

BEFORE THE  
STATE OF NEW YORK  
PUBLIC SERVICE COMMISSION

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In the Matter of  
IBERDROLA/ENERGY EAST ACQUISITION

Case 07-M-0906

JANUARY 2008

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Prepared Testimony of:

CONSUMER SERVICES PANEL  
Martin Insogna  
Office of Consumer Services  
Leonard Silverstein  
Office of Consumer Services

New York State  
Department of Public Service  
Three Empire State Plaza  
Albany, New York 12223-1350

1 Q. Mr. Silverstein, will you please state your name  
2 and business address.

3 A. My name is Leonard Silverstein. My business  
4 address is Three Empire State Plaza, Albany, New  
5 York, 12223-1350.

6 Q. By whom are you employed and in what capacity?

7 A. I am employed by the New York State Department  
8 of Public Service, Office of Consumer Services,  
9 as a Utility Consumer Assistance Specialist.

10 Q. What is your education and background?

11 A. I received both a Bachelor of Arts degree in  
12 Political Science and a Master of Public  
13 Administration degree from the State University  
14 of New York at Albany. Before joining the  
15 Department of Public Service, I held positions  
16 of increasing responsibility with the New York  
17 State Assembly for nearly seven years, and  
18 subsequently worked as a Regulations Analyst at  
19 what is now the New York State Governor's Office  
20 of Regulatory Reform for about eight years. I  
21 have worked for the Department of Public Service  
22 since 2001. My responsibilities in this

1 position have included advocating positions on  
2 behalf of residential customers in utility rate  
3 proceedings, oversight of utility customer  
4 service operations, developing utility service  
5 quality incentive programs and evaluating  
6 utility low-income programs.

7 Q. Have you previously testified before the  
8 Commission?

9 A. Yes.

10 Q. Mr. Insogna, please state your full name,  
11 employer, and business address.

12 A. Martin Insogna. I am employed by the New York  
13 State Department of Public Service. My business  
14 address is Three Empire State Plaza, Albany, NY  
15 12223.

16 Q. Mr. Insogna, what is your position at the  
17 Department?

18 A. I am employed as a Utility Consumer Program  
19 Specialist 4 in the Office of Consumer Services.

20 Q. Please describe your educational background and  
21 professional experience.

22 A. I hold a Bachelor's Degree in philosophy and

1 economics from Colgate University. Prior to  
2 joining the Department, I was employed in a wide  
3 range of customer service fields, including as a  
4 representative of the then-New York Telephone  
5 Company. I joined the Consumer Services  
6 Division of the Department in 1990 as a Consumer  
7 Services Specialist, investigating and resolving  
8 utility consumer complaints. I was thereafter  
9 accepted into a traineeship with the Office of  
10 Energy Efficiency and Environment, with  
11 responsibility for policy and operational  
12 considerations involving utility energy  
13 efficiency and emerging environmental issues. I  
14 was then promoted to the title of Utility Rate  
15 Analyst, and was transferred to the Electric  
16 Division, with responsibility for review and  
17 analysis of utility rate and rate-related  
18 filings. When the Department was reorganized in  
19 1999, I was assigned to the Retail Competition  
20 section of the Office of Electricity and  
21 Environment, with responsibility for a wide  
22 variety of initiatives related to the

1 introduction of retail access. In January 2000,  
2 I was promoted to the title of Associate Policy  
3 and Compliance Analyst and transferred to the  
4 Residential Advocacy Section of the Office of  
5 Consumer Education and Advocacy. The Department  
6 of Civil Service subsequently reclassified the  
7 title of Associate Policy and Compliance Analyst  
8 to my current title. In December 2003, the  
9 Department was again reorganized, and the Office  
10 of Consumer Services assumed responsibility for  
11 consumer advocacy functions within the  
12 Department.

13 Q. Please briefly describe your current  
14 responsibilities with the Department.

15 A. I oversee utility compliance with Public Service  
16 Law and Commission regulations regarding  
17 consumer protections and access to service;  
18 monitor and analyze utility customer service  
19 quality performance and responsiveness to  
20 customer needs; promote access to affordable  
21 utility services for low-income and other  
22 special needs customers; and represent

1 residential and small business customer  
2 interests in utility rate cases and other  
3 Commission proceedings.

