (3) content descriptions and explanations so that the included information is clear and understandable.

To support the bill statement redesign, PG&E contracted with FLEXO HINER & Partners, a full-service market research firm, to conduct focus groups among its key customer groups. Six focus groups among residential and small business customers were completed in July 2004 that identified customer needs and preferences regarding bill information and design among these segments. Results from these groups are summarized in an earlier report dated July 2004.

This report summarizes results from six more focus groups among three additional customer groups: midsize and large single premise business, midsize and large multi-premise business, and AG (single and multi-premise). It also includes comparisons to findings from the earlier groups. With this information, PG&E will be able to develop new bill prototypes that can undergo further customer review before the redesigned bill is made final.

II. Objectives

The specific objectives of the Bill Format Focus Groups are to help PG&E identify and understand:

- Customer information needs and expectations of their energy company.
- Comprehension of PG&E's current monthly billing and pricing structure.
- Level of interest with historical and comparative monthly billing information.
- Feedback regarding the monthly billing format.

III. Methodology

To achieve these objectives, FLEXO HINER & Partners (FHPi) conducted a total of twelve focus groups. Six groups were completed among a sample of PG&E's residential and small business customers (summarized in a report dated July 2004). Six more focus groups were completed among large, midsize, and AG business customers – both multi and single premise. Specifically:

- The additional six focus groups among the large, midsize, and AG business customers were completed at three market research field facilities in PG&E's service territory based on the following schedule:
    - December 1, 5:00pm, San Francisco, Multi-Premise Large or Midsize Business Customers
    - December 1, 7:00pm, San Francisco, Single-Premise Large or Midsize Business Customers
    - December 2, 6:00pm, San Jose, Multi-Premise Large or Midsize Business Customers
    - December 2, 8:00pm, San Jose, Single-Premise Large or Midsize Business Customers
    - December 6, 6:00pm, Fresno, Multi-Premise AG Customers
    - December 6, 8:00pm, Fresno, Single-Premise AG Customers
- The groups were moderated by Dr. Steve Westberg (Senior Vice President of FLEXO HINER & Partners, and former Manager of Market Research at Southern California Edison). Dr. Westberg also moderated all of the residential and small business groups.
- Each group lasted approximately 2 hours.
- PG&E customers were screened and recruited to participate in the groups from PG&E customer lists for each city.
- Participants in the groups included the energy decision maker for the business, and a mixture of types of businesses and sizes of their average PG&E bill.
- Participants received remuneration from PG&E to thank them for their time and to encourage all those invited to the groups to show up ($150 for each participant).
- The focus groups were audio and video recorded, and transcribed.

Discussion Topics

Topics of discussion covered in each focus group included:

- Introductions and Purpose of the Discussion

- Warm-Up: Energy Information Needs
  - What types of energy information do you want or need on a regular basis? How do you currently obtain energy-related information? What do you do with the information?

- Bill-Related Energy Information Needs
  - What do you look at first when you receive your bill?
  - What information do you want to see on your bill statements? Why is this important?
    - Items to probe include: account number, amount due, due date, energy usage and comparisons, service dates, PG&E and non-PG&E charges, rotating outage blocks, estimated meter reads and bill components
  - What other types of information would you find valuable on your bill statement? Why?
    - Items to probe include: energy efficiency/conservation, rebates, weather, rates, payment options, and safety
  - Would you be interested in receiving and viewing your bill online instead of through the mail? Would you want to pay online? Would you prefer a 3rd party for payments or pay directly to www.pge.com?

- Understanding of Bill and Pricing Structure
  - How would you describe your understanding of the bill?
    - Do you understand how your bill is calculated? What do you look for on the bill?
    - How would you describe PG&E's rates? Have they gone up/down? Why do you think so?
    - Are you familiar with the baseline structure? What do you think about it?
    - Have you noticed the "component" charges on the monthly bill? Do you know what they are for? Do you want to see these on the bill?
  - Does your bill fluctuate? Does this bother you?
    - What causes your bill to fluctuate?
    - Would you want to pay the same amount each month?
    - How do the fluctuations make you feel about PG&E?
    - Do you feel you have control over your bill?

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- Historical and Comparative Information
  - The bill includes energy usage information for the current month and for the same month last year. Would additional past usage information be valuable? What would you want? Would you like to see cost as well?
    - How would you want this information presented?
  - Would comparative usage information of other PG&E customers who have your similar profile be valuable? Why?

- Bill Format
  - Please take a look at this example PG&E bill?
    - What do you like? Dislike? Is it easy to understand? What changes would you suggest?
  - Is it important to have PG&E and non-PG&E charges broken out?
  - Is it important to have gas and electric charges broken out?
  - Would you prefer a weighted average of the gas charges each month or the different rates broken out?
  - Do you read the back of the bill? Why? Is it understandable? Useful?

- Multi-Premise Accounts
  - Are you satisfied with how these appear on your bill?
  - How would you like them sorted?
  - What information is most important?
  - How valuable would (1) a service descriptor be? (2) Identification of billed/not billed accounts be?
  - How can PG&E improve its billing of multiple service agreements?

- Ideal Bill Statements
  - You brought along examples of bill statements that you particularly like. What do you like about them? What is the benefit of that feature?

- Wrap-Up
  - Thinking about the ideal PG&E bill statement, what information would it contain? Would that affect how you value the services provided by PG&E?
  - Thank you!

IV. Key Findings

The key findings from the focus groups are organized into five sections: (A) Main Themes: What Customers Want in a Bill Statement; (B) Energy Information Needs and Sources; (C) Bill Information; (D) Bill Format; and (E) Segment Differences.

A. Main Themes: What Customers Want in a Bill Statement

In general, the large, midsize and AG business customers (both multi and single-premise) have very similar preferences regarding their PG&E bills as the residential and small business customers. As a result, PG&E customers are nearly all in agreement with many of their bill design recommendations, including:

- **Simplicity.** While residential and small business customers expressed this as "one page – front and back," the larger businesses were less concerned about the number of pages as with an easy to use and well organized bill. All customers understand the tradeoff between having "complete" information on the bill and the length of the bill and all things being equal, clearly prefer a short and uncluttered bill without "too much" information.

    - **While residential and small business customers wanted detailed information on the front page, if possible, the larger and AG business customers are content with a separate detail page (or pages)**. These larger customers seem to like the organization of summary information on a front page, with the details inside if they are needed. Since many of them have multiple accounts, this seems to make the most sense to them.

- **Tear-off stub at the bottom of the page**. Most other bills have the stub at the bottom, which nearly all customers prefer. Those who actually pay the bills (e.g., accounts payable clerks in larger businesses) are obviously more concerned about this than those who review and approve them. Having the stub at the bottom is better for the following reasons:

    - It is easier to tear off from the bottom than the top.

    - It is easier to staple a bill at the top rather than on the side, which many customers currently do once the stub is removed from the top.

    - It is easier to file a bill that leaves the header intact, since the header makes subsequent bill identification and retrieval easier, particularly if the remaining statement has complete summary information once the stub is removed. Even the largest of customers save their bills this way.

- **Larger size (8 and ½ by 11 inches) to allow for larger print and fewer pages**. Many customers have trouble reading small print. Also, most customers would like fewer pages, so a larger size could accommodate more information per page.
    - Business customers, large and small, prefer a standard (8 and ½ by 11 inches) paper size for easier filing, easier copying, and easier routing.
    - Business customers also want larger #10 envelopes to accommodate their checks.
- **Summary information on the front page in a column or "box."** All customers want summary information on the front page. Detail information can either go on the front page (preferred by the residential and small business customers), or it can go on subsequent pages (preferred by the larger business customers).
    - Customers generally agree that the existing bill has adequate summary information. This includes: amount due, date due, service dates, gas and electric totals, previous balance, previous payment, account number, and customer service (assistance) telephone number. This information seems sufficient for all customers, large and small.
    - Additional summary information that customers would like included on the first page includes:
        - Website address (for all customers).
        - Telephone numbers for specially trained customer service representatives who can resolve the more complex billing issues of larger businesses and AG customers (for multi-premise and AG customers).
        - Service address (for customers with multiple accounts who do not receive a consolidated multi-premise bill).
- **Text information (descriptions) on the back of the front page**. Most customers do not read this information every month, but many have found reason to refer to it at one time or another.
    - While the larger businesses did not react as negatively toward tiny print as the residential and small business customers (who seem to believe that small print is used purposely to "hide" information), all

customers agree that the small print discourages reading. The same size font as used for the rest of the bill is preferred.

- The information included here is generally adequate, but does not define all terms found in the bill (e.g., demand). Also, the list of definitions can be put into alphabetical order.

- **Customer service telephone number and web site address prominent on the first page.**
  - Residential and small business customers want quick and easy access to "help" when they questions or problems with their bill, which for most means a person to talk to. For these customers, the general service telephone number is sufficient to answer their questions.
  - The AG and multi-premise business customers also want "help," but have come to believe that the customer service representatives at the general customer service number do not know enough about AG or multi-premise bills to be of any help. These customers requested a specific phone number to someone specifically trained in their "unique" billing issues.

- **Detailed information focused on explaining costs based on usage rather than on the component charges of generation, transmission, etc.**
  - For electric charges, most customers want to see the breakouts that are already included on the bill, but many have difficulty understanding it. The "double accounting" that shows both the component charge breakout and the usage costs confuses them, so they want the detailed bill pages redesigned as follows.
    - Customers want the focus to be on their usage because this is what they have control of. The single-premise AG customers made this point most strongly, perhaps because the participants in this focus groups were all on a TOU rate. It is likely that all PG&E customers have similar preferences about this.
    - Customers want line item calculations for the fixed charges (e.g., meter, customer), demand charges, and variable charges (e.g., kWh on-peak, kWh off-peak) to immediately follow the meter information near the top of the page. These line item charges should then add up to their bill total (the current bill includes the charges but the information is incomplete and does not show how these charges add up to the total bill amount).

- Customers also suggested showing the breakout of distribution, generation, transmission, taxes, etc. as percentages at the end of the bill rather than on every detail age, or even relegate this information to a web site link.

- **Expanded, graphed usage comparisons**. Nearly all customers, large and small, first look at their bill amount and due date when they receive the bill. Many of them next look at their usage comparison to the prior month and to the same month last year, in order to monitor and perhaps make adjustments to their usage.

    - Residential, small business, and single-premise midsize and large business customers.
        - These customers want to see past 12 (or 13) months usage for both gas and electricity in a bar graph.
        - Additionally, these customers would like to see average rate and bill amount for each month. Average rate would alert them to or remind them of rate changes. Nearly everyone recalls receiving upcoming rate change notices, but no one could remember being alerted on their bill when a rate change has occurred.
        - This information could go on the front page, or be relegated to another page if needed.

    - Multi-premise business customers.
        - Many of these customers create their own spreadsheets, which they can use for usage analysis, so a bar graph on the bill is less important to them.
        - However, if their other recommendations are adopted (listed below, such as adding a meter account summary page after the first page of the bill), some of these customers would no longer need to create their own spreadsheets. If this is the case, then detailed usage information in a bar graph on the bill would be important. Also, some of these customers expressed interest in two years of historical information rather than just one year.
        - AG customers (and others on TOU rates) would like to see on-peak and off-peak broken out in these comparisons.

Preferences of the residential, small business, and to some extent the midsize and large single-premise business customers that are not a priority or concern for the multi-premise and AG businesses include:

- **Identifying colors and logo at the top of the page**. This facilitates identification, filing, and subsequent retrieval of the bill.

- **Brief messages on the bill.** Short, single-sentence messages should alert residential and small to midsize business customers to rate changes, season changes (e.g., summer surcharge applies next month), energy conservation tips (e.g., set your thermostat to 78 to save 10% off cooling, compact fluorescent light bulbs cut lighting costs in half), rebates (e.g., rebates are now available), and other customer-focused "news you can use."
    - Large business customers (especially those with an assigned account manager) believe they already receive this information from a more effective channel – their account manager. Adding it to the bill would needlessly make the bill more cluttered.
    - Midsize and larger business customers without an assigned account manager are interested in some of this information, such as rate changes and rebates, but think that brief notes would be insufficient for them. If included, the note should also direct them to another resource for more details, such as the website or a dedicated customer service group (not just the general customer service center).
    - The midsize and larger business customers are also interested in rate analysis that would periodically suggest alternative rates that might apply, or that would tell them if they should move to another rate to save money on their bill.

