



## Public Service Commission

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Audrey Zibelman, Chair

**Contact:**

James Denn | James.Denn@dps.ny.gov | (518) 474-7080

<http://www.dps.ny.gov>

<http://twitter.com/NYS DPS>

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### **PSC Reports Service Quality Metrics for Major Utilities** — National Grid-LI and National Grid's Upstate Electric Operation Miss Key Metrics —

**ALBANY** — The New York State Public Service Commission (Commission) today received an annual review from Department of Public Service staff that found that most of major electric and gas utilities in New York provided a satisfactory level of consumer service in 2014, meeting or exceeding the standards for performance on the measures of customer service established for their individual operations, with two exceptions, a downstate gas company and an upstate electric utility.

“The rules in place establish strong standards for performance and put significant amounts of shareholder earnings at risk for nonperformance,” said Commission Chair Audrey Zibelman. “Overall, these mechanisms have been effective in making the quality of service to customers a corporate priority and providing criteria for ensuring that the quality of customer service remains at satisfactory levels. The Commission will continue to monitor customer service quality and promote performance-based ratemaking strategies relating to customer service quality in conformance with Commission policies.”

According to staff's report on energy utility service quality performance, all utilities met or exceeded the standards for performance on the measures of customer service established within their individual service metrics for 2014, with two exceptions. KeySpan Gas East Corp. d/b/a National Grid (National Grid-LI) missed both its customer satisfaction survey and Commission complaint rate targets. Additionally, Niagara Mohawk Power Corporation d/b/a National Grid missed its customer satisfaction survey target for this reporting period. Both utilities will forfeit a portion of their revenues as a result.

As part of utilities' respective rate plans, negative revenue adjustments relating to those performance deficits are automatically deferred for the benefit of customers. National Grid-LI will pay a negative revenue adjustment of \$8.9 million after it failed to meet customer service targets. National Grid's upstate electric operations will pay a negative revenue adjustment of \$2.54 million.

Currently, service quality mechanisms are in place for all of the state's major energy utilities. In April 2014, the Commission initiated Governor Andrew M. Cuomo's Reforming the Energy Vision (REV) initiative to develop policies that will transform the way electricity is used and distributed in the state. It is expected that, as a result of REV, the Commission will place even greater emphasis on performance based mechanisms and less on traditional cost-of-service ratemaking.

Staff's report, when issued, may be obtained by going to the Commission Documents section of the Commission's Web site at [www.dps.ny.gov](http://www.dps.ny.gov) and entering Case Number 15-M-0270 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.