4 Q. Have you previously testified before the  
5 Commission?

6 A. Yes. I have previously testified in proceedings  
7 concerning Orange and Rockland Utilities, Inc.  
8 ("Orange and Rockland" or the "Company"), New  
9 York State Electric and Gas, Niagara Mohawk,  
10 Rochester Gas and Electric, KeySpan Energy  
11 Delivery New York and KeySpan Energy Delivery  
12 Long Island, and Con Edison. Subjects of my  
13 previous testimony have included energy  
14 efficiency programs, system benefits charge  
15 implementation, rate design, consumer  
16 protections, service quality, low income  
17 customer needs, outreach and education, and  
18 utility commodity supply pricing.

19 Q. Does the petitioner's filing provide customers  
20 with consumer service benefits beyond those  
21 currently provided by the current Energy East,  
22 RG&E and NYSE&G corporate structure?

1 A. No. The petitioner's filing suggests business as  
2 usual and provides no specific consumer service  
3 benefits that would make a merger in the public  
4 interest.

5 Q. What is the purpose of your testimony in this  
6 proceeding?

7 A. We recommend certain measures that if adopted  
8 could provide enhanced consumer benefits and  
9 protections should Iberdrola acquire Energy East  
10 and its affiliated local distribution companies  
11 (LDCs) NYSEG and RG&E. Specifically, the  
12 Commission should direct the continuation and  
13 expansion of customer service performance  
14 incentives for NYSEG and RG&E, enhanced programs  
15 to address low income customer needs, and  
16 operational requirements concerning the  
17 companies' general customer outreach and  
18 education programs.

19 Q. Have you prepared any exhibits in connection  
20 with your testimony?

21 A. Yes, Exhibit \_\_ (CSP-1).

22

1 Customer Service Performance Incentive

2 Q. What is the purpose of a Customer Service  
3 Performance Incentive (CSPI)?

4 A. CSPIs help to align shareholder and ratepayer  
5 interests by providing earnings consequences to  
6 shareholders for the quality of service provided  
7 by a utility to its customers. Presently, such  
8 mechanisms are in effect at all of the major  
9 energy utilities that link earnings directly to  
10 companies' performance on specific measures of  
11 customer service.

12 Q. Why is a CSPI needed?

13 A. As a monopoly provider of delivery service,  
14 NYSEG and RG&E do not have a profit-based  
15 incentive to provide satisfactory customer  
16 service, because its customers cannot select  
17 among providers on the basis of the quality of  
18 service provided. However, providing quality  
19 service is extremely important to customers. A  
20 CSPI is needed to provide an incentive to the  
21 companies to provide satisfactory levels of  
22 customer service performance.

1 Q. Please describe NYSEG's current CSPI.

2 A. NYSEG's electric CSPI was approved in an order  
3 authorizing the company's electric rates in Case  
4 05-E-1222, New York State Electric & Gas  
5 Corporation, Order Adopting Recommended Decision  
6 (issued August 23, 2006). As shown in Exhibit  
7 \_\_ (CSP-1), the CSPI measures are: Overall  
8 Customer Service Satisfaction Index, Contact  
9 Satisfaction Index, and PSC Complaint Rate. The  
10 complaint measure carries a maximum potential  
11 annual negative adjustment to the company's  
12 earnings of \$1.5 million (equivalent to  
13 approximately 15 basis points), while each of  
14 the satisfaction indices carries a maximum  
15 potential annual negative adjustment of \$1  
16 million (equivalent to approximately 10 basis  
17 points). The Overall Customer Service  
18 Satisfaction Index is based on an annual survey  
19 of a representative sample of customers from all  
20 regions of the NYSEG service territory. An  
21 independent consultant conducts the survey and  
22 analyzes the results. The index is a measure of

1 the percent of customers satisfied with the  
2 service they receive from NYSEG. Adjustments of  
3 \$100,000 to \$1 million for electricity and  
4 \$41,666 to \$166,666 for gas accrue at specific  
5 levels of customer satisfaction starting at less  
6 than or equal to 73.0 percent. The maximum  
7 adjustment is made if the index is 70.0 percent  
8 or less. The Contact Satisfaction Index is  
9 based on a monthly survey conducted by NYSEG of  
10 customers who have had recent contacts with the  
11 company. The survey design provides for a  
12 statistically valid sample of customers from  
13 each of the regions of the service territory.  
14 The monthly results are combined into an annual  
15 average satisfaction index. Potential annual  
16 adjustments from \$100,000 to \$1 million for  
17 electricity and \$41,666 to \$166,666 for gas  
18 accrue at values of 85.0 percent or below. The  
19 maximum adjustment is made if the index is 82.0  
20 percent or less. The PSC Complaint Rate is the  
21 annual average rate of monthly complaints to the  
22 Commission per 100,000 customers, as calculated