Bill preferences of multi-premise customers (and which do not apply to single-premise or residential customers) include:

- **Provide a user-defined field at the beginning/top of each meter account detail section that can be used to sort the accounts in the bill.** This would allow customers to create account names that would group all meters from a single location or that belong to a single division together. This would facilitate finding and tracking individual accounts.
    - Multi-premise AG customers oftentimes sublease their land or facilities, so need to split apart their bills in order to pass the costs on to the tenant who is responsible for paying the bill.
    - Many multi-premise customers mentioned that an earlier bill design met most of their needs, but that the current bill does not. For example, this previous bill had alphanumeric designations for each meter account, and sorted them based on this designation. Accounts from a single location had common letters so were grouped together in the bill.

- Some customers noted that the bill already has a field for descriptive labels, but many customers are unaware that these can be changed.

- **Insert a page break after each meter account detail section.** This would make it easier to separate the bill (for customers who need to pass on billing data for individual meters).

  - It would also help customers to simply read the bill. Customers are confused by the address listed above the break-line for each meter, and then have trouble equating the detail information with its respective meter location.

- **Add an account summary page after the first page of the bill** that lists all meter accounts and includes: user defined name, service dates, usage, and energy costs.

  - In this summary, customers want to be able to create subtotals for locations or business units that have multiple meters. Nearly all multi-premise customers have determined their own subgroups for their meters for internal accounting allocations.

  - Customers also want all meters included all the time, even when the meter does not bill. Keeping track of meters that do not bill is currently a major challenge since there is no indication when a meter account drops out. A time-consuming workaround for many customers is to painstakingly enter meter account information into a spreadsheet each month and then to search the spreadsheet for accounts that do not appear.

- **Provide billing data in a downloadable or CD-based file.** Most multi-premise customers create their own spreadsheets for tracking and analysis purposes, so downloadable data would make this much easier for them.

  - Also, because the current limitations of the multi-premise bill make it very difficult to track individual meter accounts, most multi-premise customers keep spreadsheets into which they manually enter key information for each meter account. Downloadable data would facilitate this, although an account summary page might eliminate this need altogether.

- **Add an invoice number to each bill.** Larger business customers use invoice numbers to track virtually all bills and invoices. Also, the accounting software packages that nearly all of them use require invoice numbers.

  - Most of their suppliers and vendors include invoice numbers, but PG&E does not. Customers then create their own invoice number, oftentimes using the account number and date (or some other information from the bill).

  - This is not ideal because any small mistake or deviation from their standard practice makes it difficult to go back and find a prior bill.

- **Identify the specific meter account for any credits or corrections that appear on the first page of a multi-premise bill.** Currently, credits or debits show with the total due on the first page of the bill, but do not identify which meter the correction applies to. This forces customers to search through every account of their bill detail to find the corrected meter account.

- **Eliminate redundant information that appears for every account in the detail section.** For example, there are three blocks of text that are repeated for every meter account that are not unique to any one account. This information can be moved to a separate page at the end of the bill, or included on Page 2.

- **Eliminate the cover page that shows just the mailing address and return address.** Residential and small business customer bills do not include this mailing label page, so why have it for the large customers?

B. Information Needs and Sources

Midsize and large business customers have energy-related information needs similar to residential and small business customers, though are less likely to believe that their bill is the place to get this information.

- For these larger business customers, the bill is an invoice and should not be used for too much more. One reason for this is that larger business customers are likely to have accounts payable clerks who take care of the bill, and people in these positions are not interested in other energy-related information.

"I don't want to look at all the little stuff. I don't need it. I know sometimes I have to go back sometimes and check the meter number and this and that. There is a lot of garbage on the bills that I don't need." (Multi-Premise, San Francisco)

- Larger business customers tend to believe that when they do need energy related information (such as about rebates, energy efficiency methods, etc.), they need more specialized, detailed information than can be provided in a bill. These customers much prefer a dedicated account representative, or specialized customer service representatives who are trained to address their somewhat unique needs.

- Some of these larger business customers are interested in getting periodic rate change updates and confirmation that they are on the most appropriate rate.

"I would like to see it bolded so it jumps out at me. Rate change from this to that especially for budgeting reasons." (Multi-Premise, San Francisco)

"It seems like the recommendation could come on the bill. If they have the tools to analyze what your usage is and where you stand to save the most money. In that line item they could say you're A10 isn't meeting demand but if you switched over to this one because of your usage, you can qualify for this and save money." (Multi-Premise, San Francisco)

Multi-premise AG customers are similar to their non-AG multi-premise counterparts; however, the smaller AG customers (those with single-premise bills) seem less interested in energy-related information compared to other small business customers.

- It might be that small AG customers are generally less concerned about or interested in managing their energy use, or that they have relatively specialized needs and do not need much information.

- Small AG customers' energy-using equipment (pumps) are generally on TOU rates and are controlled by timers, so these customers are most concerned about making sure their pumps run off-peak.

"The bottom line is the total and the tear off at the bottom. The second thing is like Ray was saying, I'm very diligent about my time of use. If they would break that out, and put that on the front page, I know immediately whether I screwed up or not. Or whether the weather forced me to irrigate more then I want to re-plan a bit." (Single Premise AG, Fresno)

"The only detail that I would want would be what's peak and what's off peak." (Single Premise AG, Fresno)

C. Bill Information

All customers, large and small, first look at the **amount due**. Some customers also look at the **due date**, although some of the midsize and larger business customers tend to ignore this. When the bill arrives, they typically process it immediately so the due date is not very relevant.

"Dollars. Consumption." (Multi-Premise, San Jose)

"And date." (Multi-Premise, San Jose)

- All business customers would like more time between when they receive the bill and when it is due to avoid getting late notices. Late notices are irritating, and waste time of customers who feel they need to at least track down any bills associated with the late notice.

"The due date. There is a very short turn around on them. Ours is about two weeks and by the time they mail it to you, you have less than two weeks to get it through your accounting department. It takes time in the mail to get it to them and it takes time for them to post it." (Multi-Premise, San Francisco)

"Yeah, the only thing about the due date not being long is then you get that seven-day notice. And that doesn't always bother me too much. I mean, I know it's probably just crossed in the mail. Except you think, "Oh, did it get lost? Should I make that phone call to double check?" And then that takes time." (Multi-Premise, San Jose)

- Also, some larger business customers mentioned that statement issue dates are not always consistent, which can be annoying.

"Even with the summary, irregardless of when they read a particular meter the summary is not always issued on the 15th, 16th or 20th. There have been times when I did not get a whole summary bill within one month but I got two in the next. Now, one of these is real close to the end of the month like the 25th." (Multi-Premise AG, Fresno)

As with residential and small business customers, midsize and larger business customers and AG customers who are interested in managing their energy usage look at the **comparison between current month's usage with same month last year**.

"Just a small graph on the bottom that showed how you compared in the past 18 months." (Multi-Premise, San Jose)

"Last year at the same period." (Single-Premise, San Jose)

"I like to look at that, and see the usage of kilowatt-hours the previous period, and the previous year to the current. I like looking at that because you can tell me if I got a little stepped up on my irrigating times or something like that. You get nervous when

it starts getting real hot out there. Sometimes you over do it, so I like to keep an eye on the historical use." (Single-Premise AG, Fresno)

- For single premise customers, this is relatively easy. Those with multiple meter accounts have a bigger challenge since they need to review each one. To make this easier, it might make sense to flag meter accounts on multi-premise bills where usage has deviated more than 10 percent from the prior month.

- Although very few residential and small business customers think more than 13 months would be useful, some of the larger businesses want to go back 2 years.

"One year would be good, but two years would be better." (Multi-Premise, San Francisco)

"Two would be really nice. Two previous years plus the current." (Multi-Premise, San Francisco)

- Almost all customers would like to see more comparative information, such as a bar graph of their past usage, along with their bill amount and average rate for each month.

"Right. In Dollars. You get the units, but I am interested in what we actually spent." (Multi-Premise, San Francisco)

"I would want it to be for 12 months though because your summer to winter rates and things are different as far as usage. I would also want listed on there the kilowatts per day, which will take care of your variation in the number of the days in the billing cycle." (Single-Premise, San Francisco)

"I'd like to see the cost per therm and the cost per kWh." (Multi-Premise, San Jose)

"I'd like to see a graph of the previous fiscal years' rate, a graph of the consumption, and a graph of the cost." (Single-Premise, San Jose)

"I would like it in a graph form instead of a bunch of numbers." (Single-Premise AG, Fresno)

  - Customers want this information to help them determine at a glance whether or not their current month's usage is consistent with their prior usage.

"That ties into putting the money amount on the kilowatt hours used because that is the first thing if you see that go up year to year same amount of usage but you are paying more." (Multi-Premise, San Francisco)

  - If their usage is different, then they attempt to determine the cause. Larger businesses, especially those with multiple premises, seem more likely to think that a big difference could be a result of an error rather than a change in their usage. Since a customer with multiple meter accounts has an increased chance of a meter reading or estimation error occurring on one of their accounts, it is likely that these larger customers have indeed experienced more of these types of errors compared to single premise customers.

"I would want to see something where the months are maybe along the bottom, and having even an overlapping graph would be fine where there'd be one color for usage, and the other color for cost for each month. And then maybe a bar graph across it or something like that. At a glance would be perfect because then I could just glance at it, and follow the graph across to see if my graph is going up or down or which way it's going. Maybe there's some slow problem electrically or gas-wise that is slowly creeping up on us that even if I went back a few months, and looked at my own bills, I might not catch it. If I'm looking at six months or even looking at a year of at a glance, maybe I could catch something that is creeping up on me." (Single-Premise, San Francisco)

- Customers also want month-to-month usage information if they had done something to conserve energy in order to help them determine whether or not it had worked. For example, if a customer installed more efficient lighting or equipment, they would expect to see their usage drop in subsequent months.

- AG customers want to see on-peak and off-peak broken out in this historical comparison.

"Right, and instead of having just the usage of 36, what you should have is peak with an amount, off peak with an amount, and then a total in bold under usage for how much you actually used. Then you can see what you did at peak and what you did at off peak." (Single-Premise AG, Fresno)

Additional bill information that nearly all customers use routinely and want quick access to includes:

- **Account Number** to write on their check or to help them track costs for accounting purposes.

  - Some of the larger multi-premise customers who remember previous bill format (prior to the current bill) have been confused by the use of both account numbers and service ID numbers. They seem to believe that they now have two numbers for every meter account whereas in the previous bill there was just one.

"One thing I don't like about it is two account numbers for the same account. I don't understand why they do that. They used to have one account before. Now they have two. And that first account there could represent four or five other accounts. This one on the back represents the account for this one." (Multi-Premise, San Jose)

"But in terms of account numbers, it's just confusing. Why do you have two account numbers, this one and the service ID? It drives me crazy. They worked with it before with one number." (Multi-Premise, San Jose)

- **Service Dates** to help them file the bill in correct sequence, and to determine the number of billing days.

"The service date, because I use the service date as an invoice number." (Multi-Premise, San Francisco)

"The period for which the consumption covers." (Multi-Premise, San Jose)

  - Larger customers, especially the multi-premise customers, tend to allocate costs more rigorously than do small business or residential customers. Many of them follow calendar months for accounting purposes, or they allocate costs to units of output. This means they split up costs from single PG&E bills and use service dates as a way to allocate average daily costs.

