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Utilities Directed to Improve Accuracy of Electric Reliability, Gas Safety and Customer Service Standards

— Major Changes Come After Detailed Management & Operations Audit is Completed —

ALBANY — The New York State Public Service Commission (Commission) today directed the State’s major electric and gas utilities to implement measures to ensure the accuracy and effectiveness of utility self-reported data regarding electric reliability, gas safety and customer service. These recommendations stem from an independent audit that assessed the accuracy and effectiveness of this data, as well as cross-company consistency of the data. In his 2013 State of the State Address, Governor Andrew M. Cuomo highlighted the importance of management and operations audits of New York’s utilities, and authorized the Commission to direct utilities to comply with recommendations made as a result of management and operations audits.

“The Commission oversees the quality of utility services through, among other things, electric reliability, gas safety and customer service performance metrics,” said Commission Chair **Audrey Zibelman**. “Our oversight is specifically geared to improve utility operations, and the specific focus of this audit was on the accuracy and effectiveness of electric reliability, gas safety, and customer service data.”

When implemented, the recommendations of the audit will facilitate the Commission’s ability to compare performance of each major utility in the State. Importantly, many utility rate plans currently in effect provide that a utility’s revenue could be reduced if it fails to meet targeted performance levels.

This latest audit focused on three functional areas of utility operations: electric reliability, gas safety and customer service at all the major New York energy utilities. This is the seventh major audit to be conducted since the Governor’s address. Three of those audits are still underway.

The final report contained more than 425 recommendations designed to improve the accuracy and completeness of the collection and reporting of metrics in the three audit areas. Approximately 175 of those recommendations addressing customer-service metrics are expected to be addressed in the near future. Notable recommendations include:

- Utilities should conduct their own internal audits of their electric reliability, gas safety and customer service data collection and reporting policies and processes;
- Utilities should improve their documentation of process and procedures regarding the collection, calculation, and reporting of gas safety and customer service data; and

- Utilities should adopt standardized methodologies and metrics for measuring electric reliability, gas safety and customer service.

Public Service Law empowers the Commission to undertake management and operations audits of gas corporations and electric corporations, with the discretion to have such audits performed by its staff, or by independent auditors paid for by the company or corporation being audited. After the final reporter from such an audit is issued, each utility is required to file a report with the Commission detailing its plan to implement the recommendations made in the audit.

The utilities subject to today's decision are: Consolidated Edison Company of New York, Inc., National Grid (upstate), National Grid (downstate), Central Hudson Gas & Electric Corporation, National Fuel Gas Distribution Corporation, Orange and Rockland Utilities, Inc., Rochester Gas and Electric Corporation, and New York State Electric & Gas Corporation.

Today's decision may be obtained by going to the Commission Documents section of the Commission's Web site at www.dps.ny.gov and entering Case Number 13-M-0314 in the input box labeled "Search for Case/Matter Number". Many libraries offer free Internet access. Commission documents may also be obtained from the Commission's Files Office, 14th floor, Three Empire State Plaza, Albany, NY 12223 (518-474-2500). If you have difficulty understanding English, please call us at 1-800-342-3377 for free language assistance services regarding this press release.