1 by Staff of the Office of Consumer Services.  
2 Adjustments from \$100,000 to \$1.5 million for  
3 electricity and \$41,667 to \$166,667 for gas  
4 accrue for an annual complaint rate of 1.0 or  
5 greater. The maximum adjustment is made if the  
6 complaint rate is 1.7 or greater. Calendar  
7 years are used as the annual periods for  
8 measuring performance under the NYSEG incentive  
9 plan. NYSEG submits quarterly progress reports  
10 as well as an annual incentive plan report at  
11 the end of each year. The Commission has  
12 adopted the same three customer service  
13 performance incentive measures for NYSEG'S  
14 natural gas operations, (Cases 01-G-1668, *et*  
15 *al.*, New York State Electric & Gas Corporation -  
16 Rates for Gas Service., Order Establishing Rates  
17 (issued November 20, 2002). NYSEG's financial  
18 risk for customer service performance was set at  
19 \$0.5 million (equivalent to approximately five  
20 basis points of return on gas common equity),  
21 equally divided among the three measures.  
22 Q. How has NYSEG performed under the current

1 service performance incentive mechanism?  
2 A. NYSEG's performance for PSC complaints and  
3 customer satisfaction has been satisfactory.  
4 NYSEG had an average of 1.0 complaint per  
5 100,000 customers in 2006 and averaged 0.7  
6 complaints for 2007. NYSEG, however, reported  
7 that its contact satisfaction index did not meet  
8 the performance standards. It was 73.6% for  
9 2006, which was below the minimum threshold of  
10 82.0%, so NYSEG was subject to a negative  
11 revenue adjustment of \$1.67 million.

12 Q. Please describe RG&E's current CSPI.  
13 A. RG&E's CSPI was adopted by the Commission in its  
14 electric and gas rate order in Cases 03-E-0765,  
15 03-G-0766 and 02-E-0198, Rochester Gas and  
16 Electric Corporation, Order Adopting Provisions  
17 of Joint Proposals with Conditions (issued May  
18 20, 2004). The CSPI was subsequently modified  
19 by the Commission on May 17, 2005, Cases 03-E-  
20 0765, 03-G-0766, Order Adopting a PSC Complaint  
21 Rate for Rochester Gas and Electric  
22 Corporation's Service Quality Performance

1 Program, to add an additional performance  
2 measure, the PSC Complaint Rate. Potential rate  
3 adjustments total a maximum \$2.5 million  
4 annually of electric revenues (equivalent to  
5 approximately 41 basis points of electric common  
6 equity) and \$700,000 of gas revenues (equivalent  
7 to approximately 12 basis points of gas common  
8 equity). As shown in Exhibit \_\_\_ (CSP-1), the  
9 CSPI consists of six measures: PSC Complaint  
10 Rate, Customer Interaction Service Index,  
11 Appointments Kept, Calls Answered Within 30  
12 Seconds, Billing Accuracy, and Estimated Meter  
13 Readings. Each measure has specific performance  
14 levels and revenue adjustments for failure to  
15 achieve the performance targets, as shown in  
16 Exhibit \_\_\_ (CSP-1). RG&E's performance under  
17 its incentive mechanism has been satisfactory,  
18 except for the performance standard that  
19 measures calls answered within 30 seconds. RG&E  
20 failed to meet its target for calls answered  
21 within 30 seconds in 2006, resulting in an  
22 electric revenue adjustment of \$416,666

1 (equivalent to approximately seven basis points  
2 of electric common equity) and a gas revenue  
3 adjustment of \$116,666 (equivalent to  
4 approximately two basis points of gas common  
5 equity). These revenue adjustments were  
6 recognized in the Company's Rate Year Three  
7 compliance filings, dated March 30, 2007.

8 Q. Do the Companies propose any changes to the  
9 CSPIs?

10 A. No, the companies have not proposed any changes  
11 to the CSPIs in this proceeding.

12 Q. What is your proposal on the companies' CSPIs?

13 A. The overall design of Staff's proposed CSPIs for  
14 NYSEG and RG&E would increase the amounts at  
15 risk and make the two companies' CSPIs more  
16 consistent with each other. All of the measures  
17 included in RG&E's CSPI should be applied to  
18 both companies as outlined in Exhibit \_\_\_\_ (CSP-  
19 1). The PSC Complaint Rate threshold for RG&E  
20 should be set at NYSEG's thresholds (1.0 - 1.7).  
21 Each company should continue to implement its  
22 own proprietary customer survey measure. A new

1 measure, called "Escalated Complaint Response  
2 Time" should be added to both companies' CSPIs.