"This is what I mean by being consistent. This is November's bill and it is all consolidated for all locations. This first location is billing days of 29 days. The next location is billing days of 28 days. Why would they do that? That gets back to consistencies. If they are all going to be 29 days fine, or 28 days that is fine. If they are not going to follow the calendar month. On the same bill I have different locations that have different days. Then you are trying to say there is an aberration in the dollar amount and how much is it." (Multi-Premise, San Francisco)

"I always look at the dates. Is it a 29-day month? Or is it a 31-day month or a 32-day month? Just the variance in each bill can be five dollars to $150 just because of the number of days." (Single-Premise, San Francisco)

"Except what I don't like or what happens is on the first page it says "service dates." Sometimes I'll get a bill and it will say 11/01/04 to 12/13/04. And the bill normally reads from 11/01 to 11/30. And I'm not sure why this happens. The reason that's a problem is if you go to page three of this, right there on the usage it says 500 therms. Well, then I have to prorate that consumption at 500 therms. Or I'll have to divide the therms into the portion of November and then a portion of December. And that's not something I like to do. It's not accurate." (Multi-Premise, San Jose)

    - For example, a large poultry (AG) customer assigns costs to different flocks of birds based on when the chicks hatch until the mature birds are disposed of. A flocks "life" will overlap multiple billing statements.

"We grow turkeys so every bill that comes in has to be charged to a flock. Those flock cycles don't line up on a calendar. There is a flock accounting division. We pay the bill under electricity. Getting the bill out the door is not the issue. Internally having it sorted a certain way would be tremendous because then flock does not

have to go through each bill and figure out if it started on this day and the birds were three days old. The birds went out when the bill was 17 days into it's cycle and we have to prorate that to that flock. What do we do with the bill when the ranch was empty? We have issues like that. Sorting it the way we want it would be tremendous." (Multi-Premise AG, Fresno)

- o Also, although not mentioned, customers might want to see the number of billing days listed in the account summary to facilitate their mental comparison to the prior month.

- **Telephone Numbers** so that customers could further investigate large, unexplained bill differences with the help of a PG&E representative. Enough customers in the focus groups had stories about PG&E billing errors, so that it seems likely that one of the first things customers do in the event of a particularly large bill is call PG&E to eliminate this as a possibility.
  - o This is especially true for the multi-premise customers, though many of them have account managers they can call.
  - o Multi-premise customers without account managers want a special number to call so they can speak to customer service representatives who understand the complexities of multi-premise accounts. Their experiences with the general customer service telephone number have been disappointing.

"And not necessarily the 800-number … Maybe more of a direct line." (Multi-Premise, San Francisco)

"I'll call the 800 number and they can't reference the service ID. They can only reference the summary billing. And the summary bill has 60 or 80 accounts in it. And so if I give them the summary bill it's like this big mountain of accounts. If I give them the service ID, they really can't give you data." (Multi-Premise, San Jose)

- o AG customers also want a dedicated AG phone number for these same reasons.

"I guess my complaint then would be that I don't have a sales rep." (Multi-Premise AG, Fresno)

"We need a local person that we can go to someplace that we can go to and talk about our bills and accounting." (Multi-Premise AG, Fresno)

"Not just some 800-number because if you call that, you are talking to somebody in San Ramon or San Francisco. They don't give a rip about what your billing issue is. They really don't. It's the local guy that is going to help you out and find the answers." (Multi-Premise AG, Fresno)

"You're asking us what information, you make a phone call to PG&E, and they can't answer your question, so what good does it do to put anything else on the bill? If you all up somebody, and you ask them, "What is this for or what is that for?" and they can't answer the question then what's it on the bill for? So you're better off just putting on the bottom line how much you owe and send it back." (Single-Premise AG, Fresno)

- **Website address added to the front page** beneath the telephone number.

"I would put the Website under the first box on the front page." (Multi-Premise, San Francisco)

"You might want to have your Web address under the logo or someplace other than just with the rest of the phone numbers." (Single-Premise, San Francisco)

- **Estimated Meter Read Designation** if a bill is estimated, along with a brief explanation about what estimation is. Customers large and small do not like estimated bills, but would probably accept them if they knew that each estimated bill would be clearly labeled as such. Additional explanation about bill estimation would also help since not all customers are aware that estimated bills tend to "true up" the next billing cycle.

"If they do an estimated bill, they make that a little more bold." (Multi-Premise, San Francisco)

"And if it was an estimated bill, then a little more information on how the estimate was derived, like if it was on the past 5 months or whatever." (Multi-Premise, San Francisco)

"Have it in bold or bigger print." (Multi-Premise, San Francisco)

"I never know if it's estimated. That's a good thing you brought up. I've never known whether they've estimated it or not." (Single-Premise AG, Fresno)

  - Providing this additional information would help explain month-to-month bill differences, and might reduce calls to PG&E's customer service center.

"Where it says the kilowatts used they didn't say anything. It was blank. That told me that somebody didn't read something. That's when I called them up and they said it was an estimate." (Single-Premise AG, Fresno)

- **Rotating Outage Information** that would include block number along with information about where their block is in the rotation cycle, but only during times when rotating outages are likely. Most customers in the focus groups said they kept track of their rotating outage block during the energy crisis.

"About a year ago when we had the rotating outages I looked at it, but never before and never since." (Single-Premise, San Jose)

- **Alerts and Messages** that would change each month to remind customers of important things such as rate changes, seasonal energy conservation tips, rebates, and other relevant topics. Customers want short, single sentence messages. If more information is needed, the message should direct them to the appropriate place on PG&E's web site.

"News that rates are going to go up. I'm thinking about the front page of the bill underneath the total amount due there is probably two and a half inches of space. Just put four or five lines in there. "We're anticipating rates will go up next January. There are rebate programs available for buy T-4 Lights."" (Single-Premise, San Francisco)

"With the colors and the blocks. And they also give, at the bottom of the bill, they do give some free advice, you know, as the days become shorter, you know, lawns should be watered less and stuff. So they kind of throw out some tips for you on the bill." Single-Premise, San Jose)

  - Larger business and AG customers are not as interested in this type of additional information being included on their bills as are residential and small business customers. For larger customers, a bill is an invoice, and sometimes a quick reference for usage. Other communications included with a bill tend to get ignored or are seen only by accounting personnel.

"I can go to the web for that. I want a thirty second glance or a one-minute glance of where I can do some cost reduction or where the increase came from and get the bill paid." (Multi-Premise, San Francisco)

"We rely on consultants to come in and help us engineer cost savings. We rely on contractors to suggest cost savings. We rely on our PG&E account manager to give us insightful information when we talk to him." (Multi-Premise, San Francisco)

"Go to such and such on the Website if you are interested."" (Single-Premise, San Francisco)

"That could be a flyer with the bill. We've already got so much information jammed on the actual billing part that I'd rather keep it separate. Basically, tell me how much it is per item, what the total is, and how much it's going to cost me that month, and then tell me all the surcharges that go with it in a separate section. If they start saying, "If you would have," or "You could have," and things like that on this bill, it's going to make us all so confused." (Single-Premise AG, Fresno)

Other information that customers think should be included in the bill, but that they would not need to access very often includes:

- **Definitions, Payment Procedures, and Additional Telephone Numbers.** Once they actually read it, customers think the information on page 2 of the current bill is useful, and for the most part understandable. Some customers would like the definitions to be more in layman's terms with less "legalese" and jargon. Customers also want this information in a larger font, such as the size used in the bill examples in the focus groups.

"That's one thing that my bookkeeper is always complaining about is when he's trying to look at something, he cannot read that back of the bill because it's so small. He's actually got a magnifying glass on his desk to read things like that because it's so small." (Single-Premise, San Francisco)

"I think if it was in there at the beginning of the year, and then you could file that away, and if you need something, you'll know where it is. To have it in every month, to me, it's a waste of paper." (Single-Premise AG, Fresno)

  - Baseline needs to be added to the list of definitions.

  - Other unfamiliar terms in the bill should also be added to the definitions, such as multiplier, energy commission tax, meter constant, demand, and created demand.

"There are some of them that are, but this one, "The non-by-passable charge that collects the funds for site restoration." Okay, but if it's non-by-passable charged then how come it's getting passed to us?" (Single-Premise, San Francisco)

"What's a meter constant?" (Single-Premise, San Francisco)

"I think all of the acronyms here, well, unless you're like Bert, who really does know this information, Bert, do you mind if we just take your card, and just give you a buzz every time we have a question? It would be nice for all of these acronyms." (Single-Premise, San Francisco)

"My bill has a Bill Demand Summer of 63 … They could show any number and you don't know what it is." (Single-Premise, San Jose)

"We get a demand charge, and there's no place on there that says how much the demand charge is. You call down there and one month is different than the other one. I've been told three different figures. So what's the right figure?" (Single-Premise AG, Fresno)

  - Customers suggested putting the definitions in alphabetical order, or use the same order as in the detail of the billing components.

"Yes. It's like, "I want to know what generation is." So you go to the top one, and see it's not generation. Then you have to look for generation and find it at the bottom." (Single-Premise, San Francisco)

"Alphabetical would be better at least." (Single-Premise, San Francisco)

- **Billing Components.** Some customers want to see the breakout of charges in terms of the billing components so they can see where their dollars are going, and many seem to believe that this information should be included in the spirit of openness. However, this information is a bit confusing, and is a low priority since customers have no control over it.

"I don't even pay attention to it other than I just kind of glance at it. I puzzle my head a bit and move on." (Single-Premise, San Francisco)

"For example, it says energy transmission charge, $300. Okay, where is that $300 coming from? Is that like a…is that…what I use? Or is that just a fixed rate?" (Single-Premise, San Jose)

"The categories like transmission, generation, to us that does not really matter." (Multi-Premise AG, Fresno)

"If I have no control over it, I don't need to know it, personally. If it's something I can control like time of use, and I know what hours is peak and off peak, and it's something that I have control over and can change, yes, I want to know that. If it's something that the Energy Commission mandates that I pay a dollar fifty in a nuclear decommissioning fee, I could care less. Just put regulatory fees and the amount." (Single-Premise, Fresno)

"I don't trust PG&E. I think if you don't require them to list all of those charges, and give you a round number, the number will keep getting bigger and bigger, and you wouldn't know why they are screwing you. At least this way, you can go back and call PG&E and say, "What does nuclear decommissioning mean?" You may not be able to do anything about it, but you will be shafted royally by PG&E if you do not have a line-to-line breakout." (Single-Premise AG, Fresno)

  - The billing components section is confusing because it appears immediately after the meter information, yet it does not make use of the meter data. It should be moved after the usage-based or fixed customer charge information.

  - Rather than show the breakout in dollars, most customers seem to prefer percents. Percents are more meaningful to them. Also, customers could track percents over time to determine which component might be the reason for a rate increase.

"It would be nice if the percentage was shown for the taxes. For all this other stuff, instead of having to back it in and say what is the percentage for the taxes and where does this generation number come from and to know what percentage of the bill does this come from. Also, to answer his question about how is my bill increasing from year to year, it is not necessarily the rates but these percentages with the surcharges are going up, that would be useful to know on an annual basis." (Multi-Premise, San Francisco)

"I think on that charge, what they can do is just put the percentage down. Like, let's say, monthly use is about $2,000, your generation is about whatever the percent of that charge. And then you can figure it out by calculation. Otherwise, they just put a lump sum of charges…what's the percent of that, you don't know. It could be fluctuating every month." (Single-Premise, San Jose)

"When we had the energy crisis, we were paying a huge amount for imported energy and they wanted to show the generation charges going way up. We had to pay for out of state power. The percentage can do that. You don't need to get into this kind of detail." (Multi-Premise AG, Fresno)

- Multi-premise customers would prefer to have the component breakout appear only once at the end of the bill (or even relegated to PG&E's website) rather than on every detail page for each meter account.

"Maybe they can put it on the front page with the percentages of each because I assume that they apply equally to each meter …Or they could put it on the back page so you don't have to look at it." (Multi-Premise AG, Fresno)

- Some customers (generally the small business and residential, but larger customers as well) also agreed that these charges should be broken out between "PG&E" and "Non-PG&E." This break out would provide greater clarity around which charges are actually for energy (e.g., generation/procurement, distribution, transmission) and which are taxes and other non-energy fees (e.g., public purpose programs, TTA, taxes, etc.) Customers did not seem to care about distinguishing between something such as PG&E generation and non-PG&E generation.

