



STATE OF RHODE ISLAND

DIVISION OF PUBLIC UTILITIES & CARRIERS  
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January 6, 2022

**TO:** Luly Massaro, Clerk  
Public Utilities Commission

**FROM:** Alberico Mancini  
Chief Regulatory Analyst

**RE:** **Docket 3476 – National Grid’s Petition to Modify Gas Service Quality Plan**

The Division submits this position/recommendation in the above-entitled docket regarding the petition of The Narragansett Electric Company (“National Grid” or the “Company”) to modify certain service quality measures within the Gas Service Quality Plan (“Gas SQP”) which was filed by the Company on November 4, 2021.

The Company filed its Gas SQP Annual Report for Fiscal Year 2021 on August 6, 2021, indicating that it would be seeking Commission approval to modify certain service quality measures.

The Company’s Gas SQP consists of eight (8) service quality measures, each with set benchmark standards, penalty thresholds, a penalty weight, and a time period for measuring performance to assess a penalty. The Company proposes the following modifications to the Gas SQP effective for FY 2022:

- To measure leak call responsiveness – normal business hours using the hours of Monday through Friday 8:00 a.m. to 4:00 p.m. (excluding holidays) and to measure leak call responsiveness – after normal business hours using the hours outside of Monday through Friday 8:00 a.m. to 4:00 p.m. (including Saturdays, Sundays, and holidays).
- To discontinue the service measure for customer requested meter tests subject to the Company continuing to complete requested meter tests within a 15-day period (meaning the practice continues but it is not measured for the purpose of the Gas SQP).

- To set a fixed mean and penalty threshold for the service measure for on cycle meter reads.
- To set a fixed mean and penalty threshold for the service measure for leak call responsiveness – normal business hours.

### **LEAK CALL RESPONSIVENESS – CHANGE OF BUSINESS HOURS**

The Company seeks approval to change the close of normal business hours from 4:30 p.m. to 4:00 p.m. Monday through Friday. The Company explains that its standardized normal business hours are 8:00 a.m. to 4:00 p.m. versus 8:00 a.m. to 4:30 p.m. as is reflected in the current Gas SQP. During normal business hours, the Company is required to respond within 30 minutes of a call versus 45 minutes for calls received after normal business hours and on holidays. Through FY 2021 and the first quarter of FY 2022, the Company had tracked their leak responsiveness for both time periods and in both cases, maintained an average of 96% or higher when meeting the required 30-minute or 45-minute response time.

The Division is amenable to the Company's proposal to revise its leak-call during normal business hours measure to Monday-Friday 8:00 a.m. to 4:00 p.m. (excluding holidays) and to revise its after business hours measure to the hours outside of Monday-Friday 8:00 a.m. to 4:00 p.m. (including Saturday, Sunday, and holidays). This practice will conform these metrics to the Company's normal business hours.

### **CUSTOMER REQUESTED METER TESTS - DISCONTINUANCE**

The Company requests approval to remove the customer-requested meter test metric due to the low occurrence of customer requests and the high rate of compliance. The benchmark for this metric has reached 99.6% with a penalty threshold of 94.04%. The Company has only received an average of 6 requests per year during the 36-month benchmark period and has completed 100% of all customer requested meter tests dating back to 2008. Furthermore, the Company states that it will continue the practice of completing customer requested meter tests within 15 days but simply remove the metric as it has reached its maturity level.

In 2020 the Division supported elimination of this metric. The Division continues to believe that this metric can be eliminated for Gas SQP purposes subject to the Company's agreement to continue the practice of completing customer requested meter tests with a 15-day period. The Company has documented that there is a low occurrence of customer requests for meter testing (an average of only 6 requests per year during the 36-month benchmark period) and that the Company has been completing 100% of the requests it has received dating back to August 2008. The metric, therefore, has reached its maturity level and should be eliminated.

### **ON-CYCLE METER READS – FIXED PENALTY THRESHOLD**

The Company seeks approval to set a fixed mean and penalty threshold for the on-cycle meter reads metric. The 36-month average for this metric is 98.76% with a standard deviation of 0.22% resulting in a penalty threshold of 98.54%. The Company states that improved technology and favorable weather conditions have resulted in a high level of performance which raises the concern that such a small standard deviation does not allow for a multi-day weather event where days of meter reads are missed. The Company factored in a 5-day weather event where 2 days of meter reads are missed and calculated a standard deviation of 1.65%. The Company proposes a fixed mean of 98.47%, a standard deviation of 1.65%, and a penalty threshold of 96.82% to allow for a realistic temporary performance variation.

The Division is amenable to the Company's proposal. The metrics called for by the Gas SQP afford the Company very little margin for performance error. The Division concurs, that as modified, the Company's proposed metrics continue to impose a high standard of performance on the Company while allowing for a "temporary performance variation" that may transpire due to New England's volatile weather pattern.

### **LEAK CALL RESPONSIVENESS – NORMAL BUSINESS HOURS – FIXED PENALTY THRESHOLD**

The Company seeks approval to set a fixed mean, standard deviation, and penalty threshold for the leak call responsiveness – normal business hours metric at 96.68%, 1.72% and 94.96%, respectively. According to the Company, it has achieved a high-performance level for these metrics during the past three years. The average 36-month mean was 96.89% with a standard deviation of 1.71% resulting in a penalty threshold of 95.18%. The Company opines that these metrics have reached their "maturity level" and proposes to set fixed benchmarks by averaging FY2021 and FY2022 data.

The Division is not opposed to the Company's proposal. The proposed metrics are higher than the FY 2021 metrics, requiring the Company to maintain its asserted "best in class" performance all the while ensuring that the Company's excellent performance during the past 3 years does not generate metrics that are so unduly demanding as to be punitive.

### **RECOMMENDATION**

The Division has reviewed the National Grid's Petition and recommends approval of the Company's proposed modifications to National Grid's Gas Service Quality Plan effective for Fiscal Year 2022.