3 Q. What is the Escalated Complaint Response Time?

4 A. Under the Quick Response System (QRS) adopted by  
5 Staff in 2001, initial complaints are not  
6 counted against the utility; however, if the  
7 customer informs us that the utility failed to  
8 satisfy their complaint, the matter is escalated  
9 for further handling and investigation by Staff  
10 and is noted as an escalated complaint. It is  
11 the escalated complaints that are counted in  
12 determining the utility's PSC complaint rate.  
13 The Escalated Complaint Response Time is the  
14 average number of days it took the utility to  
15 respond to escalated complaints closed in each  
16 month.

17 Q. How would Escalated Complaint Response Time be  
18 measured for purposes of the CSPI?

19 A. Escalated Complaint Response Time is among the  
20 statistics that are compiled and published  
21 monthly and posted on the Department of Public  
22 Service website by Staff in its "Monthly Report

1 on Consumer Complaint Activity." Under Staff's  
2 proposal, the average of 12 monthly Escalated  
3 Complaint Response Times for the calendar year  
4 would be compared to the target levels for this  
5 measure, with payments to ratepayers assessed if  
6 the value of this number rose above the  
7 threshold levels, as shown in Exhibit \_\_\_ (CSP-  
8 1).

9 Q. What is the Panel's proposal on the amount at  
10 risk for the respective Companies?

11 A Since Iberdrola's proposal to acquire Energy  
12 East is financial rather than operational in  
13 nature, the transaction poses risks for service  
14 quality and customer service performance, the  
15 potential negative revenue adjustments for RG&E  
16 should be doubled. The RG&E CSPI rate  
17 adjustments should total a maximum \$5.0 million  
18 annually of electric revenues (equivalent to  
19 approximately 82 basis points of electric common  
20 equity) and \$1.4 million of gas revenues  
21 (equivalent to about 24 basis points of gas  
22 common equity).

1 The potential negative revenue adjustments for  
2 NYSEG should be consistent with RG&E and,  
3 therefore should be set at the equivalent of 82  
4 basis points of electric common equity and 24  
5 basis points of gas common equity, which are  
6 \$8.4 million for electric operations and \$2.4  
7 million for gas operations.

8 Q Why do you propose doubling the potential  
9 revenue adjustments for unsatisfactory service  
10 by the companies?

11 A. In its Order Authorizing Acquisition Subject to  
12 Conditions and Making Some Revenue Requirement  
13 Determinations for Keyspan Energy Delivery New  
14 York and Keyspan Energy Delivery Long Island,  
15 issued on September 17, 2007, the Commission  
16 determined that the amounts originally proposed  
17 to be put at risk for the service quality  
18 performance program were too small. The  
19 Commission was concerned that the financial  
20 circumstances surrounding the merger posed  
21 significant risks for customers and that the  
22 Commission was concerned that customer service

1           could decline in the event of financial  
2           difficulties. As a result of the financial  
3           risks involved, the Commission increased the  
4           amount at risk for each measure so that there  
5           was a doubling of assessments contained in the  
6           joint proposal and then a tripling if the  
7           failure occurs in any year in which a dividend  
8           restriction is triggered. The Commission  
9           tripled the potential revenue adjustments upon  
10          the occurrence of that circumstance because it  
11          is a time when the company might confront  
12          incentives to take extreme actions to the  
13          detriment of service quality. In addition, the  
14          Commission ordered that the amounts will be  
15          quadrupled for any year in which a measure is  
16          not met and had not been met in any two of the  
17          prior four years. We are advised by the Staff  
18          Policy Panel that the proposed acquisition of  
19          Energy East by Iberdrola carries financial risks  
20          similar to those in the National Grid/Keyspan  
21          New York and Keyspan Long Island merger. NYSEG  
22          and RG&E ratepayers should, therefore, be

1           afforded similar protections, by similarly  
2           increasing the companies' potential amounts at  
3           risk for unsatisfactory performance.

4   Q       You indicate that financial risks arising out of  
5           the Iberdrola merger transaction justify  
6           adoption of the above measures. Assume that the  
7           financial risks were not similar to those in the  
8           KeySpan transaction, would you still propose the  
9           above measures?