"I guess the one thing I would say on the page three where they have generation transmission distribution and all of that, part of me says, "Just get rid of it because I really don't care," but if you get into this stupid deregulation, and we have different companies doing different services that may become very necessary. I think that's where they started doing that is when they had to spin off quite a few of their generating facilities. So now they're buying power from Cal Pine that's making power out of their old facility." (Single-Premise, San Francisco)

"If they could say, okay, these are regulatory charges that we're just passing on to you. I mean, this would be more, I mean, there's nothing we could do. We've still got to pay it. But at least you'd know, okay, this is something that's being…we're made to pay because that's what the government said, versus this is related to our usage. So you could say, okay, here's what I can control, here's what I can't control." (Single-Premise, San Jose)

- **Rate Information.** Even many of the large energy users are confused by rates. Customers want rate information clearly and easily identified in the bill. In other words, rate information should be on the bill, but it must be understandable. Even multi-premise customers with very large bills do not want to take much time learning to read their bill. Rate information needs to be simple and self-explanatory (a tall order).

"There's even different types of service levels and it all kind of ends up being Greek to me. And I don't know if that's just because they're so regulated and they just have all of this stuff going on. But I certainly don't feel like it's a bill that I… I have to feel like I have to trust them. A lot of vendor invoices, you know what the price is supposed to be and you know why and what not. And with the PG&E bill, I personally don't feel like I really know what they're charging me is right or even know how to look at it." (Multi-Premise, San Jose)

"Perhaps they could explain, are the rates changed seasonally, or are they based on supply and demand? If it is seasonal, maybe once a year, beginning of the year…your spring rate is this, your summer rate is this, your fall and so on, these are the rates. So I know I'm going to go through summer, which the rates are higher. Maybe that will influence me conserving more." (Single-Premise, San Jose)

"It does not really matter and if we are curious about that we should be able to access it through our account reps, the Internet or whatever. Really what difference does it make? For us, it is more important to look at time of use so we know when we are using more or less electricity. Hey guys, if we can start two hours earlier we won't go into peak. That is the kind of information…" (Multi-Premise AG, Fresno)

- For the most part, customers think of rates as "how many cents per unit of energy," so a monthly average for kWh and therms based on a customer's usage is helpful.

- For electric charges, most customers (especially business) want their usage-based charges to be listed and summarized immediately beneath the meter information in the detail section of the bill. This is where the component charges currently reside.

"On our bill, they've got the line that has the meter readings and the difference and that that's the usage, which is in kilowatts hours. Like she said, the charges section just says, "Electric charges" and a dollar amount. It doesn't tell us how that was calculated from the kilowatt-hours. We could probably divide it in there, and figure out some multipliers or divider, but what's it apply to? What's it coming from?" (Single-Premise, San Francisco)

"I think it would be better if you had the Time Of Use detail up with the meter reading information … together instead of apart." (Single-Premise AG, Fresno)

  - Customers want to see line item calculations for the fixed charges (e.g., meter charge, customer charge), demand charges (if applicable), and variable charges (e.g., kWh on-peak, kWh off-peak, etc.). The existing bill includes these charges but the information is incomplete and does not show how these charges add up to the total bill amount.
  - These line item charges should then add up to the bill total.

- This would allow customers can easily verify their bill amounts, and to determine how their usage impacts their bill total.

"I'm a detail person. You tell me that you're selling something at 6.49 cents per kilowatt-hour, show me on my bill where it says that. Show me where I'm paying that amount for so many kilowatts. I looked through this whole damn bill, and I can't find that. If that's the case, then I should buy so many kilowatts at a certain price. That should cost me so much money. I can't find that on the bill. Here on the bill it has an amount of $800. It says, "Generation. $346." Then it has all kinds of little broken down things below that. What does that generation mean? How do I factor in what I've been told I'm paying for power to that generation?" (Single-Premise AG, Fresno)

"Yes, and how much did it cost me for my on peak and how much did it cost me for my off peak. Then you've got the kilowatt-hours and the price per kilowatt-hour. It's right there. Just list it. Just like you'd itemize goods and services in any other kind of business. Put so many goods at so much of a price for a total dollar. I think Ray nailed it when he said that a few moments ago. How much does it cost us per kilowatt-hour for the time we're using the electricity. I don't need to know how much of it is generation and how much of it is for the nuclear commission and all of that. I'd like to have that itemized as a regulatory fee on the bottom because I agree with Joe that PG&E might edge it up there if you don't watch it." (Single-Premise AG, Fresno)

"Do you see where it says generation/transmission/distribution and all the charges over there? Where is the subtotal? Do you see where it says miscellaneous information $15.24 meter charge, etc.? Where is the subtotal. Time of use, where is the subtotal? Demand detail? … They put the information way out of sequence. In fact, they challenge you to come up with a total. PG&E does not subtotal anything." (Single-Premise AG, Fresno)

"It says, "Meter reading. Meter reading difference." No place on the bill can you find out where that 907 came from. What that 907 costs. I think that is what Ray is looking at. That 907 should be broken out into peak and off peak, etc., and those three numbers should add up to 907, and those three numbers should have a subtotal off to the side, which then should add up to your total cost minus all the taxes and generation, etc. There is no way to match up." (Single-Premise AG, Fresno)

- Customers are confused by:
  - The two separate sections for gas charges. They would prefer to have the rate per therm averaged for the month since usage is already just a daily average. (Small business and residential)
  - The definition of baseline. No one really knows what it is. (Residential)
  - The multiplier or meter constant. No one knows what these are for. (All customers)
  - The energy surcharge. Why is this a separate item instead of being rolled into the rate? (Small business)
  - The billing components for electricity. (All customers)

"You might have 31 days of usage but it is in two or three pieces. You have to add it all up. If you are in a month where it changes seasons like summer to winter, or winter to summer, they always break it there and you have to figure out the prorations for the demand charges if you are going to check their calculations against the rate finders." (Multi-Premise AG, Fresno)

"I really don't care what my usage and costs were for two weeks out of that four-week period. What they're doing here is they're billing July 8th to July 31st, and then August 1st to August 5th. They're putting five days down here in one section, and the rest of the previous month in the other. It's just too much detail. You don't need that." (Single-Premise AG, Fresno)

- **Downloadable Billing and Usage Data**. Multi-premise business customers are interested in downloadable billing and usage data. Many of them keep track of both billing and usage data in spreadsheets, so the ability to download this information would save on the clerical time that is needed to create these spreadsheets manually.

"A summary bill on a CD…electronically." (Multi-Premise, San Francisco)

"For efficiency. It eliminates all the keypunching." (Multi-Premise, San Francisco)

"My preference would be to have the whole thing online and to be able to export it to an excel spreadsheet. That way whatever numbers I choose to look at, I can create my own information … " (Multi-Premise, San Francisco)

"A lot of people I know put it in a spreadsheet one way or another." (Multi-Premise, San Jose)

- **Confirmation of Rate Schedule**. The larger business customers requested periodic confirmation that they are on the best or most advantageous rate schedule available for them. They suggested that an occasional note on the bill to either confirm their existing rate or suggest an alternative would be useful.

"If (PG&E) could look at the bill … If it flashes out at them that you are on the wrong schedule to highlight something to us like you might benefit by changing to Schedule A or whatever." (Multi-Premise, San Francisco)

"I guess for me what I would like is information that would make me more knowledgeable to know whether it's really that we should change to a different type of rate. You know, they have these different rate plans or different meter types or whatever." (Multi-Premise, San Jose)

"We need to get an explanation about what cycle you need to put your meter on. An AG5A or an AG1A, what is the best that is going to fit that particular meter? I went back through this ancient file that I have to try to figure out what the different meter cycles are and when we can run and when we shouldn't run." (Multi-Premise AG, Fresno)

"If there were a way, and I don't know if PG&E can run the numbers, but on the Web site, it has a feature where you can click on different rates to see how your bill would come out. If there was a way that they could automatically say, "You should look at this rate schedule instead of this. It may save you money." That would be something that would be very useful to me." (Single-Premise AG, Fresno)

Information discussed in the focus groups but that was not considered very important or that should not be provided in the bill includes:

- **Weather Information.** Only a few customers want to see weather information in the bill, such as average temperature in a month. They believe it will help them understand bill fluctuations when they compare usage to same month last year. Weather information should be part of the historical comparison. Those who do not care to have weather information either think it would be obvious so does not need to be in the bill, or they track weather themselves already (such as the AG customers).

"The Weather Channel." (Single-Premise, San Francisco)

"And so it's good to know November to November what was November last year and how much the bill was. But at the same time it's good to show why the bill is higher, even though we have made some energy efficiency activities. So showing what the average temperature was would be helpful." (Multi-Premise, San Jose)

"Weather information can be found in the paper anywhere." (Single-Premise AG, Fresno)

- **Energy Conservation Information.** Residential and small to midsize business customers would like more information about energy conservation, along with more frequent reminders about what they should do to conserve.

    - However, they do not want it in the bill unless it can be kept short. Customers suggested that the bill include a brief message along with the URL location in PG&E's web site for more detailed information. The bill should only include simple reminders and a link.

    - Of note, many residential customers are interested in energy usage and energy cost data for household appliances and fixtures, such as a 5 year old central AC, a ten year old 25 cu. ft. refrigerator, a low voltage halogen light bulb, a TV, a computer, etc. This would allow them to compare costs of appliances of different ages, and to know how much it costs to do common things such as run their AC for an hour.

  Larger users also want conservation information, but believe it only needs to be provided to them "on-demand" since they already are knowledgeable, and they need more detailed and specific information for their unique situations.

- These customers generally do not think the bill is the right place for this kind of information, although notes that simply direct them to other resources, such as PG&E's website, would be acceptable,

"It is redundant. I get that from my account rep. I know some of you don't have an account rep., but he'll come to my office and throw down stacks of stuff on rebates and energy efficiency. I don't need it on the bill." (Multi-Premise AG, Fresno)

- **Rebate Information.** Customers want only very simple messages alerting them to rebates and directing them to PG&E's web site for more information.
  - Residential and small business customers would like simple reminders.
  - Larger customers want to know when a rebate is available but are frequently frustrated because funds seem to go very quickly. The bill might not be the best place to communicate about rebates to large users.
  - One midsize, single-premise business customer suggested a separate page in the bill for rebates.

"I forgot to bring it with me, but on one of my other credit card bills, they have periodically offers and rebates that they insert a whole separate page that's the same size as the bill, but it's broken down into sections. I could actually tear them apart like coupons. I could keep one or two parts of it or the whole page. With some of them I could mail it back in with my payment to get something back. If there is a rebate program where you're interested in some energy saving program that's coming up, and you want more information about it, you'd have one part that you could tear off, and put it back in with your bill." (Single-Premise, San Francisco)

- **Comparison to "Class Average."** Some customers indicated interest in comparing their own usage to other similar customers, but also thought this would be only marginally useful since there are so many variables that affect usage.

- **How To Read the Bill.** Customers almost unanimously agreed that the current bill statement is confusing. Ideally, the bill statement would be self-explanatory, but otherwise, customers need some instruction in interpreting the bill. Customers large and small do not want bill reading instructions actually on the bill, but some might go to the web site if they were directed to do so. A few even suggested a class.

"… PG&E to provide either on their Web site or set up classes or whatever, some tutorial on the bills. Of course we can go dig and find out on some of the charges. But if there was a way to make it easier, that would be very helpful. I've seen some good tutorials on some of the other topics. That might be something that would be useful … Yeah, but not one of those that's like, "This is your account number. This is your amount due." I'm talking about, what does this mean and what does that mean? … How to read a bill. We're professional bill readers, right?" (Multi-Premise, San Jose)

"Online would be good. But I think even PG&E has had instructional classes. So in-person ones would work. I think those are effective." (Multi-Premise, San Jose)

D. Bill Format

As with the residential and small business customers, midsize and large business and AG customers' complaints about the current PG&E bill are about information content more than format, although a few key format changes would probably significantly increase customer perceptions about the bill.

