PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

COMMISSION ADVISORY AND COMPLIANCE DIVISION Energy Branch RESOLUTION E-3451* April 10, 1996

<u>RESOLUTION</u>

RESOLUTION E-3451. PACIFIC GAS AND ELECTRIC COMPANY(PG&E) REQUESTS APPROVAL FOR A SHAREHOLDER-FUNDED PILOT PROGRAM TO IMPROVE CUSTOMER SATISFACTION FOR PG&E'S RESIDENTIAL CUSTOMERS.

BY ADVICE LETTER 1917-G/1532-E, FILED ON SEPTEMBER 6, 1995

SUMMARY

1. Pacific Gas and Electric Company (PG&E) requests authorization to conduct a one-year pilot program as a market test of providing its customers a one-time billing credit up to fifty dollars due to service related errors by PG&E.

2. CACD recommends approval of PG&E's request.

BACKGROUND

1. PG&E filed Advice Lettter (AL) 1917-G/1532-E on September 6, 1996 proposing a shareholder-funded pilot program to improve customer satisfaction for PG&E's residential customers. PG&E's goal is to achieve an excellent level of customer satisfaction. Under the pilot program, certain customers will receive a one-time limited billing credit in the event of specific service errors by PG&E.

2. PG&E proposes shareholder funding of \$25,000 for the pilot program. The pilot program will not exceed one year. The pilot program will enable selected customer service representatives to credit a residential customer's account up to, but not exceeding, fifty dollars, if the customer experiences one or more inconveniences due to service-related errors by PG&E. Instances when a customer's account might be credited include, but are not limited to, erroneous turn-off of service, missed or late appointments, incorrect meter reading(s), and adjustment(s) due to past billing errors.

3. The pilot program will not cover damage to a customer's property, e.g., accidental damages which may be attributable to negligence of company employees or incurred during the course of

PG&E's regular service. Such occurrences will continue to be handled by PG&E's Claims Department.

4. All eighteen PG&E divisions, PG&E's four Call Centers, and PG&E's Consumer Affairs Department will participate in the pilot program. One person in each division will oversee program implementation and will be responsible for division program participation. Each Call Center will have a team participating with the Call Center help desks in the pilot program. Selected Customer Service Representatives (CSRs) at the Call Centers and division offices and Consumer Affairs consultants will be instructed as to when they may offer a credit to a customer, based on pre-established guidelines. Customers telephoning a Call Center will have a random chance of being connected to a participating CSR.

5. PG&E proposes maintaining a special database for all information needed to measure and assess the pilot.

6. At the end of the pilot program, all data compiled will be measured and assessed by PG&E. A survey will be used to evaluate customer feedback, and will include follow-up with customers who received bill credits as a result of PG&E service errors, as well as customers who did not receive such a credit.

NOTICE

1

1. PG&E served notice of AL 1917-G/1532--E by mailing copies to other utilities, government agencies, and all parties that requested such information. The AL was noticed in the Commission Calendar.

PROTESTS

1. CACD received no protests to AL 1917-G/1532-E.

DISCUSSION

1. CACD recommends that the Commission approve PG&E's proposal to conduct a one-year pilot program as a market test of crediting a customer's account up to fifty dollars if the customer experiences one or more service related errors by PG&E.

2. The measurement and assessment that PG&E intends to conduct should provide the information that PG&E would utilize in determining whether it would recommend this program should be continued or not. CACD recommends that PG&E submit its report to CACD within 90 days of the end of the one-year pilot. Resolution E-3451 PG&E/AL1917-G/1532-E/kpc

FINDINGS

1. Pacific Gas and Electric Company filed Advice Letter 1917-G/1532-E on September 6, 1995.

2. PG&E's request for approval of a shareholder-funded pilot program by providing customers a one-time billing credit in the event of specific service errors by PG&E is reasonable.

3. PG&E should provide a copy of its survey within 90 days of the end of the pilot program.

THEREFORE, IT IS ORDERED that:

1. Pacific Gas and Electric Company Advice Letter 1917-G/1532-E is approved and shall be marked to show that it was approved by Resolution E-3451.

2. Pacific Gas and Electric Company shall file its survey report to CACD within 90 days of the termination of its pilot-program.

3. This Resolution is effective today.

I hereby certify that this Resolution was adopted by the Public Utilities Commission at its regular meeting on April 10, 1996. The following Commissioners approved it:

WEBLEY M. FRANKLIN Executive Director

DANIEL Wm. FESSLER President P. GREGORY CONLON JESSIE J. KNIGHT Jr. HENRY M. DUQUE JOSIAH L. NEEPER Commissioners