10  A.       Yes. In New York, utility mergers must produce  
11           positive benefits to consumers in order to  
12           obtain approval. Holding customer service to  
13           the same standards as prior to the merger is not  
14           sufficient to justify a finding that this  
15           acquisition produces positive benefits. In  
16           other words, a commitment to improve customer  
17           service backed by enforceable conditions could  
18           be used to support a finding that positive  
19           benefits are present.

20  Q.       What are the proposed reporting requirements for  
21           the companies' CSPIs?

22  A.       The companies should submit quarterly and annual

1 reports to the Department. We also recommend  
2 that the companies should provide the Department  
3 Staff in the Office of Consumer Services with a  
4 detailed annual report on the methodology,  
5 results and conclusions of the customer contact  
6 and customer satisfaction surveys.

7 Low Income Customer Needs

8 Q. What has been the Commission's approach to the  
9 needs of low-income customers of electric and  
10 gas utilities?  
11 A. Beginning in the early 1990's, the Commission  
12 has approved programs to provide energy  
13 affordability assistance for low-income  
14 customers. The programs have been developed in  
15 individual utility rate cases, and are now in  
16 place at all the major utilities. The programs  
17 are designed to supplement, and not to supplant,  
18 other government and community programs for low-  
19 income customers. They differ in approaches,  
20 both due to their origins in individual  
21 proceedings and because the effectiveness of  
22 different strategies is being tested among the  
23 various utility service territories.

1 Q. Besides helping the participating customers, are  
2 there other benefits to a low-income energy  
3 affordability program?

4 A. Yes. There are savings to utility ratepayers  
5 and stockholders and to taxpayers. Service to  
6 customers who cannot pay their full bills  
7 imposes costs of providing that service on the  
8 utility that it does not recover its costs from  
9 those customers. Such costs are then allocated  
10 to all ratepayers through the utility's allowed  
11 uncollectible expense or may be written off as  
12 bad debt and a reduction to stockholder  
13 earnings. When customers do not pay, additional  
14 utility costs are incurred including collection  
15 costs and working capital on unpaid balances,  
16 and those associated with service terminations  
17 and reconnections; deposit maintenance;  
18 regulatory expenses; payment plan negotiations;  
19 credit agency fees; and lost revenues due to  
20 reduced sales to customers who have lost service  
21 for nonpayment. Beyond utility costs, millions  
22 in federal and state tax dollars are spent  
23 annually in New York during the heating season  
24 to provide federally-funded emergency Home

1 Energy Assistance Program (HEAP) grants and  
2 state payments to utilities to restore or  
3 continue service, or to place customers who have  
4 had service terminated in temporary safe  
5 housing. All of these ratepayer, stockholder  
6 and taxpayer costs are incurred in the pursuit  
7 of the public interest insuring continuation of  
8 essential utility services to residential  
9 customers, and they can be reduced by an  
10 effective program to assist low-income customers  
11 to afford service, pay their bills, and retain  
12 their utility service.

13 Q. What are NYSEG's and RG&E's current low-income  
14 programs?

15 A. NYSEG and RG&E administer several ratepayer-  
16 funded programs for its low-income customers.  
17 NYSEG has the Power Partner (Electric) and the  
18 Affordable Energy (Gas) programs, while RG&E  
19 administers the Residential Energy Customer  
20 Assistance Program (RECAP) and the Non-Heating  
21 Gas Low Income programs.

22 Q. Please describe NYSEG's Power Partner low-income  
23 program.

24 A. The Power Partner Program was expanded in Case

1           05-E-1222, New York State Electric & Gas  
2           Corporation, Order Adopting Recommended Decision  
3           with Modifications (issued august 23, 2006). It  
4           provides a monthly discount of \$9.57 for SC 1  
5           (residential) participants and \$14.29 for SC 8  
6           (residential day-night service) participants.  
7           It is designed to serve all HEAP eligible low  
8           income customers, and customers are  
9           automatically enrolled in Power Partner upon  
10          notification to the company that the customer is  
11          HEAP eligible. In addition, for customers who  
12          choose to apply, the utility places their  
13          arrears in abeyance, suspends late payment  
14          charges, and matches customer payments on  
15          arrears up to \$100. Participants in Power  
16          Partner must pay their bills on time and in full  
17          in order to remain actively enrolled in the  
18          program. The annual budget for the program is  
19          approximately \$4.6 million and it is targeted to  
20          serve about 36,000 customers.