Interestingly, the larger business customers seem generally more satisfied with the bill, especially the front page, compared to the residential and small business customers.

"I think the bill is not too bad. I'm totally out of place here, but I don't want a total overhaul of the bill. I think it's pretty good." (Multi-Premise, San Jose)

"The first page is good, because I need all of the information. I need all of the information they're giving – gas, electric, taxes and all of that. This page is important to me." (Multi-Premise, San Jose)

"Tells you the service date, tells you the usage, previous bill payments. No, leave it alone." (Single-Premise, San Jose)

Format changes that would apply for all customer segments include:

- **Relocate the tear-off stub to the bottom of the page instead of at the top**. It is awkward to have to tear from the top, and the remaining partial page is difficult to attach to the following pages before filing it away. Also, the remaining partial page no longer has all the key information that customers want to retain once the stub is removed.

"Yeah, because people get them in the mail and they immediately staple the pages together and then you go to take it apart to pull the stub off and move this up and re-staple it. So if it's on the bottom…" (Multi-Premise, San Jose)

"I staple it and then I have to remove that and then re-tear this out, and then restaple that with a copy of my check, and then send it out. So if this portion moved down…" (Single-Premise, San Jose)

"I would rather have it on the bottom because when I staple the top you have to take it off and then staple it. If it is on the bottom, I can staple it and then take off the bottom." (Multi-Premise AG, Fresno)

"I just want to see them put that tear off on the bottom instead of the top. That is real annoying … For me, it's real inconvenient because I'm stapling, and I'm shuffling other paper and things like that. Can I go now? That's my complaint." (Single-Premise AG, Fresno)

- **Use layout features to separate information on a page**. For example, use color shading or boxes to indicate different blocks of information.

- **Use white space on the sides and around blocks of information, but eliminate wasted space**. For example, the current bill has a lot of wasted space at the bottom of page 1. Customers from nearly all of the groups pointed out that lots of white space makes the bill appear ore readable.

- **Increase the page size to a standard 8 and ½ by 11 inch**. This facilitates copying, filing, routing, and even reading the bill.

"Can it be 8 by 11?" (Multi-Premise, San Francisco)

"We have to fax our invoices to the accounts payable department in Ohio and it is a pain to fax these little papers. Sometimes they go crooked and it…" (Multi-Premise, San Francisco)

"With the PG&E format for the strange size paper, trying to get that through the feeder in my photocopy machine, it just shuts down and gets stuck. So if they just had regular thin paper, it doesn't have to be expensive, just in the regular 8 ½ by 11 size that would be ideal for us. Then we could throw it in there with all of the rest of the bills in a stack because PG&E has to be separate when you photocopy it." (Single-Premise, San Francisco)

"Your check would print out. It just fits perfectly on 8 and ½ by 11 for filing purposes." (Multi-Premise, San Jose)

- **Provide a Number 10 size envelope for all business customers**. Most businesses, large and small, use large checks that must be folded to fit into the current PG&E envelope. Customers reacted with surprising vigor and emotion regarding the envelope size.

"The stupid envelopes are too small for our checks." (Multi-Premise, San Francisco)

"Our checks don't fit in those little envelopes anyway, so they usually get tossed." (Single-Premise, San Francisco)

"Make the envelope bigger." (Single-Premise, San Jose)

Residential and single-premise small and midsize business customers requested:

- **Simplify and shorten the detail information for gas and electricity**. Small and single-premise customers want a simpler, easier to understand bill, and are willing to forego some of the detail to achieve this. In contrast, the larger businesses do not want any existing information on the bill to be deleted.

- **Reduce the number of pages**. The ideal for these residential and small business customers is a single page bill with all the pertinent information on the front, and with text information (definitions, how to ay, etc.) on the back. Larger businesses are not concerned with the number of pages, but rather want the information to be better organized so it is easier to find and use.

Multi-premise midsize and large business customers want:

- **Provide a user-defined field at the beginning/top of each meter account detail section that can be used to sort the accounts in the bill.** This would allow customers to create account names that would group all meters from a single location or that belong to a single division together. This would facilitate finding and tracking individual accounts.

"I think the bottom line is, we have multiple locations on some bills and it is the same for the parking structure. Each organization whether it is a college or a business, has their own number scheme. So do a lot of vendors today. I use Icon as an example because we have a million copiers with Icon. They will take every copier that is on the summary bill and they will put our own University unique reference code for each copier. When anybody looks at that invoice, they know that the copier belongs to X department." (Multi-Premise, San Francisco)

"Sometimes, when I am looking at the list, I know the account numbers but I am looking for a specific location. In my case it might be nice to have it alphabetical for my use." (Multi-Premise, San Francisco)

"I'd have to have a separate code for the ID number and the location. That's one of the main things that I'm looking at. In my department it's necessary. I mean, I can't talk about service ID number and 21163, but I could talk about Station 20 and know where…" (Multi-Premise, San Jose)

"I think the obvious one for us is that it goes in numerical order and some months it won't be in numerical order. You know, the numbers will be jumbled. I don't know why. And it just won't work for me. "Where is this account?" And I'll have to thumb through. "Oh here it is at the back. It's usually over here." I don't know why that happens." (Multi-Premise, San Jose)

"The way it was before. It was BVJ and then these letters. You had letters. The first three were letters and the rest were numbers." (Multi-Premise, San Jose)

"Our bills range about 195 pages and they are not numerical. I talked to our account manager but they don't go 1-500. They go 1-100, 200-300 and then skip back to 200. If you try to find an ID number, you can't find it. It will take you 30 minutes to go through the whole bill." (Multi-Premise AG, Fresno)

"The customer can choose their own way of sorting. That would be simple for the computer I would think." (Multi-Premise AG, Fresno)

"I've got a lot of irrigation wells. What happens is PG&E or somebody else a lot of years ago designated a name for them, which makes absolutely no sense to me. It'll say "Southeast North 35" or something like that. That means nothing to me. I have my own designation like 1-12 or 12-9 or what have you. I'd rather be able to name

what it is for myself, so I understand better instead of having to go find a list to decipher which one this is for." (Single-Premise AG, Fresno)

- Although a customer-defined account description is currently available, many customers are not familiar with it, or are not aware that they can change the descriptions.

"I never know if those are accurate. I don't put them in. Does PG&E just stick a description in there based on what they know." (Multi-Premise, San Francisco)

- Additionally, customers want more clearly identified service addresses or locations.

"This bill is for a small garage in San Jose but we are not able to identify which garage this specific bill is for. There are so many of them. We had to pay a deposit because we had a delay in paying bills because of that problem. They put the head office instead of the service location on the invoice. Calling them takes so much time. We call and then wait on the phone. We put it in a pile and continue on." (Multi-Premise, San Francisco)

"The service location information should be much more clearly identified and not just the little font for the ABC Company." (Multi-Premise, San Francisco)

"We only have two locations. One in San Francisco and one in Sacramento, and two bills got sent to San Francisco to pay. On the bill it didn't say, "This is for Sacramento. This is for San Francisco." You can easily put in the service location on the bill, so I could easily identify it." (Single-Premise, San Francisco)

"Location of the service, right, instead of just the account number." (Single-Premise, San Jose)

"As long as we could set it up. The one that I have does not make any sense to me. It says Northwest, Northwest, Southwest, and Northwest 311626. It does not agree. I could not pinpoint what ranch that was." (Multi-Premise AG, Fresno)

"Maybe if they put "irrigation pump," "shop," or things right on the front page." (Single-Premise AG, Fresno)

"You've got to go to the second page, and there it says, "Almonds." If they could put it like you were saying like it used to be, and put something on top that says, "Agriculture," or anything and give you a clue. I thought I was the only one that was stapling." (Single-Premise AG, Fresno)

- **Allow customers to determine how to group electric and gas accounts as well.** Some want all of the electric account grouped separately from gas, while others want electric and gas at the same location to be grouped together.

"From an accounting standpoint you are probably organizing each location as a department and it has it's own codes. To have to break it into an electrical section and then you have to find garage #15 for the gas and then flip through the electrical area." (Multi-Premise, San Francisco)

"But you want each location in the same area." (Multi-Premise, San Francisco)

- **Insert a page break after each meter account detail section.** This would make it easier to separate the bill (for customers who need to pass on billing data for individual meters).

"Even with the detail area, there is no page break. They just run into each other." (Multi-Premise, San Francisco)

"Change it so it is a single account on a single page and it page breaks properly, so she is not sending something that is half and half and the location manager says, what do I pay? I see two amounts on the top and bottom." (Multi-Premise, San Francisco)

"That is a problem – the page break. I would like to see one per page." (Multi-Premise, San Jose)

  - AG customers routinely sublease property and need to pass on portions of their bills.

"Is there some way that we can put each ranch on a separate page? When you want to send the bill out to each owner, here is somebody else's meter reading on the bill. They say, what is this? It would be nice if PG&E could keep each ranch separate. We might have 10 meters on a ranch and then you go to another ranch with 5 meters and they could keep those separate rather than running them all together." (Multi-Premise AG, Fresno)

  - It would also help customers to simply read the bill. Customers are confused by the address listed above the break-line for each meter, and then have trouble equating the detail information with its respective meter location.

"This is a minor thing but you guys have this line break and because of the way you page break it just kind of runs on. If you are going to put a line here and separate the locations then why don't you put the locations in the line where the section is? When someone first looks at it like when I first looked at it, I thought because of the line break I thought there is no way that location can generate that much electricity out of that place. Then I realized that it is above." (Multi-Premise, San Francisco)

- **Add an account summary page after the first page of the bill** that lists all meter accounts and includes: user defined name, service dates, usage, and energy costs.

"But, for example, the accountant has to put it towards each division. But there's a total amount on top of the bill and then that person has to go through each page and try to find it. And sometimes they find the wrong number. I go back the following month and I see they charged the wrong number. So if there is a mechanism that would summarize it and some people would get that summary portion of it and whoever..." (Multi-Premise, San Jose)

"And they used to have that and they did away with it. And I loved it when they had it. Now they still have the summary billing, but it doesn't do the subtotaling for you anymore. It just has them all on one bill. But I mean, even beyond that, what they used to have was they would have all of the totals, but then at the end of that group it would just say like, "department subtotal," and then it would go to the next one. And then at the end of that group it would be there. Even better would be on a separate page or a portion of the page, to just have it right there." (Multi-Premise, San Jose)

"Yes, I want a summary. We have 150 accounts. I just want one page for all the accounts. Just one line and the total charge with the total kilowatt-hours, ID number and credits." (Multi-Premise AG, Fresno)

"A one-page summary, mine would take more than one page, just a line item with the meter number, dates, kilowatt and the total. That would be helpful." (Multi-Premise AG, Fresno)

- In this summary, customers want to be able to create subtotals for locations or business units that have multiple meters.

"It gave you a nice little subtotal and everything. And then they did away with that. And so now we still get one bill that has them all on it, but you have to fish them out and figure out where they are yourself. And so yeah, a nice summary that maybe you can tell them what you want put together when it's set up would be nice." (Multi-Premise, San Jose)

"That's the biggest thing to me that I'd like to see changed – is to have subtotals for departments and groups or groups of meters or locations grouped together into a subtotal." (Multi-Premise, San Jose)

- **Include all meters all the time**, even when the meter does not bill. Also, customers would like notification when meters are changed out.

