

This is an electronic copy. Attachments may not appear.

BEFORE THE PUBLIC UTILITY COMMISSION

OF OREGON

UM 1003

In the Matter of Service Quality Measures)
Oversight for PACIFICORP.) ORDER

**DISPOSITION: SERVICE QUALITY MEASURES PERFORMANCE
FOR 2000 ACKNOWLEDGED AND ACCEPTED**

At its public meeting on June 26, 2001, the Commission adopted PacifiCorp and Staff's joint recommendation and acknowledged PacifiCorp's performance in all of the service quality measures (SQMs) categories as acceptable. Staff's recommendation report is attached as Appendix A and is incorporated by reference.

ORDER

IT IS ORDERED that PacifiCorp's reporting for 2000 is acknowledged as satisfying Commission established service quality measures; performance evaluated was acceptable, and no penalties are appropriate or necessary.

Made, entered and effective _____.

BY THE COMMISSION:

Vikie Bailey-Goggins
Commission Secretary

A party may request rehearing or reconsideration of this order pursuant to ORS 756.561. A party may appeal this order to a court pursuant to ORS 756.580.

**PUBLIC UTILITY COMMISSION OF OREGON
STAFF REPORT
PUBLIC MEETING DATE: June 26, 2001**

REGULAR AGENDA X CONSENT AGENDA EFFECTIVE DATE

DATE: May 15, 2001

TO: Lee Sparling through Jerry Murray, and Clark Jackson

FROM: Mitzi Goodreau and Bob Sipler

SUBJECT: PacifiCorp Service Quality Measures (SQMs) Performance Reporting for 2000 as Required in UE 94 per OPUC Order 98-191 and UM 918 per OPUC Order 99-616, and as it relates to the performance levels set for 2000 at the OPUC Public Meeting of Dec. 14, 1999. The SQMs oversight for PacifiCorp is designated UM 1003.

SUMMARY RECOMMENDATION:

PacifiCorp and Staff jointly recommend that the Commission recognize this report as satisfying PacifiCorp's SQM requirements in PUC Orders 98-191 and 99-616. Performance in all of the measure categories was acceptable and no penalty levels were reached or exceeded.

DISCUSSION:

Service Quality Measures were originally stipulated as a condition of PacifiCorp's Alternative Form of Regulation (AFOR) in UE 94, per PUC Order 98-191, then were modified when ScottishPower purchased PacifiCorp in UM 918, per PUC Order 99-616. There is a requirement for the company and staff to meet annually to set performance goals, and then later to evaluate performance related to those goals. The goals were set for 2000 at the Dec. 14, 1999 Public Meeting. This memo evaluates 2000 SQM performance.

PacifiCorp's C1 performance lines for 2000 were: Goal line set at .10, Penalty-1 line set at .15 and Penalty-2 line set at .20. This is expressed as the number of PUC "at fault" complaints for the year, divided by the total number of customers, divided by 1,000. The actual C1 performance for the entire year was .04 "at-fault" PUC complaints per thousand customers. Significant C1 performance improvements have been delivered by the company each year for the last three years. See Attachment "A" for PacifiCorp's historic C1 Performance Graph.

The R1 (Averaged Customer Interruption Duration) lines were set based on historical performance with some adjustment for major event (storm) exclusions. This is the weighted average amount of time that customers have been without power over the last three years. R1 performance lines for 2000 were: Goal set at 1.5 hours (90 minutes), Penalty-1 set at 1.8 hours (108 minutes), and Penalty-2 set at 2.0 hours (120 minutes). There were 2 storms excluded in 2000. R1 actual performance for 2000 was 1.22 hours. ScottishPower is introducing improved data collection methods for reliability in Oregon later this year, and some evaluation will be needed to compare this data with past data and with actual system performance.

Lee Sparling through Jerry Murray and Clark Jackson
May 15, 2001
Page Two

The third measure is R2 (Averaged Customer Interruption Frequency). This is a weighted average number of times that customers have been without power over the last three years. The R2 (Averaged Customer Interruption Frequency) levels set for 2000 were: Goal set at 1.2 occurrences, Penalty-1 set at 1.4 occurrences, and Penalty-2 set at 1.6 occurrences. R2 performance for 2000 was .92 occurrences. Performance lines set for 2000 were unchanged from 1999.

The R3 (Averaged Customer Momentary Interruption Frequency event) Measure has been phased in. The 2000 values set for R3 were: Goal line at 3, Penalty-1 line at 6, and Penalty-2 line at 8. The R-3 performance for 2000 was calculated by the Company at 4.03 momentary events per customer. MAIFle for 1997 and 1998 was calculated on an estimated basis. More accurate data in the future will probably require a change in the performance lines. This will not indicate an actual decrease in system performance, but an increase in data accuracy.

The R4 Measure (Service Restoration Indicator - % restored within 3 hours) will be fully implemented in 2002, after a two year trial basis. However, the R4 was calculated for 1999 with 88.2% of customers being restored within 3 hours of an outage. The R4 performance for 2000 was 88.6%.

On April 26, 2001, PacifiCorp briefed staff on operational, customer service, and safety issues, including the Service Quality Measures. In addition to the C1, R1, R2, R3 and R4 issues already discussed, there were presentations and data provided for the S1 (Major Safety Violation Measure), X1, X2 and X3 Measures. This included Personnel Counts and the Vegetation Management Program (X1), various inspection and maintenance programs covered in the X2 measure, including joint-use issues, metering, company standards and corporate auditing, and finally special programs (X3).

Staff's conclusion, from this meeting, the materials submitted at the meeting, and Staff field inspections is that, in general, the company is operating according to accepted good practices. There have been some National Electrical Safety Code violations discovered by Staff during field reviews, mostly related to joint-use pole installations. Additional areas of PacifiCorp's Oregon service territory are scheduled for Staff inspections later this year. The Company has reported that the changes to the Vegetation Management Program are working well and are keeping the Oregon system in compliance with the OPUC's Tree Clearance Policy. There were no Service Quality Measures performance items that reached or exceeded penalty lines. No "Major Safety Violations" were declared by the Commission in 2000.

JOINT STAFF AND PP&L RECOMMENDATIONS:

Staff and PacifiCorp jointly recommend that the Commission recognize that PacifiCorp has fulfilled the 2000 SQM reporting requirements of PUC Orders 98-191 and 99-616. Relative to the performance lines set by the Commission for 2000, all performance evaluated was acceptable and no penalties are appropriate.

Lee Sparling through Jerry Murray and Clark Jackson

May 15, 2001
Page Three

Attachment A