21    Q.    Please describe NYSEG's Affordable Energy  
22           program.

23    A.    NYSEG's Affordable Energy Program (Gas) is a  
24           bill discount program that was expanded in Case

1           01-G-1668, New York State Electric & Gas  
2           Corporation - Gas Rates, (issued December 1,  
3           2003). It provides for a customer charge of  
4           \$6.40 per month, representing an annual savings  
5           of about \$79 for a typical gas heating customer.  
6           The current annual expenditure is \$1.75 million  
7           and targets 36,000 customers in order to serve  
8           all HEAP eligible customers.

9    Q.    Please describe RG&E's Residential Energy  
10          Customer Assistance Program (RECAP).

11   A.    RG&E's RECAP was continued in Cases 03-E- 0765  
12          and 03-G-0766, Rochester Gas & Electric  
13          Corporation, Order Adopting Provisions of Joint  
14          Proposals with conditions (issued May 20, 2004).  
15          RECAP provides HEAP eligible, payment-troubled  
16          customers a monthly \$10 bill discount, arrears  
17          forgiveness of up to \$125 per year, and budget  
18          counseling. The targeted number of participants  
19          is 1,800 customers and the annual budget is  
20          about \$550,000.

21   Q.    Please describe RG&E's Non-heating Gas Low  
22          Income Program.

23   A.    The Non-Heating Gas Low Income Program provides  
24          HEAP recipients who heat their residences with a

1 fuel other than natural gas with a bill discount  
2 of \$5.81 to the minimum gas customer charge of  
3 \$15. The program costs about \$95,000 per year.

4 Q. What is your proposal regarding NYSEG's low  
5 income programs?

6 A. Staff recommends that NYSEG's Power Partner and  
7 Affordable Energy programs, which have been  
8 operating effectively, be continued at the  
9 current funding level of \$4.6 million and \$1.75  
10 million, respectively.

11 Q. What is your proposal regarding RG&E's RECAP?

12 A. Staff proposes to increase the number of  
13 participants from 1,800 to 3,600 and double the  
14 annual budget to \$1.1 million. This budget  
15 increase would make RG&E's gas funded low income  
16 program comparable to other utilities  
17 expenditures on low income programs in terms of  
18 the ratio of low income program budget to total  
19 utility revenues, at about 0.4% of revenues.

20 Q. What is your proposal regarding RG&E's Non-  
21 Heating Gas Low Income Program?

22 A. Staff proposes to continue the program at its  
23 current funding level of \$95,000 annually.

24 Q. Does Staff have any other proposals regarding

1 RG&E's low income customers?

2 A. Yes. At this time, RG&E does not have a low  
3 income program funded with electric rates.  
4 Staff proposes to establish an electric low  
5 income program for RG&E modeled after the  
6 existing NYSEG Power Partner Program and funded  
7 at \$3 million per year. NYSEG's Power Partner  
8 program is operating effectively and should be  
9 used as a model for establishing RG&E's new  
10 program. The \$3 million funding level is  
11 comparable to other utilities in terms of the  
12 ratio of low income program budget to total  
13 revenues, at about 0.4% of revenues.

14 Q. If RG&E does not have such a program, how should  
15 it be funded?

16 A. Providing funding for this program could be  
17 considered a positive benefit of the acquisition  
18 transaction and could be used to support a  
19 finding that approval of the transaction is  
20 justified.

21 Outreach and Education

22 Q. What is a utility Outreach and Education Plan?

23 A. In compliance with the Order Continuing  
24 Reporting Requirements in Cases 96-M-0706 et.

1 al, issued on November 13, 1997, utilities have  
2 filed annual outreach and education plans  
3 detailing their efforts to educate their  
4 customers about utility service. The Order  
5 continued outreach and education reporting  
6 requirements first implemented in 1988.

7 Q. What is your recommendation regarding outreach  
8 and education?

9 A. We propose that an outreach and education plan,  
10 with an identified budget, be developed annually  
11 for each company, and filed with the Director of  
12 the Office of Consumer Services for Staff  
13 review. The annual filings should include  
14 detailed budgets and describe the specific  
15 outreach campaign messages to be disseminated,  
16 the communication vehicles to be used to  
17 disseminate them, the goals of the outreach  
18 program and the criteria for measuring their  
19 achievement. This will ensure that outreach and  
20 education activities are fully developed,  
21 adequately funded, and that there is no  
22 duplication of programs

23 Q. Does this conclude the Panel's testimony?

24 A. Yes, at this time.