"Yeah, we had to start doing a spreadsheet too because we had some problems a few years back where they didn't read one of our meters for about eight months and we didn't notice it. And then all of a sudden eight months later we got this like $30,000 PG&E bill. And I understand that was just... but now we do a spreadsheet to make sure that every meter's been read every month, because if it hasn't then we need to accrue some money for that, because we don't want to get hit six months later with a great, big bill." (Multi-Premise, San Jose)

"Or bills where you look and it's like, "Why isn't it being updated to now and we're paying back two months, three months or four months?" Why can't I have everything current?" (Multi-Premise, San Jose)

"The other thing that I noticed is sometimes they won't read a meter for a month or two. It just drops off and then three or four months later they get you all at once. When they don't read it, it doesn't show up on there at all. You are not sure they didn't read it or if they forgot to send you the bill. I guess it really doesn't matter. In our case we had some revolving leases on the ranch. Sometimes we have an electrical meter and we will be charging that electricity to a tenant. If it is not getting charged to two or three months and we get the bill three or four months down the road, we should have charged the tenants for that. We end up soaking it up because we can't keep up with it. If we had an itemized list that was easier to review …" (Multi-Premise AG, Fresno)

"They will physically change the meter and you don't know it. The meter number drops off your bill and you think you will get a bill for it two or three months down the road. Sometimes it never comes back and then there is a new meter that just shows up. It would be nice if the summary could say "this meter was not read" or "we changed this meter to blah blah blah" and you could start tracking it from there. At least you know what it is or where it came from." (Multi-Premise AG, Fresno)

"Almost every month we have from 1 to 5 or 6 meters that will come on a separate bill that should be lumped in here." (Multi-Premise AG, Fresno)

- **Add an invoice number to each bill.** Larger business customers use invoice numbers to track virtually all bills and invoices. Their accounting software packages require invoice numbers.

"Everybody uses one fashion or a field for an invoice number. That is a quick way to reference whatever bill you are working with." (Multi-Premise, San Francisco)

"Because with our bookkeeper's accounting system, he just puts in the date and the time that he's putting it in as an invoice number. He's always complaining about that as well." (Single-Premise, San Francisco)

"They have to be unique. So yeah, doing research. I mean, did this bill get skipped? Or did one month get skipped? If it had individual invoice numbers it make research a lot easier." (Multi-Premise, San Jose)

"One thing that would be nice, possibly, is to actually have a real invoice number." (Single-Premise, San Jose)

- **Identify the specific meter account for any credits or corrections that appear on the first page of a multi-premise bill, and provide an explanation.** Currently, credits or debits show with the total due on the first page of the bill, but do not identify which meter the correction applies to. This forces customers to search through every account of their bill detail to find the corrected meter account.

"If you're going to credit us, that's okay. But when you charge us more, that's when I've got to know why, and they don't provide a reason why. So I think this is totally unacceptable. I have a lot of it like this." (Multi-Premise, San Jose)

"One of the issues that I have with this cover page on the bill is the fact that the credits for some of the additional charges are reflected and added and then there is a total amount due. It doesn't show it here. But for example, if there was going to be a credit into our account, it's reflected right here. And that creates so much problem. Because I need to put it on a certain one." (Multi-Premise, San Jose)

"I'm going to concur with what she's saying. If you have a lot of accounts, like Rubin or she does, on the summary page sometimes there will be an adjustment and there's no information as to what it applies to." (Multi-Premise, San Jose)

"That is a big factor with us too. We will get an adjustment. Just this last month, I have natural gas transform bill for a core account that has the charges for that facility and then a line item that says transfer adjustment, an extra $270. We don't know what it is for. I have to call the account rep and he has to dig in. Three days later and the due date is ticking on the bill. Our accounting people aren't going to process it unless they know where to charge that money internally in the organization. They come back and we find out it was some apartment up in Stockton area that we had rented a year ago and they never sent a closing bill so, they had to find a place to put it. They found the first gas account and put it in there. That did not explain what was that charge for. The adjustments, bill corrections, there is never any explanations. You have to go pound on somebody's desk to find out what it is for." (Multi-Premise AG, Fresno)

- **Eliminate redundant information that appears for every account in the detail section.** For example, there are three blocks of text that are repeated for every meter account that are not unique to any one account. This information can be moved to a separate page at the end of the bill, or included on Page 2.

"Some of the information is pretty redundant and repetitive. So if you put an asterisk and at the end refer to it. Like you can see on David's bill here, you keep seeing it in the same summary bill – the same thing, the same verbiage and the paragraph. You keep seeing it on the next account and the next account and the next account. It doesn't have to be repeated on every page that we're going to go through. Then that's where you lose interest in a lot of information that's there." (Multi-Premise, San Jose)

"I know we have things that says, "Generation includes charges for the portion of your energy usage provided by the Department of Water Resources, DWR, and is being collected by PG&E as an agent," and then it just goes on and on and on with the same thing on some of the other ones." (Multi-Premise, San Jose)

"The fine print at the bottom does not necessarily need to be on the bottom of each pump or account." (Multi-Premise AG, Fresno)

- **Eliminate the cover page that shows just the mailing address and return address.** Residential and small business customer bills do not include this mailing label page, so why have it for the large customers?

"I don't like the front copy. Do you even need this?" (Multi-Premise AG, Fresno)

"It is wasted. It ends up in the trash." (Multi-Premise AG, Fresno)

Online Bill Presentation

Customers were asked about their interest in receiving their bill online instead of receiving the paper copy through the mail. Very few customers, large and small, are willing to give up the paper copy completely, though many more would like to have their bill available to review online, especially if it has added features over the mailed bill. Some customers suggested a summary paper bill with detailed information available only online.

"I would like to get the physical bill in my hand, but have the option of being able to review it online." (Single-Premise, San Francisco)

"At this point in time, both would be nice. I still like getting a paper bill." (Multi-Premise, San Jose)

"I think I would be okay with getting printed summary bills and then go online for the detail if I needed it." (Multi-Premise AG, Fresno)

The additional features of an online bill that customers would like include:

- Click through links that can provide explanations or further details.

"Like here's a serial number. It has a "K," I don't know what it is. Normally, I would not go to the backside of the bill to look for the definition, but if I look at it online, I might be able to just click on it and see the explanation for it." (Single-Premise, San Francisco)

- More layers of information than they want in the paper bill, where each layer could include more complexity, details, and explanations.

"If I have a question then I have the ability to drill down online and see the detail of the bill, or I can just pay it based on the summary page." (Multi-Premise, San Francisco)

"I think our organization would print a summary page for the file but everything else would be online." (Multi-Premise, San Francisco)

- Links to energy efficiency tips or rebates (residential and small business customers).

- The ability to route bills, and even portions of bills, to everyone within the company who needs to see it (midsize and large business customers).

"They email the bill for several locations and you can email it to the locations so they can see the bill. They will know, oh my usage is this much?" (Multi-Premise, San Francisco)

"The branch managers look at the whole thing and the individual managers look at the individual thing. That is why the options of having it on the Internet I can tell them to go here and it will save me from making copies. We can tell them to go do it themselves. Print out this page, approve it and fax it to me. We will process the paperwork." (Multi-Premise, San Francisco)

Primary concerns about an online bill include:

- Some of the smaller and midsize business and residential customers fear they might forget to pay it if it is only online.

"At least if you get it in the mail, then you've got the paper and you know I've got to pay this. You put it in your stack of bills to pay and you pay it. That would be hard to do it, I think, online." (Single-Premise, San Jose)

"I still want to get a paper. I don't want to have it just electronically. That's too easy to overlook." (Single-Premise AG, Fresno)

- Some customers do not go online very often so would not want to have to make the "extra effort" required to start up the computer, find the site, log in, and bring up the bill.

- Customers, especially business, like having a hard copy to file in their records. Many people still do not trust electronic files, so feel a need to have a paper copy on hand. While they can print the online bill, it is easier to simply get the paper copy in the mail.

"As a matter of fact, I've had the same thing with a couple of my credit cards. Now that I'm getting e-bills from them they will not generate me a paper copy even though I would like to have a paper copy for my records. So I'm always printing what's online so I have a paper copy in my records." (Single-Premise, San Francisco)

"Too many people in our company need hard copies. We would have to print it anyway." (Multi-Premise AG, Fresno)

- Other bills still come in the mail, so receiving some bills through the Internet adds to the burden of bill paying instead of simplifying it.
    - This is especially true of many of the larger businesses, who have very defined bill payment procedures. These customers will not change their payment process for just one bill.

- Signing up for multiple accounts is thought to be time consuming by some!

"Well I just want one account – San Jose Water Company – and then from there to take me directly to the different accounts that I have. Not to sign up for each account individually." (Multi-Premise, San Jose)

- Not all customers are comfortable with doing business online.

"I deal with eBay and a couple of other online activities. If you can understand that crap online with the smallest print that it's got, and you come up with a question, and then you try to get live help, I would just as soon stand on this table with a rope around my neck, and step off. It's a pain in the butt. If you generate a question, and keep in mind that people that write those things know everything about it, and they either write it so simply that you have a lot of questions. Or it's so complicated that you can't understand it and ask an intelligent question. My answer is no." (Single-Premise AG, Fresno)

Some of these concerns are alleviated with email notification. With an email, customers do not have to remember on their own to check the bill. The email could contain the amount due and other information needed to pay it, so customers do not have to go to their actual online bill.

"I get an e-mail saying, "Your bill is available online," and I can go and look at it right then almost a full week before I ever get the paper bill." (Single-Premise, San Francisco)

"The e-mail could go out as a notification, but the Web site could have the actual bill. And that way more than one person could access it. You can't erase it." (Multi-Premise, San Jose)

The benefits of online bills mentioned by the larger business customers are:

- Routing and approval of bills could be done electronically - those who need to see the bill can simply log on to the website. This could speed up bill approval and payments.

- Bills are less likely to get lost, or to sit in someone's in basket for a long time. This also could speed up bill approval and payment.

It is likely that over time more customers will want to give up their paper bill, though currently there is a lot of inertia that must be overcome. In the small business and residential focus groups, customers suggested that an incentive would get them to change, but the incentive amount would probably be unreasonable for PG&E. For example, customers suggested a 5% discount on their bill, while a more realistic $0.35 bill reduction is not very motivating. The larger businesses seemed to believe that online or electronic bill payment was inevitable but that they were not going to change just one bill at a time.

Online Bill Payment

Some customers are interested in online bill payment, though many more are not. One customer who likes the idea explained that he pays bills faster when they are online.

> *"I actually think PG&E would get its money faster ... From this. When I go online I get it done. When I get it in the mail, I look at it, you know, I leave it there until I get to my office, and that's a few days later." (Single-Premise, San Jose)*

The two major barriers to online bill payment are:

- **Security concerns (primarily among the residential and small business customers).** The Internet, by design, has security problems. Given the heightened awareness among consumers regarding identity theft and the increasing prevalence of Internet "spyware" programs, consumer fears about Internet security are increasing. Any online bill payment method and communications to promote it must address these concerns.

- **Existing bill paying habits.** Habits and routines can be hard to break, especially regarding bill payments where most people have multiple bills that they want to deal with all at the same time. Online bill payment is appealing to those who can switch most of their bills to online. Otherwise, it can be more work rather than less.

    - This suggests that payments through a 3rd party, such as a bank, would be more appealing.

    - Midsize and large businesses are generally not set up to pay bills online, so it seems unlikely that any efforts by PG&E short of significant financial discounts would have much affect on their payment practices.

Favorite Bill Features

When recruited for the focus groups, customers were asked to bring in examples of “best in class” bills or bill features that they particularly liked.

- All of the examples that the residential and small business customers provided were one-page bills with summary and detailed charges on the front, and text information on the back.

- Based on the number of customers who brought it in, the most popular or favorite bill among PG&E’s residential customers is the newly-redesigned SBC bill. Even some of the business customers mentioned this bill as noteworthy.

“Well I brought an SBC, and yeah, it's the same thing. You know, they go a lot of detail with them, although I kind of like knowing what numbers that I've called and stuff. And then you kind of know who have you been calling, or whatever.” (Single-Premise, San Jose)

Key features of the SBC bill include:

- One page.
- 8 and ½ by 14 inches with a tear-off stub at the bottom that leaves an 8 and ½ by 11 inch.
- Graphics and logo at the top of the page.
- Key account and billing cycle information near the top of the page.
- Summary information in a column.
- Detailed information in another column.
- Tear-off stub includes address to mail to, due date and amount due, account identification information, and little else.

- All of the examples provided by the multi-premise midsize and larger customers included: (1) a total bill summary not unlike the first page of the PG&E bill; (2) a listing of all sub-accounts grouped in a customer-defined way and with subtotals for each account; and (3) detail pages for each account following the subtotals.

“This is our telecom bill. It has a summary page. The top has a very minimal summary information with the account number, invoice number, the bill date, payment info and the due date and what not. The second page gives me the

summary detail of all the different accounts that I have." (Multi-Premise, San Francisco)

"I brought an example from Cingular. It is where we get a one-page summary and then we get a CD where we export it. We use Excel to put it the way we want with individual numbers, names and then the department number. We sum it by department number." (Multi-Premise, San Francisco)

"I brought in the City of Mountain View. It's the thing that we were talking about. It's 8.5 by 11. The stub is at the bottom. And it's kind of easy on the eyes. It's nicely presented." (Multi-Premise, San Jose)

"I meant to bring it, but I forgot it, but it's a bill that I really like. We rent offices, like these…things. And they provide an office space, secretaries, and then there's other services they just bill for you. And their bill is, the first page is this prior balance, payments, amount forward if any, current bill, total due. And then you go to the second page, and it takes the current bill and just says okay, secretarial, phones, copy charges. It just gives you summaries for all those different things. So if you say well, what did they spend it on, then this. So you say, why is secretarial so high? And you can go back and you can find the secretarial page. And so it's like, they start with the total, they give you a reasonable breakdown on the next page. And you say, well this is want I want to look at, then you can go back farther into the bill. But for the most part, I only need to look at the first two pages of the bill. Number one, what I owe. Number two, if it looks odd, the second page will tell me where it went." (Single-Premise, San Jose)

"I brought a sample bill from a different organization. It is a chemical company. But basically what they do and it is a different deal all together and it is not a utility but they give us a summary sheet on the top of the bill. They list every invoice and then they give us a bill behind it. The details behind it and this way it is all on one summary sheet so you can look at this." (Multi-Premise AG, Fresno)

- Some of the examples included bar charts of usage.

"Now that I'm looking at it, it's pretty similar to the PG&E bill. Although on this one it seems like you have more control of it. You've got what you owe, how much you paid before, and how much is still due. It's pretty simple … It does have tables. So you can look at it and figure it out." (Single-Premise, San Francisco)

E. Segment Differences

A brief summary of the main differences between the single-premise, multi-premise, and AG customer segments follows. These differences have also been discussed in the appropriate detail sections of this report.

Multi-Premise Midsize and Large Business

These customers are distinct from other segments because of the challenges of managing multiple locations. They are generally satisfied with most aspects of their PG&E bills except for the organization aspects of the detail sections of their multiple accounts, and with the lack of a multi-premise summary. Improving these two areas will go a long way to improve their perceptions of the bill.

Also, the multi-premise customers without an assigned account representative have particular difficulty in getting answers to any questions they might have about their bill, or in resolving any problems. They deal with the same customer service representatives as do mass market customers. Since multi-premise customers are greatly outnumbered by mass market (single premise) customers, it is likely that PG&E's customer service representatives are more familiar with and hence far more able to deal with mass market needs rather than the more complex billing issues that multi-premise customers encounter.

Single-Premise Midsize and Large Business

Bill preferences among this segment are nearly identical to those expressed by the small business customers. About the only difference noted from the focus groups is that some of the larger single-premise customers have accounts payable or bookkeeper employees who deal with the bill, while among small businesses, the bill is handled by the owner or general manager.

AG Customers

AG customers are the least interested in bill details. One possible reason is that AG customers seem to believe that PG&E does not really understand their unique needs, so is unable to provide a bill that is very useful to them.

Large, multi-premise AG customers are relatively sophisticated energy managers, and have preferences that are much the same as the multi-premise non-AG business customers.

The single-premise AG customers are small, family operated farms, groves, and dairies. Other than pumping, these businesses have relatively few energy needs, so energy management is a low priority. In the focus group among these customers, virtually all participants were on a TOU rate, and they were very interested in understanding their costs for on-peak and off-peak usage. Other than that, they showed little interest in their PG&E bills.

V. Appendix

A. Screening Questionnaires

B. Discussion Guide

FOCUS GROUP SCREENER
PG&E BILL REDESIGN FOCUS GROUPS (pt 2)
LARGE/MID SIZE BUSINESS CUSTOMERS

REMINDER: PLEASE BE EXCEPTIONALLY COURTEOUS. THESE ARE IMPORTANT CUSTOMERS TO PG&E!

USE CLIENT'S LISTS. ONE LIST IS FOR THE SINGLE LOCATION GROUP AND ONE LIST IS FOR THE MULTI-LOCATION GROUP. ASK FOR THE PERSON <u>MOST RESPONSIBLE FOR REVIEWING AND APPROVING OR RECOMMENDING PAYMENT OF THE PG&E BILL</u>. SCREEN OUT CUSTOMERS WHO HAVE LANGUAGE OR COMMUNICATION DIFFICULTIES. GET A MIX OF BUSINESS TYPES (A10 and E19S). ONCE PERSON IS ON THE TELEPHONE …

Hello. My name is ____________ from ______________. Pacific Gas and Electric Company is conducting a series of focus groups with their business customers regarding the design and formatting of the PG&E bill. PG&E is inviting business customers who are familiar with their PG&E bill to participate and share their ideas about how the PG&E <u>bill format</u> could be improved to better meet customers' needs.

1. I have a few more questions to make sure we get a good mix of business customers. May I continue to see if you would qualify to participate in a focus group?

Yes..	( )	CONTINUE
No..	( )	THANK & TERMINATE

[DO NOT PRESSURE PERSON TO ATTEND; PARTICIPATION IS 100% VOLUNTARY.]

2. Is PG&E your energy service provider?

Yes..	( )	CONTINUE
No..	( )	THANK & TERMINATE

3. Do you personally review and approve or recommend payment for your business's PG&E bill on a regular basis?

Yes..	( )	CONTINUE
No..	( )	THANK & TERMINATE, OR ASK FOR REFERRAL TO THE PERSON MOST RESPONSIBLE FOR REVIEWING AND APPROVING OR RECOMMENDING PAYMENT OF THE PG&E BILL

4. Do you receive service from PG&E at more than 1 business location?

IF RECRUITING FOR SINGLE-LOCATION GROUP

Yes....................................	THANK & TERMINATE
No	CONTINUE

IF RECRUITING FOR MULTI-LOCATION GROUP

Yes	CONTINUE
No....................................	THANK & TERMINATE

5. [IF MORE THAN 1 LOCATION] Does your PG&E bill include all locations on one bill, or do you get a separate PG&E bill for each location?

All on one bill..................................	( )
Some separate, some on one bill	( )
Separate bills	( )

6. What type of business is your organization?
______________________________ [NEED MIX]
**EXCLUDE ANY MARKETING, ADVERTISING, MARKETING RESEARCH OR UTILITY COMPANIES.

7. Could I have your title? DO NOT READ LIST

(GENERAL/OPERATIONAL)

Owner/President/CEO......................	( )
Vice President/Operations................	( )
General Manager/Store Manager......	( )
Facilities Manager/Building Manager	( )
Maintenance Manager......................	( )
Energy Manager................................	( )
Other (non-financial)____________	( )
(FINANCIAL)	
CFO/Controller.................................	( )
Accountant	( )
Other (financial)____________.......	( )

8. Have you participated in a focus group within the past 12 months?

Yes...	( )	THANK & TERMINATE
No...	( )	CONTINUE

9. **(DO NOT ASK…RECRUITER CHECK ONE)** Gender?

MALE..	( )
FEMALE...	( )

10. **(DO NOT ASK…BUT TRACK AND GET A MIX)** Rate Type (A10 or E19s)

____

The session will be on ____ at _______ at our offices in ________. The focus group session will last 1-1/2 to 2 hours and, as a thank-you for your participation, you will be given an honorarium of $150. (IF RESPONDENT OBJECTS TO HONORARIUM, TELLHIM/HER THAT WILL CAN DONATE IT TO CHARITY, IF DESIRED).

Would you be willing to participate?

IF "NO"...THANK AND TERMINATE. [DO NOT PRESSURE PERSON TO ATTEND; PARTICIPATION IS 100% VOLUNTARY.]

IF YES...CONFIRM MAIL, E-MAIL ADDRESS OR FAX # AND LET PERSON KNOW THAT A PACKAGE OF INFORMATION WILL BE E-MAILED OR FAXED OVER DETAILING THE LOCATION OF THE FOCUS GROUP SESSIONS.
Mailing address, E-mail address or Fax # ______________________________

____

____

IF NEEDED, YOU MAY PROVIDE NAME AND PHONE NUMBER OF PG&E RESEARCH PROJECT MANAGER TO CONFIRM VALIDITY OF STUDY:
John Vu; PG&E Customer Research; (415) 973-1864

ASK RESPONDENTS TO BRING EXAMPLES OF THEIR "IDEAL" <u>BUSINESS</u> BILL (NOT RESIDENTIAL BILL); THE "IDEAL" BILL STATEMENTS COULD BE FROM ANY COMPANY AND COULD BE BECAUSE OF THE TYPE OF INFORMATION PRESENTED ON THE BILL, THE EASE OF UNDERSTANDING THE BILL, THE LAYOUT OF THE BILL, ETC. RESPONDENTS NEED TO BRING AT LEAST ONE BUT SHOULD BRING MORE THAN ONE IF THERE ARE DIFFERENT FEATURES THEY LIKE ABOUT DIFFERENT BILLS.

ASK RESPONDENTS TO ARRIVE 10 MINUTES EARLY AND TO BRING READING GLASSES, IF NEEDED. SNACKS AND REFRESHMENTS WILL BE SERVED.

FOCUS GROUP SCREENER
PG&E BILL REDESIGN FOCUS GROUPS (pt 2)
AG CUSTOMERS

REMINDER: PLEASE BE EXCEPTIONALLY COURTEOUS. THESE ARE IMPORTANT CUSTOMERS TO PG&E!

USE CLIENT'S LISTS. ONE LIST IS FOR THE SINGLE LOCATION GROUP AND ONE LIST IS FOR THE MULTI-LOCATION GROUP. ASK FOR THE PERSON MOST RESPONSIBLE FOR REVIEWING AND APPROVING OR RECOMMENDING PAYMENT OF THE PG&E BILL. SCREEN OUT CUSTOMERS WHO HAVE LANGUAGE OR COMMUNICATION DIFFICULTIES. GET A MIX OF BUSINESS TYPES (AG4A, AG4B, AG5A, AG5B). ONCE PERSON IS ON THE TELEPHONE …

Hello. My name is ____________ from ______________. Pacific Gas and Electric Company is conducting a series of focus groups with their ag-rate business customers regarding the design and formatting of the PG&E bill. PG&E is inviting ag-rate business customers who are familiar with their PG&E bill to participate and share their ideas about how the PG&E bill format could be improved to better meet customers' needs.

1. I have a few more questions to make sure we get a good mix of customers. May I continue to see if you would qualify to participate in a focus group?

Yes.. ( ) CONTINUE
No.. ( ) THANK & TERMINATE

[DO NOT PRESSURE PERSON TO ATTEND; PARTICIPATION IS 100% VOLUNTARY.]

2. Is PG&E your energy service provider?

Yes.. ( ) CONTINUE
No.. ( ) THANK & TERMINATE

3. Do you personally review and approve or recommend payment for your business's PG&E bill on a regular basis?

Yes.. ( ) CONTINUE
No.. ( ) THANK & TERMINATE, OR ASK FOR REFERRAL TO THE PERSON MOST RESPONSIBLE FOR REVIEWING AND APPROVING OR RECOMMENDING PAYMENT OF THE PG&E BILL

4. Do you receive service from PG&E at more than 1 business location?

IF RECRUITING FOR SINGLE-LOCATION GROUP

Yes......................................	THANK & TERMINATE
No	CONTINUE

IF RECRUITING FOR MULTI-LOCATION GROUP

Yes	CONTINUE
No......................................	THANK & TERMINATE

5. [IF MORE THAN 1 LOCATION] Does your PG&E bill include all locations on one bill, or do you get a separate PG&E bill for each location?

All on one bill.................................... ( )
Some separate, some on one bill ..... ( )
Separate bills .... ( )

6. What type of business is your organization?
______________________________ [NEED MIX]
**EXCLUDE ANY MARKETING, ADVERTISING, MARKETING RESEARCH OR UTILITY COMPANIES.

7. Could I have your title? DO NOT READ LIST

(GENERAL/OPERATIONAL)
Owner/President/CEO....................... ( )
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Energy Manager................................ ( )
Other (non-financial)____________ ( )

(FINANCIAL)
CFO/Controller................................. ( )
Accountant .... ( )
Other (financial)____________....... ( )

8. Have you participated in a focus group within the past 12 months?

Yes..	( )	THANK & TERMINATE
No..	( )	CONTINUE

9. **(DO NOT ASK…RECRUITER CHECK ONE)** Gender?

MALE... ( )
FEMALE.. ( )

10. **(DO NOT ASK…BUT TRACK AND GET A MIX)** Rate Type (AG4A, AG4B, AG5A, AG5B)

____

The session will be on ____ at _______ at our offices in ________. The focus group session will last 1-1/2 to 2 hours and, as a thank-you for your participation, you will be given an honorarium of $150. (IF RESPONDENT OBJECTS TO HONORARIUM, TELLHIM/HER THAT WILL CAN DONATE IT TO CHARITY, IF DESIRED).

Would you be willing to participate?

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Mailing address, E-mail address or Fax # ______________________________

____

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ASK RESPONDENTS TO ARRIVE 10 MINUTES EARLY AND TO BRING READING GLASSES, IF NEEDED. SNACKS AND REFRESHMENTS WILL BE SERVED.

BUSINESS FOCUS GROUP DISCUSSION GUIDE
CUSTOMER-DRIVEN BILL INITIATIVE

I. INTRODUCTION *(10 minutes)*

A. WELCOME ATTENDEES. MODERATOR INTRODUCTION (EXPLAIN NOT AN EMPLOYEE OF PG&E)

B. EXPLAIN FOCUS GROUP GUIDELINES, MIRROR AND VIDEOTAPING

C. INTRODUCE TOPIC: We are interested in developing a new PG&E bill statement that would best meet your energy information needs. The purpose of the group today is to:

(1) Understand your informational needs and expectations;
(2) Gather your input about what types of information you find valuable on your PG&E bill statement, as well as how you would like to see that information presented in the future.

D. EXPLAIN THE PURPOSE OF FOCUS GROUP IS TO DISCUSS THE BILL STATEMENT AND **NOT** BILLING ISSUES THAT CUSTOMERS HAVE.

E. EXPLAIN THERE IS NO "RIGHT" OR "WRONG" ANSWER, JUST WANT HONEST OPINIONS.

F. ATTENDEE INTRODUCTIONS: NAME, OCCUPATION AND LOCATION AND BRIEF DESCRIPTION OF THEIR BUSINESS (E.G., SQUARE FOOTAGE, NUMBER OF EMPLOYEES, NUMBER OF PREMISES, AVERAGE MONTHLY BILL AMOUNT).

II. WARM-UP: ENERGY INFORMATION NEEDS *(10 minutes)*

A. What type(s) of electricity and/or gas-related information do you want or need for your business on a regular basis? Why?

- How do you currently obtain energy-related information relating to your business?
  - i. Probes if needed: Do you rely on bill inserts, newspapers, Internet, e-mail newsletters, radio, television, direct mail, etc?
- Is the information valuable to you?
- What do you do with the information?

III. BILL-RELATED ENERGY INFORMATION NEEDS *(20 minutes)*

A. Now, thinking about your PG&E bill statement, what do you look at first when you receive your bill? Why?

B. What information do you want to see on your bill statement? Why is this information important? How do you/would you use each piece of information? For each item below, probe, "Is this critical or nice to have?"

- o Account number
- o Amount due
- o Due date
- o Energy usage in kilowatt hours and therms
- o Service dates
- o Service descriptor [USUALLY DESCRIBES THE FACILITY, I.E., GROCERY STORE, GAS STATION, PARKING LOT LIGHTS]
- o Accounts billed/not billed (multi-account customers)
- o Adjustment explanations (e.g., credits)
- o Demand charge
- o Power factor
- o Usage comparison to same month last year
- o Rotating outage information
- o Estimated or actual meter read
- o Billing components

- What information, if any, is on your bill that you don't find useful?

C. Aside from the pieces of information that currently appear on your PG&E bill statement, what other types of information would you find valuable on or included with your bill statement? Why? Probe:

- o Energy efficiency/conservation tips
- o Available rebate programs
- o Weather information (e.g., heating and cooling degree days)
- o Rate information
- o Options for paying your bill (e.g., on-line, EDI)
- o Safety information

D. Would you be interested in being able to receive and view your PG&E bill electronically (via the Internet) instead of receiving a paper copy in the mail? Why or why not?

- If you could view your bill online, is there any additional information that you would like it to include?
- Would you want to pay your PG&E bill online? Why or why not?
- Would you be interested in a less detailed paper bill if you could obtain a more detailed bill on-line? Why or why not?
- What information could be eliminated from the paper bill?

IV. UNDERSTANDING OF CURRENT BILL AND PRICING STRUCTURE *(20 minutes)*

A. Do you understand how your bill is calculated? (Probe to hear different explanations.)

- Do you typically look to see how much you're paying for gas vs. electricity? Do you feel differently about the price you pay for gas, compared to the price you pay for electricity? Do you distinguish between your gas and electricity costs, or do you lump them together into your total monthly energy costs?
- **(TOU)** Do you know how your time-of-uses are calculated? What do you know about time-of-use rates, and how they are used to calculate your PG&E bill? (Probe: peak, partial-peak, off-peak). How have you benefited from being on TOU? (Probe: savings)

B. Is your monthly bill the same amount each month, or does it fluctuate?

- If fluctuate...why does your monthly bill fluctuate each month? (Probe: use more energy; energy rates changed, seasonal usage changes)
- What causes your bill to fluctuate from month to month?
- How do fluctuations in your monthly energy costs make you feel about PG&E and the price you pay?
- Do you feel that you have control over your energy bill and can impact the total amount you pay? (Probe: control through energy efficiency and conservation?)
- Do you pay more for gas/electricity during certain hours of the day [peak hours] or do you pay a flat rate no matter what time of the day? Is that fair? How do you feel about this rate plan? (ALL TOU WILL PAY PEAK/NON-PEAK)
- Have the rates you pay gone up/gone down in the past of couple years? Why? How do you know? By how much? (Probe: has your usage gone up?)

C. Have you noticed the "component charges" on your monthly bill?

- Do you know what these component charges are for? Do you want to know what they are for? Do you have any control over these monthly component charges? Do these charges go to PG&E?
- Do you like having these component charges broken-out separately, or would you rather see only the total "Net Charges" shown above?
- How do these component charges impact the way you feel about your total energy costs?

V. HISTORICAL INFORMATION *(20 minutes)*

A. Your PG&E bill includes energy usage information for the current month and for the same month in the previous year. Would additional past usage information be valuable? What past usage would you want included in your bill (last 6 months? Last 12 months? Last 24 months?) What would you do with this information? (Probe: would this help you better understand the linkage between your usage and cost?)

- Would you also like to see the total cost of your energy bill from month to month? Why? What would you use this for?
- What, if anything, would you do with the historical usage or billing information? (Probe: buy low-energy equipment, change energy consumption habits, etc.)
- Would the historical usage information help you understand the link between the energy you use and the price you pay? Is this valuable information?
- How far back would you want this information to be displayed on your bill statement? Would you want the historical information from month to month or from year to year?
- How would you want this information to be presented? (Probe: tables and/or graphs?)
- How would you like your bill aggregated? (Probe: by service agreement, location, other groupings, i.e., by function) Do you currently get your bill aggregated at the appropriate level?
- If PG&E were to provide a graph of your usage at the account/service agreement level going back 1 year, how valuable would this graph be to you? What would you do with it?
- If PG&E were to provide the ability to graph your monthly usage for each of your accounts and/or Service Agreements (meters) on-line at PGE.com, would you find this useful? Why or why not? What would you do with this information?

VI. BILL FORMAT *(15 minutes)*

A. I would like you to examine the sample business customer PG&E bill for a few minutes. [MODERATOR HANDS OUT CURRENT PG&E BILL (MULTI-PREMISE, DOB) AND TELLS PARTICIPANTS IT'S OKAY TO MARK ON IT.]

- What are your thoughts regarding the format and layout of the bill?
- What do you particularly like? Why?
- What do you particularly dislike? Why?
- Is the bill clear/easy to understand? Why/why not?
- Are the PG&E and non-PG&E charges clear to you? Why/why not? [MODERATOR EXPLAINS: THERE ARE A NUMBER OF CHARGES, APPROXIMATELY 30%, THAT ARE COLLECTED BY PG&E FOR OTHER ENTITIES SUCH AS (INCLUDE EXAMPLES)].
    i. How important is it to you to have PG&E and non-PG&E charges broken out? Do you care? (Probe: would it have an effect on how you feel about PG&E?)
- When the gas rates fluctuate from one calendar month to the next, would you prefer to see a weighted average of the charges for that billing period [EXPLAIN WHAT "WEIGHTED AVERAGE" MEANS] or would you prefer to see the different rates broken out for each calendar month included in your bill? [VIRTUALLY EVERY BILL INCLUDES BILLING DAYS FROM TWO DIFFERENT CALENDAR MONTHS] Why? [TOU APPLICABLE??]
- What, if anything, would make the bill easier to understand?
- Can you think of any ways in which the information in the bill can be presented more clearly? More effectively?
- Do you prefer the stub to be on the top or on the bottom of the statement? Does it matter? Why? How important would this be to you?
- If PG&E were to enlarge the paper size of the bill and the return envelop, would this be valuable to you? What paper size? [8 ½ by 11 or 8½ by 14?] Why or why not? How important would this be to you?

B. **(Back-of-Bill)** Do you read the back of the bill? Why/Why not?

- Do you find the information useful? Understandable? Why/Why not? (Probe: get reactions of the three different sections –Helpful Phone Numbers, Electric Industry Definitions and Bill Payment information)
- How would you feel if the information on the back of the bill wasn't included or included once or twice a year instead of every month? Why?
- What other information would you like to have on the back-of-bill?

C. **(Multi-Service Agreement/Multi-Premise)** Are you satisfied with how your multi-Service Agreement (metered) and/or multi-premise (location) accounts appear on your bill? Why or why not?

- How would you like your accounts to be sorted (e.g., by zip code, account number, city)? Would you like your gas and electric accounts to be grouped together or separately? (Probe: separate page for gas and electric) Why or why not?
- How important is it to you to have all of the information for a Service Agreement or meter on the same page such as the Service Agreement ID number, rate schedule, billing days, serial number, rotating outage block, meter number, usage amount? What Service Agreement/meter information is most important to have together?
- Would having the service descriptor next to your accounts/Service Agreement IDs be valuable?
- How valuable would it be to you if PG&E were to specify the number of accounts/Service Agreements billed on your statement? How valuable would it be to you if PG&E were to identify which of your accounts/Service Agreements/premises were “billed” or “not billed”? Why or why not?
- How could PG&E improve its billing of multi-Service Agreement (metered) and/or multi-premise (location) accounts to better meet your needs?

VII. IDEAL BILL STATEMENTS *(10 minutes)*

A. You brought along examples of bill statements that you particularly like. What specific features or aspects of these do you like best? Probe:

- What do you like about that?
- What is the benefit? Is this benefit important for your PG&E bill? Does your PG&E bill provide this benefit, or not? Should it?

VIII. WRAP-UP *(5 minutes)*

A. Thinking about the ideal PG&E bill statement that would best meet your energy information needs, what information would it contain?

B. If PG&E were to provide you with your ideal bill statement, would that affect how you value the services provided by PG&E? Why or Why not?

C. Thank you for attending!